

# Centre for Central Banking Studies

Annual Review 2017



BANK OF ENGLAND









In our Annual Review we provide an account of our activities in 2017 under our three main pillars of responsibility: central banking seminars, research and the Central Banking Qualification.

### Contents

Director's foreword	2
Summary statistics	4
Central bank seminars	6
International seminars and workshops	15
Video conferencing	17
Research	18
Central Banking Qualification	22
Participants on CCBS events in 2017	25
Regional and international organisations	30



## Foreword from Gill Hammond

Promoting central bank co-operation,  
collaboration and co-ordination.



**Gill Hammond**  
Director of CCBS

The Centre for Central Banking Studies (CCBS) now has three main areas of activity:

- We provide a substantial programme of **international central banking seminars**, attended by experts from central banks and regulators from all over the world — our speciality since 1990.
- Within the Bank of England, we are part of the Research and Statistics area, and contribute to the **One Bank Research Agenda**.
- We are also responsible for the **Central Banking Qualification**, which the Bank has set up in partnership with Warwick University to train the next generation of central bankers.

In 2017 we offered a wide range of **international seminars and training courses** for central banks and regulators. These include high-level meetings of senior policymakers, including our Chief Economists' Workshop, which was held for the 14th year in a row, our 4th Workshop for Heads of Insurance regulators, our 3rd Workshop for Heads of Banking Supervision and our 7th joint Workshop with the FRBNY on monetary operations.

We also offer a number of training courses, mainly aimed at colleagues from central banks in emerging and developing countries where our objective is to build capacity and skills, particularly in the area of quantitative analysis and econometrics.

“

During 2017, delegates from 118 central banks, and 28 regulatory authorities participated in our events.

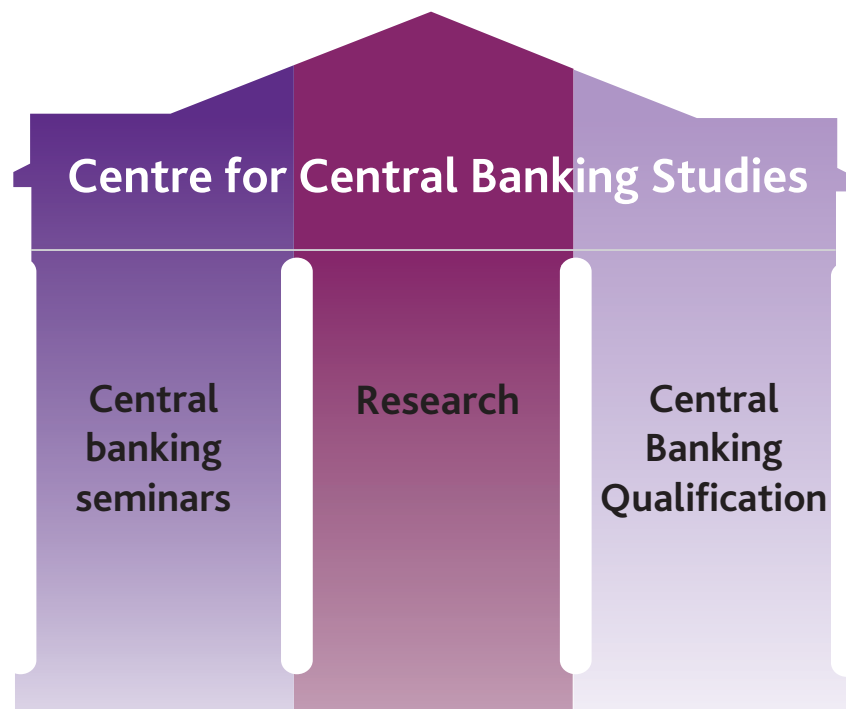


**Research** is a key part of CCBS's activity and outputs. It both informs and builds on our teaching and events. Much of our research is joint projects with colleagues from other areas of the Bank, as part of the One Bank Research Agenda. We greatly value our engagement with the wider academic community: our staff collaborate with a number of top researchers and in 2017 around 50 academics gave presentations on CCBS events. An increasingly important part of our programme is our series of Research Workshops, which bring together policymakers and academics for a dialogue on key issues facing central banks. In 2017 we hosted our 3rd Research Workshop jointly with the MacCaLM research project on macrofinance.

The third pillar of our activities is the **Central Banking Qualification (CBQ)**, a suite of Masters' level qualifications in Central Banking and Financial Regulation. These have been designed in collaboration with many Bank experts and academics from Warwick University. The result is a unique set of qualifications bringing together a special blend of the theory and practice of central banking.

In 2017 around 214 Bank of England staff took part in the CBQ programme, either the in-house Foundation Year or the Masters' course at Warwick University. Looking ahead we will be exploring ways in which we can open up the CBQ to other central bank staff.

We are very grateful for all of the support we receive from the many central banks and regulatory authorities from all around the world who take part in our events, and look forward to extending our collaboration with you in the years ahead.



In 2017,  
214 Bank of England  
staff took part in  
the Central Banking  
Qualification.



## Summary statistics

Central banking seminars in London	2015	2016	2017
Number of London events	32	28	25
Number of participants	805	730	615
Number of central banks	94	85	95
Number of regulatory authorities	30	29	26

Central banking seminars overseas	2015	2016	2017
Number of overseas events	16	13	6
Number of participants	466	393	171
Number of central banks	88	91	67
Number of regulatory authorities	5	6	2

Central Banking Qualification	2015	2016	2017
Number of training days	6	33	32

Source: CCBS.

---

## Total number of participants on central bank seminars



---

## Total number of central banks on central bank seminars (London and overseas events)



---

## Total number of participating organisations (central banks, regulatory authorities and international organisations) on central bank seminars



---

## Total number of participants on the CBQ



# Central bank seminars

The CCBS provides an extensive programme of seminars, workshops and specialist events for central bankers and regulators from around the world. These are all held at the Bank of England in London. In 2017, the Centre organised 24 events, including seven high-level seminars.





# Monetary policy

## Interaction of monetary and financial stability policy

**Directors:** David Barr and Andrew Blake

**Participants:** 20

- Policymaking institutions around the world are still working towards the optimal approach to co-ordinating monetary and financial stability policies. This course brought participants up-to-date on current thinking and practice as well as investigating many of the technical aspects of policy co-ordination models.
- There was significant discussion of the way in which the constraints facing policymakers in the current low inflation environment will change as our economies return to 'normal'.

