

IOMA - The WFE's Clearing & Derivatives Conference

Valletta, Malta, 26 March - 27 March 2020

Call for papers

Submission deadline: Friday, 13 December 2019.

The World Federation of Exchanges is organizing its Annual IOMA Clearing and Derivatives Conference, hosted by the Malta Stock Exchange, to be held in Valetta, Malta, on the 26th and 27th March 2020. Papers accepted will be considered for a special issue of the Journal of Financial Markets Infrastructures.

Keynote speakers: Rod Garratt (University of California, Santa Barbara), John McPartland (Hidden Road Partners), Edward Scicluna (Finance Minister of Malta).

Aims and topics

The aim of the conference is to bring together academics, policy-makers and industry participants from around the world in order to share original research and engage in a multi-jurisdictional exchange of ideas on the opportunities and challenges for the future of central and bilateral clearing in the light of regulatory reforms, market structure changes, and technological developments. The program will comprise keynote speeches, expert panels and paper presentations.

In the last decade, in response to the G20 objectives and mandates, international standard-setting bodies followed by regional and national regulators around the world, have introduced a raft of policies, regulations, and frameworks aimed at promoting central clearing, further enhancing the resilience of CCPs and of the financial system as a whole. There is consensus that, while strong progress has been made in meeting G20 objectives, there is still work to be done to maintain a robust financial markets ecosystem that delivers on its core ambitions. As the regulatory focus gradually shifts from implementation of post-crisis regulation towards enabling growth and market development, there is a need to evaluate and understand how the reforms interact, what the sources of interconnections are, and how they are reshaping the market. The aim is to identify any negative impacts on the incentive structures in place across the clearing ecosystem, ensuring the implementation of agreed principles, avoiding unnecessary market fragmentation, and understanding any potential new sources of risk. Against this backdrop of regulatory change, new technologies, new sources of data, and changes in the market structure are also having an impact on the way we think about the future of clearing, introducing new opportunities and threats.

We invite theoretical and empirical research aimed at improving our understanding of these developments. Topics of special interest include:

- 1) **CCP default management processes.** Including harmonization of default management standards and processes; auction design and membership; fire drills design and execution; close-out process; ex-ante communication and information sharing.
- 2) **Recovery and resolution.** Including resolution tools and strategies; planning exercises; cross-border cooperation; legal obstacles to resolution.

- 3) **Technological developments.** Including the application of distributed ledger technologies for clearing; legal and regulatory challenges from new technologies; digitization of clearing services; the use of AI in risk management; the future of FMI service provision; operational risk, clearing of crypto-assets and crypto-derivatives.
- 4) **Market resilience.** Including mapping the topology of clearing networks and identifying key interdependencies and potential channels for contagion; management of the cyber threats; bilateral networks; liquidity risk of bilateral collateral requirements.
- 5) **Changes in market structure.** Including the impact of market fragmentation on collateral efficiency and liquidity; barriers to the access to clearing; clearing of new derivative products; the microstructure of cleared markets; CCP basis and its causes; the functioning of OTC derivatives markets and the impact of regulatory requirements.
- 6) **Model risk.** Including model design; model risk and the design of testing methodologies; model performance and procyclicality, model risk management (MRM).

Submissions

Submissions should consist of a full paper and should be sent in PDF format to research@world-exchanges.org, to be received no later than Friday, 13th December 2019. Papers should be in English and include an abstract. Authors of accepted papers will be notified by 10th January 2020 and will be asked to provide a final paper which is of academic journal standard no later than Friday, 14th February 2020.

Final papers will be distributed electronically to conference attendees in advance of the conference and will be assigned a discussant.

Completed papers presented at the conference will also be considered for publication in a special issue of the JFMI according to that journal's usual procedures (<http://www.risk.net/static/risk-journals-submission-guidelines>). However, review by the JFMI will be a separate and independent exercise conducted by the JFMI and not the conference organizers. For the avoidance of doubt, having a paper selected for the conference is not a guarantee that it will be published in the JFMI in a special issue or otherwise. The JFMI may also consider for publication papers on the conference themes that are not accepted for presentation at the conference.

Practical information

Attendance at the conference is limited to authors of accepted papers and to WFE members, affiliates and long-term partners. There is no charge for the conference, but participants are expected to cover their own travel and accommodation expenses.

Additional information on the conference will be available at the WFE website <https://www.world-exchanges.org/>

Organizing committee: Stefano Alderighi (WFE), Pedro Gurrola-Perez (WFE), Bill Speth (WFE).

Programme committee: Ron Berndsen (Tilburg University), Fernando Cerezetti (ICE Clear Europe), Samim Ghamami (University of California, Berkeley), Mike McClain (DTCC), Andreea Minca (Cornell University), David Murphy (Bank of England), Travis Nesmith (Federal Reserve Board), Martin Oehmke (London School of Economics).

Queries can be directed to: research@world-exchanges.org