The VII international scientific and practical conference “International competition in banking: theory and practice” was held on 24-25 May 2012 at the state higher educational institution “the Ukrainian Academy of Banking of the National Bank of Ukraine”. The conference was the initiative of Anatoliy Yepifanov, Professor, Rector of the Ukrainian Academy of Banking of the National Bank of Ukraine, Chief editor of the journal “Banks and Bank Systems”; Serhiy Kozmenko, Professor, Vice-rector of the Ukrainian Academy of Banking of the National Bank of Ukraine, Chief editor of the journal "Investment Management and Financial Innovations"; Alexander Kostyuk, Professor of the Ukrainian Academy of Banking of the National Bank of Ukraine and Hanken School of Economics (Finland), Chief editor of the journal "Corporate Ownership and Control" and the "Journal of Governance and Regulation". Co-organizers of the conference were the Ministry of Education, Youth and Sport of Ukraine, the National Bank of Ukraine, the Ukrainian Academy of Banking of the National Bank of Ukraine, the publishing company "Virtus InterPress", the publishing company "Business Perspectives" and the publishing house “Universitetska Knyga”.

The plenary session, four thematic parallel sessions in the English language and one parallel session in the Ukrainian language were conducted during the first day of the conference. Nearly 40 reports were presented. Participating in the conference were representatives of more than 30 institutions from Ukraine, Russia, Japan, USA, United Kingdom, Germany, Austria, France, Italy, Spain, Hungary, Switzerland, Greece, Poland, Portugal, South Africa, etc. The activities of the scientific and practical conference "International competition in banking: theory and practice" included plenary session and parallel scientific sessions, which were carried out at a high scientific, theoretical and applied level with great interest on the part domestic and foreign researchers and representatives of regulatory bodies.
The plenary session was opened by the Rector of the Ukrainian Academy of Banking of the National Bank of Ukraine, Professor Anatoliy Yepifanov, who greeted the participants of the conference, wished them success and scientific achievements. Professor Yepifanov emphasized that such events play a very important role as they help find new ways for the development of the global economy, solve various socio-economic issues, and realize the scientific potential of domestic and foreign scientists. The participants were also greeted by the Vice-rector of the Ukrainian Academy of Banking of the National Bank of Ukraine, Professor Serhiy Kozmenko and Professor Alexander Kostyuk.

During the plenary session the presentations were made by:

- Horst Löchel, Professor of the Frankfurt School of Finance and Management, Head of the German Center of Finance and Banking, the Chinese-European International Business School, Head of the Shanghai Institute of International Banking and Finance, Germany. In his report "Understanding the high profitability of big Chinese banks" he, in particular, pointed out that business diversification can provide a way out of the "profitability trap" in shrinking the margins and high personnel costs.

- Ricardo Gimeno, Professor, Bank of Spain. His presentation was devoted to the measuring of liquidity in banks. In conclusions to his work, Professor Gimeno proposed a Svensson model modified by liquidity risk.

- Marco Ventoruzzo, Director, Ph.D. in Business Law, Vice-Director, Paolo Baffi Center on Financial Regulation, Bocconi University Law Department, Italy, presented a report on "the Expansion of shareholders rights in the election of directors: the evolution of decisions."

Discussions during coffee-breaks
- Ivo Pezzuto, Management Consulting Partner, Swiss Management Center University of Zug, Switzerland, Università Cattolica del Sacro Cuore di Milano, Italy. The topic of the presentation: "Miraculous financial engineering or toxic finance? The genesis of the U.S. subprime mortgage loans crisis and its consequences on the global financial markets and real economy”.

- Stephan O. Hornig, Professor, Vice-rector, University of Applied Sciences Kufstein Tirol, Austria. His presentation was titled: The Euro Crisis: who is the worst guy – Germany or Greece?

After the plenary session the activities of the conference were divided into four sessions in the English language and one session in the Ukrainian language.

The first session "Corporate governance in banks and financial institutions” was chaired by the scientific committee consisting of Professor Alexander Kostyuk and Professor Marco Ventoruzzo.

This session listened to and discussed the reports of Rossana Bubbico and Barbara Monda, Politecnico di Milano, Italy; Kimie Harada, Graduate School of International Accounting; Chuo University, Japan; Giulia Romano, Paola Ferretti, Alessandra Rigolini, University of Pisa, Italy as well as the presentations of the representatives of the Academy’s School of Corporate Governance - postgraduate students Dmytro Hovorun, Yaroslav Mozgovyi, Maryna Brychko and Yulia Lapina prepared in collaboration with Professor Serhiy Kozmenko, Professor Alexander Kostyuk and Professor Serhiy Leonov.