## Monetary policy — the state of play

**Director:** Gill Hammond

**Participants:** 19

- This policy-oriented seminar covered strategy, communication and unconventional monetary policy, as well as an overview on forecasting and modelling.
- As usual, it was timed to coincide with the February *Inflation Report*, which offered a great live case study.
- Participants presented case studies of monetary policy in very diverse economies.

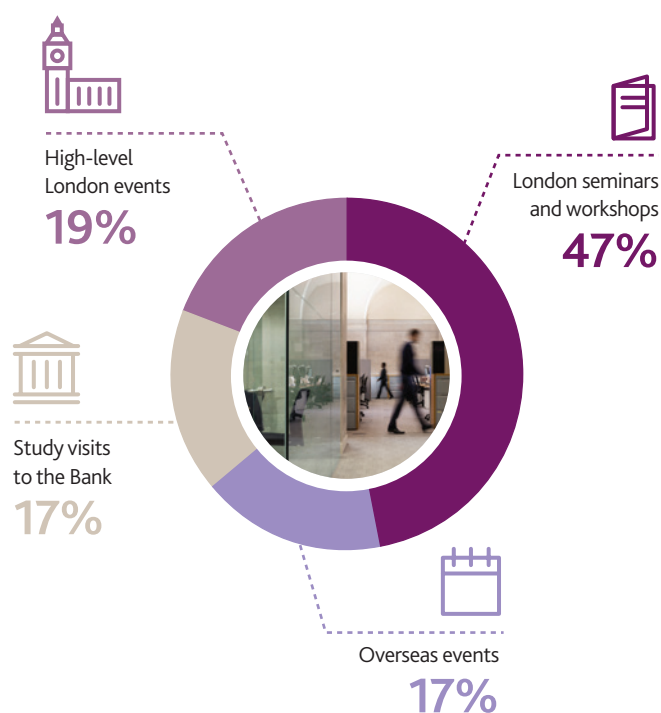
## Macrofinancial modelling and analysis

**Director:** Pawel Zabczyk

**Participants:** 23

- This year's event focused on three main topics: yield curves, probability density functions derived from option prices and links between general and partial equilibrium asset pricing frameworks.
- The course was structured to combine theory, implementation and practical exercises into each session.
- In response to feedback from previous years, contributors from the Bank's macrofinancial analysis division discussed how they apply the tools covered during the course in their daily policy work.

## Chart 1: Breakdown of international central banking events in 2017



Source: CCBS.



### 14th Chief Economists' Workshop: the distributional effects of central bank policies

High-level



**Directors:** Gill Hammond and Andrew Blake

**Participants:** 33

The key themes were:

- How does central bank policy — including monetary, macroprudential and microprudential policies — affect the distribution of income and wealth?
- What are the lessons for the optimal policy mix of central bank policies — and for broader macroeconomic policy?
- What is the evidence on the distributional effects of conventional and unconventional monetary policies?
- Does income and wealth distribution matter for the transmission of monetary policy and for the effectiveness of macroprudential regulation?

Our distinguished Keynote speakers were Professors Wendy Carlin (UCL), John Hills (LSE) and Haroon Mumtaz (Queen Mary University of London) and Paul Johnson, Director of the Institute for Fiscal studies.



The generous transfer of knowledge between central banks is simply wonderful and beneficial to all.

Participant feedback

## Markets and operations

### 7th CCBS FRBNY policy forum on the current state of monetary operations

High-level



**Directors:** Gill Hammond, David Barr, Michael Smart and Elizabeth Mahoney (FRBNY)

**Participants:** 27

- This policy forum, organised with the Federal Reserve Bank of New York for the seventh year in a row, took place at a time that the FRBNY had announced a phased and limited winding down of its QE programme: the forum came at a good time for participants to discuss the potential strategies open to central banks in other markets, including the United Kingdom and euro area.
- This was also an opportunity to review the changes made to central banks' market operation frameworks following the global financial crisis. Non-standard measures, including the setting of negative policy rates, formed part of the discussions. The execution of QE was covered from a number of perspectives.
- The forum also reviewed more medium-term challenges, such as how central banks can successfully 'lift-off' after many years of very low rates and the effect of recent prudential regulations on their operations and balance sheets.

---

## Structure of financial markets

---

Director: Somnath Chatterjee

---

Participants: 24

---

- This five-day seminar reviewed the structure of various markets and discussed the overall risk and performance of the financial system. In particular the markets for derivatives, foreign exchange and repos were considered in some detail.
- The role of option prices in providing a framework for risk was a major theme at this seminar.
- Incorporating the views of market practitioners added considerable value to the seminar. James Knight (UK Debt Management Office) gave a presentation on inflation-indexed securities. Matt King (Citi Group) provided a global banks' perspective of the impact of monetary policies on asset prices.



---

# Econometrics and modelling

---

---

## Forecasting in central banks

---

Director: Andrew Blake

---

Participants: 23

---

- This is a wide-ranging course on a variety of forecasting methods used in central banks.
- Participants were shown the advantages of structured forecasting methods for longer term predictions in policy institutions, looking at issues such as the role of judgment.
- The various methods discussed were all supported by exercises and used in a final forecasting competition.

---

## Building econometric models

---

Director: Pawel Zabczyk

---

Participants: 23

---

- The event used the paper of Smets and Wouters (2007) as an organising framework, developing the tools necessary to replicate all the results reported.
- Each day was split into a theoretical and an empirical part, organised around VARs and DSGE models respectively.

---

## Applied Bayesian econometrics for central bankers

---

High-level



Directors: Andrew Blake and Gabor Pinter

---

Participants: 24

---

- As always our Bayesian econometrics course was very popular, covering many aspects of Bayesian analysis from both a Gibbs Sampling and Metropolis-Hastings perspective.
- This is our most demanding course for the participants, who are expected to implement the ideas in Matlab code that they write themselves.
- CCBS alumni Professor Haroon Mumtaz lectured on a course he initiated, keeping us up-to-date on new applications he and co-authors are working on.





## Economic modelling and forecasting

**Directors:** Gabor Pinter and Pawel Zabczyk

**Participants:** 21

- This is a two-week course which provides an all-around training in DSGE and VAR methods for forecasting and structural modelling.
- Feedback suggests that participants appreciated both the high-quality lectures and the practical exercises.
- A number of guest speakers contributed, including Rodrigo Guimaraes, Ida Hjortsoe, David Latto, Lien Laureys, Riccardo Masolo, Daniele Massacci, Marek Raczko, Rana Sajedi, Jagdish Tripathy.

