

Policy Research Workshop of the ECBN

Evaluating the effectiveness of macroprudential policies

8 February 2017

Dublin, Ireland

Macroprudential policies to mitigate structural and cyclical systemic risk are now in operation in a number of countries. Assessing the impact of these policies on the resilience of the financial sector and the wider economy is at the core of research and policy activities following the crisis. Given the multi-faceted concept of financial stability that these policies are meant to contribute to and the still emerging theoretical framework, a number of analytical approaches have been advanced for policy evaluation and design. The workshop will bring together the policy and academic communities to consider these evaluation approaches covering the use of macro models, time series techniques and the analysis of micro data. Of particular interest are those policies aimed at enhancing the resilience of banks, households and other sectors of the economy through building up structural capital buffers (e.g. G-SIB, O-SII, SRB) and enacting borrower-based measures (e.g. Loan-to-Value and Loan-to-Income limits).

The workshop is hosted by the Central Bank of Ireland as part of a series of annual events organised by the European Central Banking Network (ECBN) in cooperation with CEPR.

Venue: The Institute of Banking, Citi Building, IFSC,
1 North Wall Quay, Dublin 1, Ireland.

Local organisers: Fergal McCann (fergal.mccann@centralbank.ie)
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For queries, please also email fsdadmin@centralbank.ie

Programme

08:45 Coffee and Registration

09:15 Session 1

Policy Panel – Chaired by Fabrizio Coricelli (Paris School of Economics and CEPR)

– Vice-President Claudia M. Buch (Deutsche Bundesbank)

– Governor Boštjan Jazbec (Banka Slovenije)

– Governor Philip R. Lane (Central Bank of Ireland)

10:00 *The use and effectiveness of macroprudential policies: New evidence* (presentation)

– Eugenio Cerutti (International Monetary Fund)

10:50 Coffee

11:10 Session 2 – Chaired by Gabriel Fagan (Central Bank of Ireland)

Inspecting the mechanism: Leverage and the Great Recession in the Eurozone
(presentation)

– Philippe Martin (Science Po Paris and CEPR)

12:00 *The impact of bank capital on economic activity – evidence from a mixed-cross-section GVAR model* (presentation)

– Christoffer Kok (European Central Bank)

12:50 Lunch

14:00 Session 3 – Chaired by Maurice McGuire (Central Bank of Ireland)

Capital inflows – the good, the bad and the bubbly (presentation)

– Dennis Reinhardt (Bank of England)

14:50 *The impact of macroprudential housing finance tools in Canada: 2005-2010*
(presentation)

– Tom Roberts (Bank of Canada)

15:40 Coffee

16:00 Session 4 – Chaired by Governor Philip R. Lane (Central Bank of Ireland)

Objective-setting and communication of macroprudential policies (presentation)

– Jochen Schanz (Bank for International Settlements)

16:50 Closing remarks – Governor Philip R. Lane (Central Bank of Ireland)