



SAVE THE DATE

Milan, 18 October 2024

The banking and financial system confronted with 'extreme' risks ten years after the entry into force of the Single Supervisory Mechanism

Dear Members and Friends of the European Society for Banking and Financial Law,
Please save Friday, 18 October 2024, in your diaries.

The European Society for Banking and Financial Law (AEDBF/ESBFL) and the Associazione Europea per il Diritto Bancario e Finanziario, the Italian society affiliated with the AEDBF/ESBFL, are organising an international conference in Milan on the topic of “The banking and financial system confronted with 'extreme' risks ten years after the entry into force of the Single Supervisory Mechanism.”

The last major financial crisis of 2008 highlighted the vulnerabilities and latent risks—often invisible or poorly understood—that led to a crisis of global proportions. Regulators' response, particularly in Europe, involved implementing new mechanisms for risk prevention and detection while enhancing supervision at the European Union level. This is where the significance of the Banking Union lies, notably relying on the single supervisory mechanism.

Ten years after the implementation of these new European rules enabling single supervision at the EU level, it seems pertinent to take stock and engage in a prospective exercise regarding risk regulation in the banking and financial sector.

Indeed, the initial question must be updated: Is the banking and financial system resilient to the risks of our time?

The objective of the conference is thus to address several questions:

- Have the mechanisms established since 2014 within the framework of the banking union fulfilled their promises? What assessment can be made of the

Single Supervisory Mechanism (SSM)?

- Has this new approach, initiated in 2014, generated specific regulatory methods? How have the relevant stakeholders (private actors, regulators, and judges) adapted to this change?
- Are extreme risks sufficiently considered within the scope of regulation? Recent events suggest that very significant risks are just as systemic as the traditional financial risks that led to the banking union. In 2024, it seems that alongside the traditional financial risks which have not disappeared, other risks must be considered: the resurgence of major international conflicts, the widespread use of new technologies (cloud, artificial intelligence), the digitisation of practices, the prospect of quantum computing, the possibility of a global health crisis, and scenarios of the climate crisis.

Do current regulations address these newly identified risks? Would it be pertinent to propose a new framework to better account for these extreme risks? What legal definition should be adopted for the notion of "extreme risks"?

The answers to these questions should achieve three objectives:

- Assess the past decade considering the mechanisms established under the single supervisory mechanism.
- Analyse the current situation of risks to identify new areas of vulnerability.
- Propose a renewed approach to regulation based on the concept of extreme risk to ensure optimal resilience of the banking and financial system.

The quality and experience of the highly reputed experts will shed some light on these critical issues.

A cultural event and gala dinner will complete the conference: an additional opportunity to meet AEDBF/ESBFL members and friends from various European countries.

The brochure with the detailed programme and practical information will be circulated in the coming weeks.

We hope to see many of you at this event.

Yours sincerely,



Avv. Roberto Ferretti

President of
AEDBF/ESBFL Europe



Prof. Elena Beccalli

President of
AEDBF Italia