## Financial stability and prudential regulation

### 7th Workshop for Heads of Financial Stability

High-level

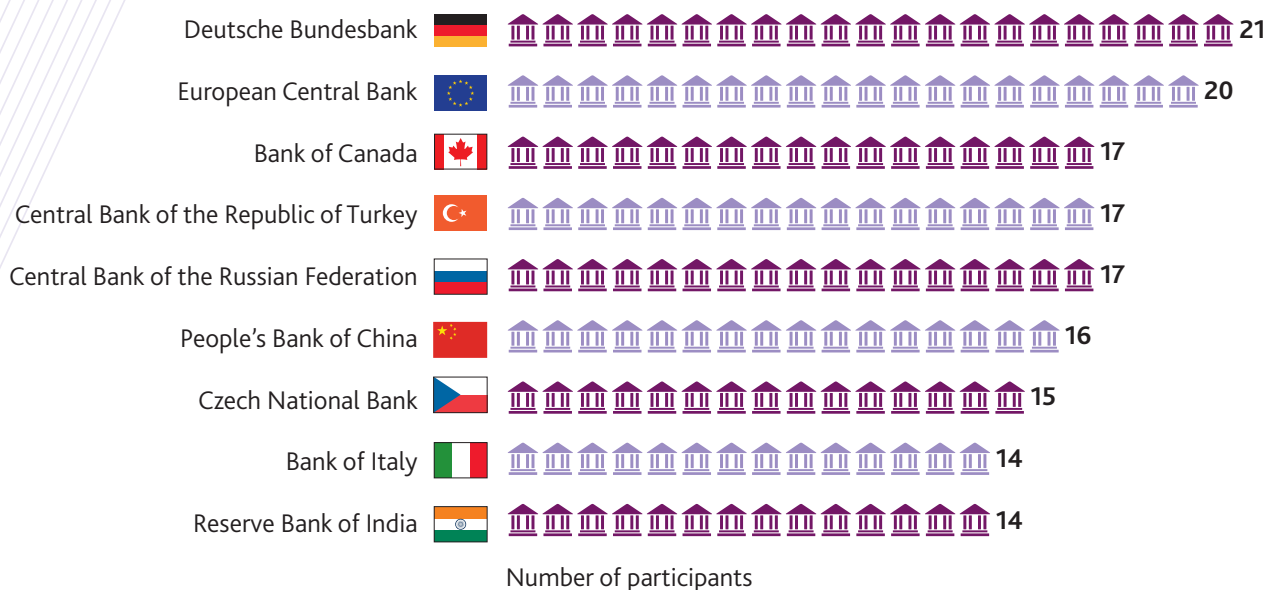


**Directors:** David Barr, Somnath Chatterjee and Mark Robson

**Participants:** 25

- The workshop brings together senior central bankers to discuss a range of contemporary financial stability issues. This roundtable event included technical presentations and discussion of participant countries' experience of working with the cyclical capital buffer, stress tests and international interactions, the last of which included an authoritative review from Laura Kodres (IMF).
- In a departure from previous events, this year's workshop included a lively presentation and discussion of ways in which to maximise the contribution of research departments to the formation of financial stability policy.

## Chart 2: Top central banks at 2017 London events



Source: CCBS.

---

## Financial supervision and capital adequacy

---

**Directors:** Somnath Chatterjee and Matthew Pegg

**Participants:** 22

- This seminar covered the key elements of the UK capital framework, including specific policies and tools.
- The growing importance of the link between macroprudential and microprudential policy for central banks became an ongoing discussion for participants during the seminar.
- Topics covered included the countercyclical capital buffer, stress testing, TLAC, contingent convertible capital instruments, Pillar 2 requirements, and capital allocation practices of banks.

---

## 3rd Workshop for Heads of Banking Supervision

---

High-level



**Directors:** David Barr and Matthew Pegg

**Participants:** 23

- Workshop sessions covered supervisory priorities and related actions in the United Kingdom and in participants' countries, including governance, bank structural reform, low interest rates, and host supervision.
- Two complementary sessions were delivered on competition and prudential supervision, and new bank authorisation and supervision.
- A highlight of the workshop for participants was a presentation on the implementation of a new approach to the supervision of operational resilience including cyber risk.



The design and the content of the programme was very balanced.

Participant feedback

---

## Analytical tools for financial supervision and risk management

---

**Directors:** David Barr and Somnath Chatterjee

**Participants:** 23

- This technical course covered many of the mathematical and statistical tools used by regulators and the private sector including copulas, extreme value theory and the use of derivative pricing models to back out estimates of corporate default risk.
- Many of the presentations served to introduce these tools to those who had not made use of them before and provide discussion of their strengths and weaknesses among those with experience of applying them.

---

## 4th Workshop for Heads of Insurance Supervision

---

High-level



**Directors:** David Barr and Matthew Pegg

**Participants:** 21

- In its fourth year the workshop for Heads of Insurance Supervision has become an established part of the CCBS programme for senior insurance supervisors. Over half of the workshop sessions were delivered by participant speakers, the rest being delivered by Bank of England senior insurance supervisors.
- Bank of England senior supervisors covered topics relevant to both life and general insurance supervision including UK insurers' investments in illiquid assets, insurance risk management and longevity risk transfer and data analytics.
- Participants delivered excellent presentations which all generated further discussion, including risk tolerance, climate change risk, and conduct supervision.



### The shadow banking system

**Directors:** David Barr and Somnath Chatterjee

**Participants:** 21

- The shadow banking system continues to provide a fascinating combination of potential benefits and costs to credit intermediation and financial stability. The presentations in this seminar ranged from historical accounts of the role of shadow banks in the crisis to risks arising in payments systems and the role of investment funds. Andy Jobst (World Bank) led sessions on securitisation and repo markets.

### Risk management and financial supervision

**Directors:** David Barr, Christine Jayaseelan and Matthew Pegg

**Participants:** 25

- Risk management is an important area of focus for supervisors to ensure the safety and soundness of firms and the financial system. This includes both the quality of firms' risk management and the supervision of risk management.
- Bank of England experts delivered a number of technical presentations on the supervision of specific risks, including valuation risk, interest rate risk, credit risk and internal models, and catastrophe risk modelling.
- External speakers gave practitioner views of risk management covering topical issues such as stress testing and conduct risk, and also leading practice and the future of bank risk management.



The event is very helpful in allowing us to benchmark our supervisory practices against those in other countries.

