



Agenda (10 March, 2016)

09:00 Registration

09:30 Session 1. Overcoming market fragmentation in the EU

The European asset management industry has witnessed a solid growth in recent years, reaching an estimated €19 trillion in assets under management (AuM) at the end of 2014, divided almost equally between discretionary mandates (largely serving institutional investors) and investment funds. Notwithstanding the significant steps taken in the past decade (UCITS, AIFMD, PRIIPS and KIID), the European asset management sector remains highly fragmented, resulting in suboptimal size of funds and higher costs for investors. Much more needs to be done in order to achieve a truly pan-European market that is competitive, attractive and transparent vis-à-vis its investors (in particular the retail segment). This is also one of the priorities listed in the Commission's Action Plan on Building a Capital Markets Union, but is awaiting further clarification.

- Which barriers currently hamper cross-border competition among product developers and distributors?
- Does the future of retail distribution lie in open architecture, i.e. online platforms? Or will banks and insurers remain the main distribution channels? Also, what role will independent financial advisors play?
- What are best practices in terms of disclosing comprehensive and relevant information on the cost of investment funds across the EU? Does the KIID work?
- How can new technologies help consolidate the market and increase cross-border access to products and markets?

Panellists:

Diana Mackay, CEO, Mackay Williams LLP

Guillaume Prache, Managing Director, Better Finance

Jonathan Lipkin, Director of Public Policy, The Investment Association

Sven Kasper, Director EMEA, Regulatory, Industry and Government Affairs, State Street

Sven Gentner, Head of Unit, Asset Management, DG FISMA

Moderator: Diego Valiante, PhD, Head of Financial Markets and Institutions, CEPS – Head of Research, ECMI

11:00 Coffee break

11:30 Session 2. Business and regulatory challenges for the asset management industry

The growth of the asset management sector has directed policy-makers' attention towards the industry's business model and the different risks involved, whether risks to the system, risks to individual institutions or risks faced by clients. As dealer/investment banks exit fundamental areas of the financial system, such as securities borrowing/lending and provision of market liquidity, the asset management industry is expected to respond and potentially even to change the way financial markets work. Asset managers are also facing unprecedented challenges in meeting investors' ever-rising expectations against a prolonged low-yield environment. At a systemic risk level, the understanding of the interconnectedness of asset management activities with the rest of the financial system is still developing. This may result in a revision of the current prudential framework.

- Are the concerns about potential financial stability risks in the asset management sector well founded? In which ways an asset manager could contribute to systemic risk?
- What changes in the business models of asset managers are being driven by the need to adapt to the new financial landscape?
- What are the critical factors that are going to influence the balance in asset allocations (equity, fixed income, alternatives) and the investment strategies (active or passive) in the coming years?
- Is there a need to strengthen or revise the oversight of the sector, e.g additional micro-prudential tools and include them in a broader macro-prudential framework?

Panellists:

Ronald W. Anderson, Professor of Finance, London School of Economics and Political Science

Carsten Detken, Head of Financial Stability Surveillance Division, DG Macro-Prudential Policy & Financial Stability, European Central Bank

Sheila Nicoll, Head of Public Policy, Schroder Investment Management

Joanna Cound, Head of Government Affairs and Public Policy, Europe, BlackRock

Gerben Everts, Member of the Executive Board, Netherlands Authority for the Financial Markets

Moderator: Karel Lannoo, CEO, CEPS – General Manager, ECMI

13:00 End of conference
