

Lessons learnt from the COVID-19 pandemic from a financial stability perspective

Virtual Stakeholder Workshop

Wednesday 1 September 2021 (13:00–15:00 CEST)

Agenda

The COVID-19 pandemic is the first major test of the global financial system since the G20 reforms were put in place following the financial crisis of 2008. While significantly different in nature from the 2008 crisis, this real-life test may hold important lessons for financial policy, including the functioning of the G20 reforms.

The Financial Stability Board (FSB), in collaboration with standard-setting bodies, published on 13 July an interim report that sets out preliminary lessons for financial stability from the COVID-19 experience and aspects of the functioning of the G20 financial reforms that may warrant attention at the international level.¹

The aim of the workshop is to provide an informal forum for stakeholders to exchange views on the issues discussed in the FSB's interim report. Stakeholder feedback will help inform the FSB's final report, which will be published ahead of the G20 Summit in October 2021.

The workshop is organised in two main sessions: the first session will focus on market and institutional resilience, while the second session will address operational resilience and crisis management preparedness.

Participation in the workshop is open to all. Guest speakers will provide opening remarks in each session. All workshop participants are encouraged to contribute to the ensuing discussion.

The workshop will take place on Webex Events. Participants will be able to submit comments and questions, and will also be able to 'raise their hand' virtually to indicate a desire to comment.

¹ See the FSB [Lessons learnt from the COVID-19 pandemic from a financial stability perspective: Interim report](#) (July 2021).

1. Introduction (13:00-13:15)

Dietrich Domanski, Secretary General of the FSB, will welcome participants and provide an overview of the interim lessons learnt report.

2. Market and institutional resilience (13:15-14:05)

Moderator: Eva Hüpkes (Head of Regulatory and Supervisory Policies, FSB Secretariat)

Objective: to discuss the lessons learnt from COVID-19 for market and institutional resilience (chapter 2 of the interim report).

Issues for discussion:

- Have the reforms that the G20 put in place post-2008 provided the intended level of resilience for the financial system? What have been the main challenges to date within and across financial sectors?
- Have authorities and financial institutions used the flexibility in international standards to respond to the pandemic and support financing to the real economy? Did regulatory actions distort the level playing field and lead to harmful market fragmentation?
- What aspects (if any) of the functioning of bank capital and liquidity buffers warrant further consideration?
- What are the main concerns about excessive financial system procyclicality? Are there any features in regulatory frameworks that have given rise to procyclicality – if so, how can they be mitigated?
- What are the main legacies of the pandemic from a financial stability perspective?

3. Operational resilience and crisis management preparedness (14:05-14:55)

Moderator: Grace Sone (Head of Cooperation and Organisation, FSB Secretariat)

Objective: to discuss the lessons learnt from COVID-19 for operational resilience and crisis management preparedness (chapters 3 and 4 of the interim report).

Issues for discussion:

- What lessons can be drawn from the operational challenges faced by financial institutions and market infrastructures during the pandemic?
- How has digital innovation affected operational and cyber resilience during the pandemic? What areas should be explored further going forward?
- Have authorities been able to effectively cooperate and exchange relevant information with their official sector counterparts? What can be improved?

- What are experiences with, and lessons for authorities and financial institutions for, supervision and crisis management, including with respect to data and analytical tools?

4. Wrap-up (14:55-15:00)

The FSB Secretary General will summarise the takeaways from the discussions and next steps.