**Participant feedback**

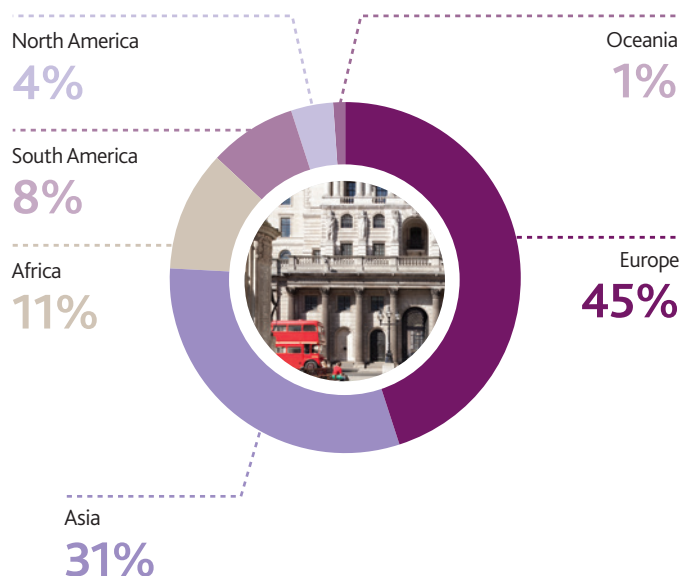
### Systemic risk assessment: identification and monitoring

**Director:** Somnath Chatterjee

**Participants:** 23

- The seminar analysed several important components of the financial system and how these relate to systemic risk. It reviewed some of the approaches for monitoring systemic risk including systemic contingent claims analysis and a copula-CoVaR approach.
- Presentations on stress testing focused on the Bank of England's concurrent stress-testing framework, stress testing of the trading book and the development of interbank network contagion models.
- The seminar also demonstrated a methodology for constructing a financial stress index that could be replicated across different jurisdictions.

**Chart 3: Dispersion of participants attending London and overseas events by continent in 2017**



Source: CCBS.



## The supervision of corporate governance and risk management in banks and insurers

**Directors:** Michael Ainley and Matthew Pegg

**Participants:** 25

- Increased focus by regulators on the effectiveness of corporate governance and management of financial institutions ensured significant interest in this seminar.
- The United Kingdom's approach to regulating and supervising corporate governance was covered including key elements of policy and case studies.
- External speakers provided views from a bank's board, external auditors and UK corporate governance standard setters.

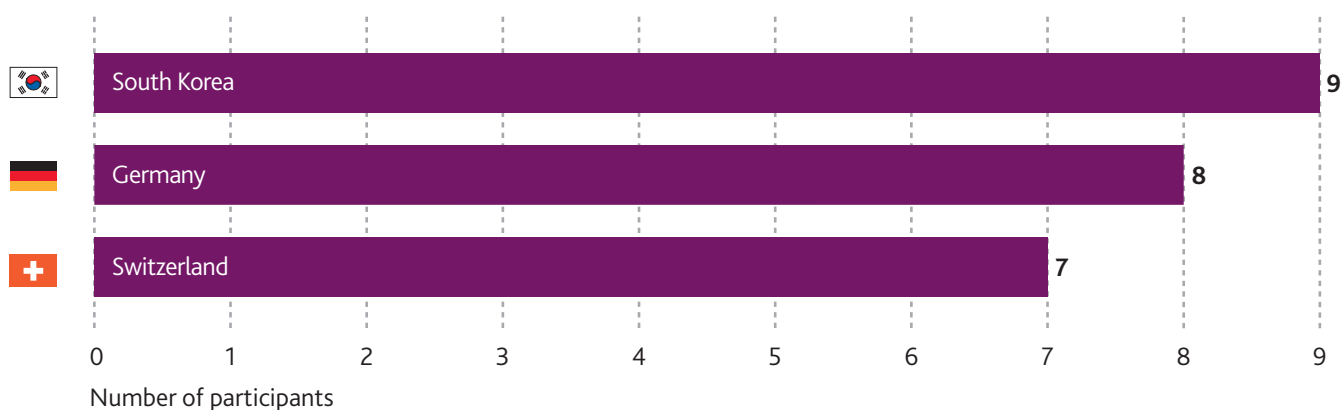
## Microprudential supervisory frameworks

**Director:** Matthew Pegg

**Participants:** 23

- This seminar focused on topics relevant to both the structure of financial regulation and approaches to supervision in the United Kingdom and a selection of participants' countries.
- Sessions relevant to all supervisors were delivered by both presentations and case study participation, including the use of data, supervising governance, business model analysis, and enforcement action.
- The seminar also covered the growing links between microprudential policy and macroprudential policy both in the responsibilities of central banks and regulators and in the approaches used such as the UK concurrent stress test.

**Chart 4:** Top three regulatory authorities by country at London events in 2017



Source: CCBS.



## Aspects of policy and management

### Workshop on central bank compliance functions

**Directors:** Gillian Boundy and Alison Kavanagh

**Participants:** 19

- This workshop brought together central bank compliance functions to share and discuss their roles and activities.
- Topics discussed included the governance and roles of a central bank compliance function; conduct risk management; ethics policy development; raising staff awareness and dealing with non-compliance.
- Presenters included members of the Bank's Compliance Division, Philippa Foster Back CBE, the Director of the Institute of Business Ethics, John Footman, the Secretary of the Bank, Sonya Branch, the Bank's General Counsel, and Roman Schremser, ECB Chief Compliance and Governance Officer.

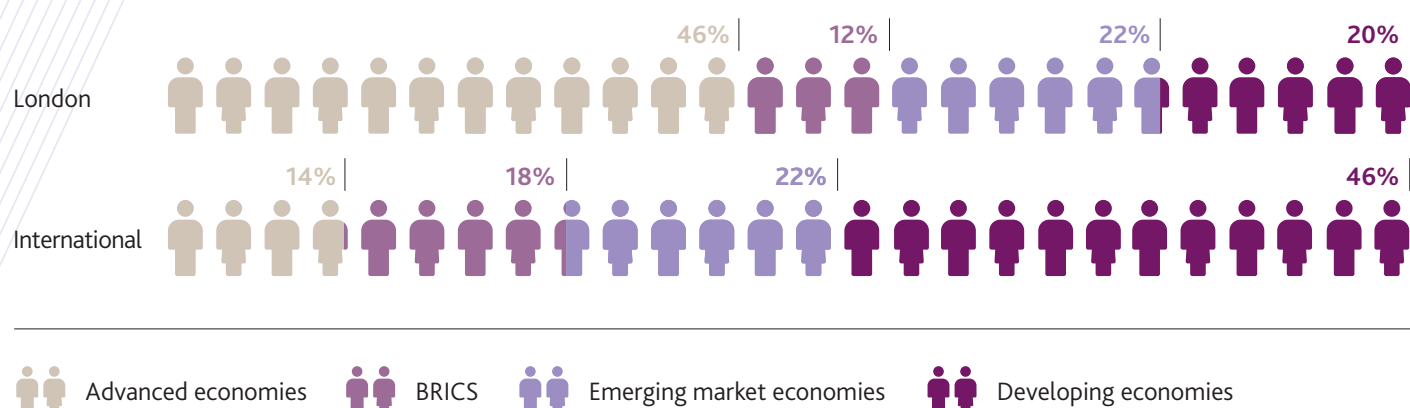
### Central bank communication in a changing world

**Director:** Gill Hammond

**Participants:** 24

- This annual event is very popular with press officers and communications experts from central banks around the world.
- Highlights were presentations from Gareth Ramsey, the Bank's Executive Director of Communications and Mike Peacock, Chief Press Officer.
- Delegates were particularly interested in developing a strategic approach to communication, and use of social media.

**Chart 5:** Distribution of CCBS participants at events in 2017



Source: CCBS.

The CCBS has a programme of activities abroad. Many of these seminars and workshops are regional in scope and hosted by a partner central bank or training institution.



### Joint Vienna Institute (Austria)

Interaction of monetary and financial  
stability policy

**Directors:** David Barr, Andrew Blake and  
Adam Gerstl (JVI)

**Participants:** 30

This event was evenly split between presentations and interactive exercises. The former focused on governance issues while the latter looked at data analysis and technical economic models. Evidence of policy action and interaction since 2012 has been rather sparse so the event included a textual analysis of Bank of England speeches and other public documents to demonstrate the interaction of policy analyses and the views of policymakers.



### CEMLA (Mexico)

Central Bank policy for financial  
stability

**Directors:** Somnath Chatterjee and  
Matthew Pegg

**Participants:** 21

- Participants from nine countries attended this seminar in Mexico City hosted by the Centre for Latin American Monetary Studies (CEMLA).
- The seminar covered both the roles and responsibilities of the Bank of England's Financial Policy Committee and Prudential Regulation Committee, and the powers and approaches used to achieve the objectives of financial stability and the safety and soundness of firms.



### South African Reserve Bank

Measuring systematic risk

**Directors:** Somnath Chatterjee and  
Gerardo Ferrara

**Participants:** 17

- Presentations focused on estimating the default risk of individual institutions and proceeded to estimate joint default risk within a banking system.
- Interbank network reconstruction methods and illiquidity in the interbank market were also discussed at length.
- A method used to construct a financial stress index was also demonstrated.







## International seminars and workshops



### Columbia University (United States)

Monetary policy and macroprudential regulations

**Directors:** Gill Hammond and Andrew Blake

**Participants:** 50

- This was our tenth annual seminar for students on the Program in Economic Policy Management at Columbia University's School of International and Public Affairs.
- The focus was on the challenges of combining monetary and financial stability.
- Case studies from both industrialised and emerging markets were considered.



### United Arab Emirates

Econometrics

**Directors:** Angus Foulis and Gabor Pinter

**Participants:** 33

- Participants from a number of countries in North Africa and the Middle East attended this five-day seminar in Abu Dhabi hosted by the Arab Monetary Fund.
- The course covered introductory econometrics with lectures on cross sectional regressions, time series econometrics, and panel data.
- The teaching consisted of both lectures and practical computer exercises.



### CEF (Slovenia)

Financial Stability Communication

**Director:** Gill Hammond

**Participants:** 20

- The Centre for Excellence in Finance (CEF) in Slovenia, in partnership with the Bank of England, Banque de France and ECB, organised this workshop on communications.
- Gill Hammond presented on the Bank of England's communication strategy and education and outreach.



CCBS is increasing using video conferencing to provide lectures. This section provides some examples.



### Central Bank of the Russian Federation

Aspects of policy and management  
— records management and archive

**Directors:** Joanne Frampton and Ben White

**Participants:** 10

- CCBS facilitated a request from the Central Bank of Russia to engage with the Bank's subject matter experts on managing electronic records and archives.
- Jo Frampton and Ben White from the Records Management and Archive teams in Secretary's Department hosted the Q&A video conference session.



### Reserve Bank of India

DSGE, macrofinancial modelling and modelling credit risk

**Directors:** Andrew Blake and Somnath Chatterjee

**Participants:** 35

- This wide-ranging event was aimed at providing an overview of a number of contemporary methods used in central banks.
- CCBS experts gave a series of lectures attended by experts in RBI.
- Lectures covered DSGE, macrofinancial and credit risk modelling.





# Research

Research is an important part of the Centre for Central Banking Studies' activity and outputs, and supports both our seminars and the Central Banking Qualification. Through its research activities, CCBS also contributes to the One Bank Research Agenda.

Engagement with the wider academic community is an important feature of our research programme, and Research Workshops are becoming a more prominent part of our event programme.



CCBS has a strong research programme both independently and as part of the Bank of England Research Hub.

### Collaborative research

Much of CCBS research consists of joint projects with colleagues from other areas of the Bank as well as external contributors. Many of the projects focus on key issues facing central banks, for example Nelson *et al*'s paper '[Do contractionary monetary policy shocks expand shadow banking?](#)'. Other research collaboration involves other policy institutions such as the OECD (Gal-Pinter paper) and academic institutions such as Queen Mary University of London (Mumtaz *et al* paper).

### CCBS in the Research Hub

CCBS has also been intensifying its collaboration with the Bank's Research Hub. Peter Eckley, Alex Michaelides and Pawel Zabczyk combine survey work with text based and finance approaches in an effort to measure Central Bank credibility. There are also a number of ongoing research projects by Angus Foulis and Gabor Pinter in collaboration with Saleem Bahaj at the Research Hub, which uses extensive microdata to explore the UK corporate and housing sectors (Bahaj *et al* paper). The results of this research agenda featured in external Bank publications such as the *Financial Stability Report* and multiple speeches given by Bank committee members as well.

### Bank Underground posts

The CCBS is an active participant in our staff blog and this year we contributed posts on '[Bitesize: are leasehold houses really a thing?](#)' and '[Modelling the macroprudential balancing act](#)'.

### Research informs our seminars and events

As both CCBS seminar and CBQ participants can attest, the lag from research to teaching remains very small, with many of the frontier research topics subsequently discussed and analysed at CCBS events. Also, our high-level research workshops and the invited world-class academics provide further stimulus for research in CCBS as well as across the Bank of England.

### External representation of Our Research

In 2017 Our Research was represented in a number of academic and policy conferences and research seminars across the world. A partial list includes presentations at the ASSA meetings, Banco de España, Banque de France, Bank of International Settlements, Norges Bank, Tinbergen Institute, University of Oxford, and the University of Southampton. In addition, we organised a special session on firm-level data at the Royal Economic Society annual conference in Bristol.



Very helpful, thanks for creating this.

Comment on '[Bank Underground](#)' staff blog



## CCBS research and publications

### Selected CCBS research papers

Bahaj, S and Foulis, A (2017), 'Macprudential policy under uncertainty', *International Journal of Central Banking*, September.

Bahaj, S, Foulis, A and Pinter, G (2017), 'Home values and firm behaviour', *Bank of England Staff Working Paper No. 679*.

Chiu, C, Mumtaz, H and Pinter, G (2017), 'Forecasting with VAR models: fat tails and stochastic volatility', *International Journal of Forecasting*.

Farmer, R and Zabczyk, P (2016), 'The theory of unconventional monetary policy', *NBER Working Paper No. 22135*.

Foulis, A, Nelson, B and Tanaka, M (2017), 'Credit traps and macroprudential leverage', *Bank of England Staff Working Paper No. 539*.

Gal, P and Pinter, G (2017), 'Capital over the business cycle: renting versus ownership', *Journal of Money, Credit and Banking*.

Mumtaz, H, Pinter, G and Theodoridis K (2015), 'What do VARs tell us about the impact of a credit supply shock?', *School of economics and finance*.

Nelson, B, Pinter, G and Theodoridis K (2017), 'Do contractionary monetary policy shocks expand shadow banking?', *Journal of Applied Econometrics*.

Pinter, G (2017), 'House prices and job losses', *Economic Journal* (Forthcoming)

Chatterjee, S, Chiu, C, Duprey, T and Hacıoglu, S (2017), 'A financial stress index for the United Kingdom', *Bank of England Staff Working Paper No. 697*.



# CCBS research events

## Joint CCBS-MacCaLM Research Forum on macrofinance

High-level



Director: Gabor Pinter

Participants: 25

- The third Research Forum on macrofinance, co-organised with the University of Edinburgh's Macroeconomy, Credit and Labour Market project (MacCaLM), brought together policymakers, central bank economists and academics, and provided one prominent example of a collaboration successfully shedding light on frontier issues in macroeconomics and finance.
- The event was opened by Andy Haldane, from the Bank of England's Monetary Policy Committee. Highlights included presentations from Nobel laureate Jean Tirole, John Bates Clarke medallist Yuliy Sannikov and other leading academics such as Professors Sydney Ludvigson, Ricardo Caballero, Thomas Chaney, Zhiguo He, Emanuel Moench, Daniel Paravisini, Ricardo Reis.
- Key topics included the interactions between monetary policy, market liquidity and asset prices bubbles and the links between public finance and business cycle analysis.

## Big data empirics and policy analysis

Directors: Andrew Blake and Andreas Joseph

Participants: 64\*

- This event showcased a number of popular applications of very large unstructured data sets for use in policymaking institutions.
- Applications to insurance, equity trading, central bank communication and measuring inflation expectations were some of the ways that such granular data was demonstrated to be used effectively, with text-based methods heavily prevalent.
- Participants agreed that the major challenges to taking these approaches forward are that existing IT infrastructures — both hardware and software — are ill-suited to the task, data management practices need improving, current staff skills are poorly matched and simply institutional culture.

\* A small number of participants from private banks, FinTech firms and public finance research organisations also attended.

In 2017...



>50

academics gave presentations on CCBS events.



101

presentations from academic and other invited speakers.



153

Bank of England speakers.



# Central Banking Qualification

Our Central Banking Qualification is a new initiative at the Bank of England, in partnership with Warwick University, to train the next generation of central bankers in the theory and practice of central banking and financial regulation. It is currently being rolled out to Bank of England staff and we are exploring ways in which we can open up the CBQ to other central bank staff.





## Central Banking Qualification

Our Central Banking Qualification is a new initiative, primarily aimed at those joining the Bank on our two-year Graduate Programme. Looking ahead we are exploring ways in which we can open up the CBQ to other central bank staff.

### What is the Central Banking Qualification (CBQ)?

A suite of postgraduate level qualifications in Central Banking and Financial Regulation aimed mainly but not exclusively at our graduate entrants.

### How does it work in practice?

After completing a Foundation Year in-house at the Bank of England, staff will enrol with Warwick University for a further year of part-time study leading to an accredited post-graduate Certificate in Central Banking and Financial Regulation. There will then be an opportunity for some staff to study further for a Diploma, Master of Science or Master of Research. The Bank supports staff with study leave and other resources.

### Why is the Bank introducing this qualification?

The Bank wants to invest in the professional development of our staff. We see the CBQ as a way of training the next generation of central bankers, who will not only be expert in their day job, but have a clear understanding of the whole spectrum of the Bank's policy functions — including monetary policy, macroprudential regulation and microprudential regulation and supervision — and how they link together. Central banking is increasingly technical and this new qualification will equip our staff with a deep understanding of central banking and regulation, in a coherent analytical framework.

“

The qualifications have been designed in collaboration with many Bank experts and academics from Warwick University. The result is a unique set of qualifications bringing together a fantastic blend of the theory and practice of central banking.





# Central Banking Qualification



## CCBS and the CBQ

With our many years' experience in designing and delivering training for central bankers and regulators from around the world, CCBS was a natural home for the Bank's internal CBQ. While the design and content of the new suite of qualifications has been a collaborative effort involving experts from across the Bank of England and Warwick University faculty, CCBS has had prime responsibility for the Foundation Year of training for our graduate programme. New entrants can learn more about the key concepts underpinning the economics of central banking and regulation as well as understand the full range of the Bank's mission and responsibilities, mostly from a practitioner's perspective.

## What has been achieved so far?

In October 2017, the third cohort of Bank of England graduate entrants started their Foundation Year of training. Meanwhile the first cohort has successfully completed the Certificate year in the MSc in central banking and financial regulation. For some, that completes their formal study, while others have gone onto the second, Diploma year, of the MSc. Across the three cohorts, 214 staff were participating in different elements of the programme at the start of the 2017–18 academic year.

Ultimately, by mixing professional with more academic style training, the CBQ will equip central bank staff with the analytical tools to critically assess the issues they will face in their careers in the Bank, the ability to challenge constructively, and professional networks to support them in their career.

In 2017...



**214**

staff participated in different elements of the programme, across three academic years.



**72**

staff successfully completed the Certificate in Central Banking and Financial Regulation.



**25**

senior Bank staff, including the Governor and four Deputy Governors spoke on the Foundation Year.



**8**

presentations from leading academics or experts from the financial industry on the Foundation Year.



I really enjoyed the talks by the deputy governors. It was great to hear their insights and hear about their career journeys.

CBQ participant feedback



## Participants on CCBS events in 2017

Central banks	Total participants	London events	Overseas events
<b>A</b>			
Albania	6	3	3
Algeria	1		1
Angola	4	4	
Argentina	4	3	1
Armenia	4	2	2
Austria	4	4	
Azerbaijan	1		1
<b>B</b>			
Bahrain	1		1
Belarus	2	1	1
Belgium	1	1	
Bolivia	1	1	
Bosnia and Herzegovina	1		1
Brazil	7	7	
Bulgaria	16	12	4
<b>C</b>			
Cambodia	1		1
Canada	17	17	
Central Bank of West African States	1	1	
Chile	3	3	
China	24	16	8
Colombia	2	1	1

Central banks	Total participants	London events	Overseas events
Costa Rica	3	3	
Croatia	15	12	3
Central Bank of Curaçao and Sint Maarten	1	1	
Czech Republic	16	15	1
<b>D</b>			
Denmark	5	5	
Dominican Republic	2	1	1
<b>E</b>			
Eastern Caribbean Central Bank	1	1	
European Central Bank (ECB)	20	20	
Egypt	3	1	2
Estonia	3	2	1





## Participants on CCBS events in 2017

Central banks	Total participants	London events	Overseas events
<b>F</b>			
Fiji	1		1
Finland	5	5	
France	2	2	
<b>G</b>			
Gambia	1		1
Georgia	4	3	1
Germany	21	21	
Ghana	2	1	1
Greece	3	3	
Guatemala	1		1
Guinea	1	1	
<b>H</b>			
Haiti	1		1
Honduras	1		1
Hong Kong	10	10	
Hungary	7	7	
<b>I</b>			
Iceland	2	2	
India	17	14	3
Indonesia	13	9	4
Iraq	2		2
Ireland	10	10	
Israel	5	5	
Italy	14	14	



Central banks	Total participants	London events	Overseas events
<b>J</b>			
Japan	10	3	7
Jordan	3	2	1
<b>K</b>			
Kazakhstan	4	3	1
Kenya	1	1	
Kosovo	3	2	1
Kuwait	5	2	3
<b>L</b>			
Latvia	3	2	1
Lebanon	3	1	2
Lesotho	1	1	



Central banks	Total participants	London events	Overseas events
Liberia	1		1
Libya	2		2
Lithuania	10	9	1
Luxembourg	1	1	

## M

Macedonia	6	2	4
Malawi	1	1	
Malaysia	5	5	
Malta	1	1	
Mauritius	5	5	
Mexico	17	12	5
Moldova	7	5	2
Mongolia	1		1
Morocco	9	5	4

## N

Namibia	2	2	
Netherlands	11	11	



Central banks	Total participants	London events	Overseas events
New Zealand	7	7	
Nigeria	4	4	
Northern Cyprus	5	5	
Norway	11	11	

## O

Oman	4	2	2
------	---	---	---

## P

Pakistan	6	5	1
Palestine	1		1
Paraguay	4	2	2
Peru	2		2
Philippines	10	10	
Poland	8	6	2
Portugal	4	4	

## R

Romania	16	11	5
Russian Federation	19	17	2

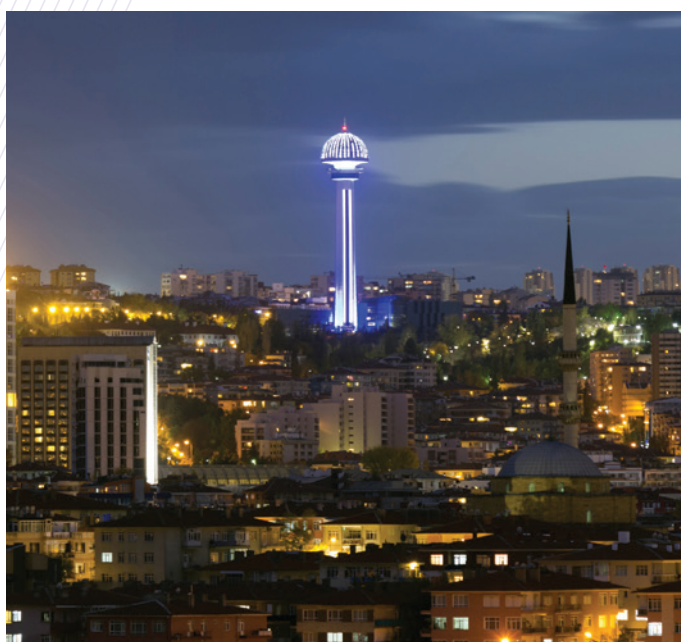
## S

Saudi Arabia	4		4
Serbia	4	2	2
Seychelles	2	2	
Sierra Leone	1		1
Singapore	1	1	
Slovakia	3	3	
Slovenia	1		1



## Participants on CCBS events in 2017

Central banks	Total participants	London events	Overseas events
South Africa	25	8	17
South Korea	12	10	2
Spain	6	6	
Sri Lanka	12	12	
Sudan	4	1	3
Sweden	5	5	
Switzerland	6	6	
Syrian Arab Republic	1		1
<b>T</b>			
Taiwan	1	1	
Thailand	4	2	2
Trinidad and Tobago	1	1	
Tunisia	4	2	2
Turkey	20	17	3



Central banks	Total participants	London events	Overseas events
<b>U</b>			
Uganda	3	3	
Ukraine	9	6	3
United Arab Emirates	5		5
United Kingdom*	39	38	1
United States	14	4	10
<b>V</b>			
Venezuela	1		1
Vietnam	2	2	
<b>Z</b>			
Zambia	1		1
<b>Total participants</b>	<b>698</b>	<b>537</b>	<b>161</b>

\* Includes other organisations based in the United Kingdom.

Source: CCBS.

	Country	Participants
Australian Prudential Regulation Authority	Australia	2
Insurance Commission	Bahamas	1
Capital Markets Regulatory Authority	Canada	1
Ontario Securities Commission	Canada	3
Office of the Superintendent of Financial Institutions	Canada	3
Superintendence of Banking (SBIF)	Chile	1
China Banking Regulatory Commission	China	2
Autorité de Contrôle Prudentiel (ACP)	France	1
BaFin	Germany	8
Financial Services Commission	Gibraltar	1
Guernsey Financial Services Commission	Guernsey (UK)	1
National Banks and Insurance Commission	Honduras	1
Financial Supervisory Authority	Iceland	2
IVASS	Italy	1
Jersey Financial Services Commission	Jersey (UK)	1
Financial Market Authority	Liechtenstein	1
Malta Financial Services Authority	Malta	2
Superintendency of Banks of Panama	Panama	3
Insurance Commission	Philippines	1
Polish Financial Supervision Authority	Poland	3
South African Financial Services Board	South Africa	1
Financial Supervisory Service	South Korea	9
General Directorate of Insurance and Pensions	Spain	1
Finansinspektionen	Sweden	3
Financial Market Supervisory Authority	Switzerland	7
Banking Regulation and Supervisory Agency	Turkey	1
UAE Insurance Authority	United Arab Emirates	2
Financial Conduct Authority	United Kingdom	4
<b>Number of participants</b>		<b>67</b>
<b>Number of regulatory authorities</b>		<b>28</b>



## Regional and international organisations

Regional and international organisations	Participants
African Development Bank	1
Bank of International Settlements (BIS)	4
Canadian Deposit Insurance Corporation	2
CEMLA	5
Development Bank of Latin America	1
European Bank for Reconstruction and Development (EBRD)	2
European Institute and Occupational Pensions Authority (EIOPA)	1
International Monetary Fund (IMF)	1
Korea Institute of Public Finance	1
Office for National Statistics (ONS)	2
South East Asian Central Banks Research and Training Centre (SEACEN)	1
<b>Number of participants</b>	<b>21</b>
<b>Number of organisations</b>	<b>11</b>

Source: CCBS.





## Contact details

---

### Centre for Central Banking Studies

Bank of England  
Threadneedle Street  
London EC2R 8AH

#### Tel

+44 9(0)20 3461 3770/5859

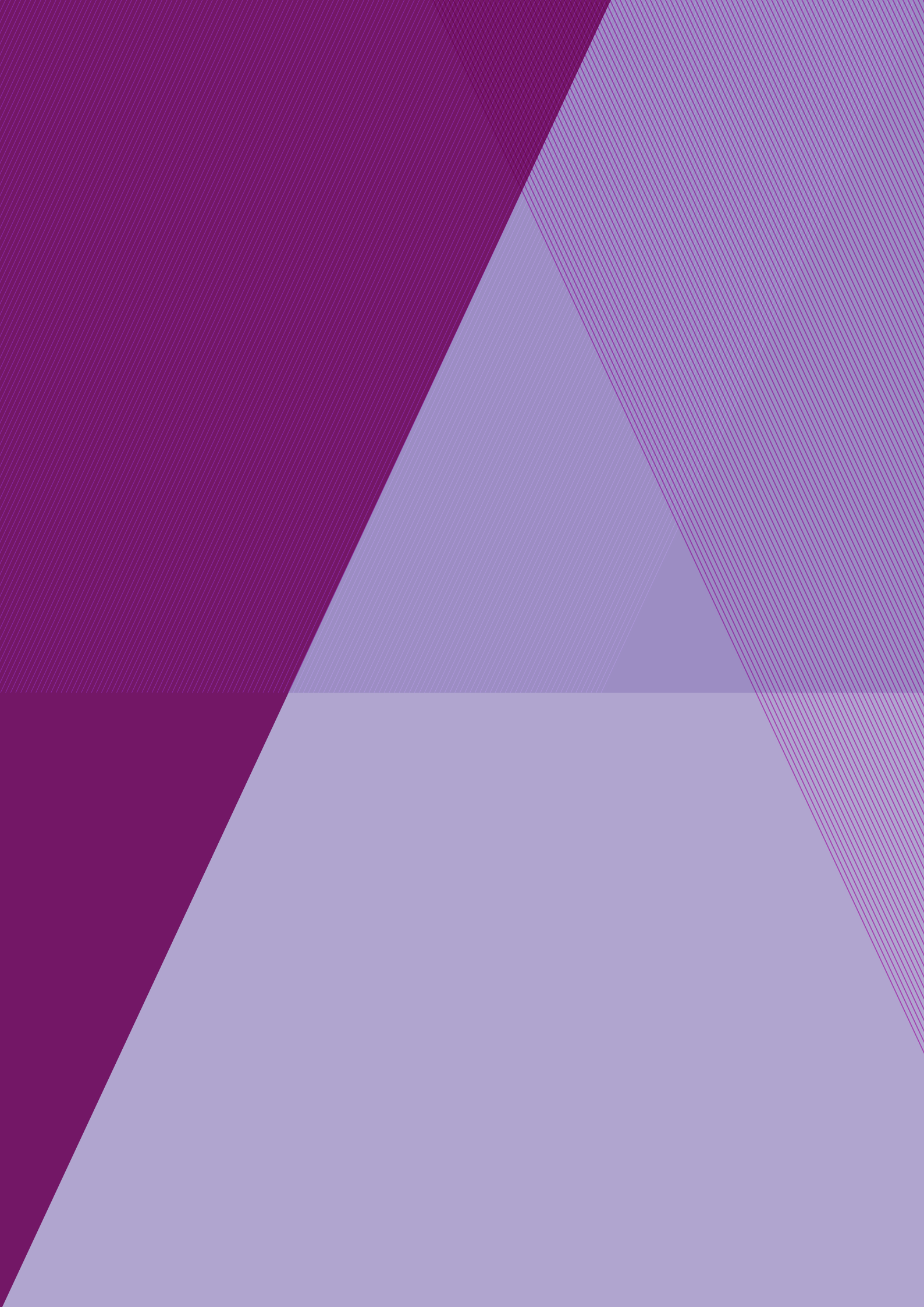
#### Web

[www.bankofengland.co.uk/ccbs](http://www.bankofengland.co.uk/ccbs)

#### Email

[ccbsinfo@bankofengland.co.uk](mailto:ccbsinfo@bankofengland.co.uk)









**BANK OF ENGLAND**

Bank of England  
Threadneedle Street  
London EC2R 8AH

[www.bankofengland.co.uk](http://www.bankofengland.co.uk)