The reports were devoted to the study of the influence of corporate governance on the market value of financial institutions in Italy, economic causes and consequences of mergers of big Japanese corporations, the remuneration of bank managers and corporate social responsibility of banks during the crisis and post-crisis periods, the relationship between the board of
directors’ activity and financial performance of banking groups in Italy, the assessment of the effectiveness of corporate governance and the principles of investment banking in the post crisis period.

The second session "Banking regulation and supervision in the context of the world financial crisis" began its work in the big conference room of the scientific library of the Ukrainian Academy of Banking of the National Bank of Ukraine chaired by the Head of the Department of Management, Professor Iryna Dyakonova.

The reports, which aroused the keen interest and discussions, were delivered by Gordon J. Alexander, University of Minnesota, Minneapolis, USA; Levente Kovacs, Secretary General, Hungarian Banking Association, Hungary; Pierluigi Bologna, Bank of Italy, Italy; Gianfranco A. Vento, Regent's College, London, UK; Luisa Anderloni, Università degli Studi di Milano, Italy, Iryna Dyakonova (Professor, Head of the Department of Management of the Ukrainian Academy of Banking) and Tetyana Shcherbyna (Senior Lecturer of the Ukrainian Academy of Banking).

The participants’ presentations were focused on the study of the Basel agreement as a basis for the regulation of systemic risks within the banking system; the main factors that determine the necessity of introducing a system of daily settlements in Hungary and associated problems; the role of deposits structure in the bankruptcy of commercial banks during the financial crisis in the U.S.; the relationship between the risk level and formation of capital for the banking system, the study of the national welfare funds as an important new kind of institutional investors that came into existence during the financial crisis; the comparison of banking regulation systems in the developed and developing countries and the study the peculiarities of their financial systems.
The third parallel session of the conference was devoted to the functioning of financial markets in crisis. The scientific committee of the session was headed by Professor Ronald H. Mynhardt, University of South Africa, and Professor Mo Vaziri, California State University San Bernardino, USA.

Presented during the session were the reports by Mario Strassberger, Zittau/Goerlitz University of Applied Sciences, Germany; Aleksey Kuznetsov, Institute of World Economy and International Relations of the NAS of Ukraine; Mo Vaziri, California State University San Bernardino, USA; Kozo Harimaya, Ritsumeikan University, Japan; Ronald H. Mynhardt, University of South Africa; Alexander Karminsky (Higher School of Economics, Russia) and Hassan Obeid, European School Business, Department of Finance, Paris, France.

The reports were devoted to the study of the bond portfolio value during the crisis, the asymmetry of global capital flows, the forecasting of financial institutions’ defaults through the use of multiplicative models, the role of external indicators in cooperative financial institutions in Japan, crisis management in the banks of the Middle East and West Africa, credit rating agencies, the impact of privatization on the functioning of European companies. The presentations aroused keen interest among the session’s participants, leading to numerous questions addressed to the speakers and to constructive scientific discussion.

The meeting of the fourth session “Monetary policy and central banking: outlining an anti-crisis architecture” was held at the literary parlour of the Ukrainian Academy of Banking. The scientific committee of the session consisted of the leading scientists who closely study the outlined problems: Chairman – Ricardo Gimeno (Bank of Spain), Stephan Hornig (University of Applied Sciences Kufstein Tirol, Austria), Kenta Toyofuku, Nihon University, Japan.
Interesting and discussion-provoking presentations were delivered by Wako Watanabe, Faculty of Business and Commerce, Keio University, Japan; Kenta Toyofuku, Nihon University, Japan; Jochen Schanz, Bank of England, UK; Shahram Taj, University of St. Thomas, USA; Cândida Ferreira, ISEG UTL and UECE, Portugal; Francesco Giuliani, University of Bologna, Italy.

The reports were devoted to the actual problems of efficiency of the banking systems in Asia, Turkey, the European Community, the coordination of creditors’ actions in case of bankruptcy, the calibration of the banking capital and liquidity standards, the provision of sufficient liquidity and solvency levels in the process of using credit swaps.

The fifth session of the conference held in the Ukrainian language was dedicated to the competitiveness of the banking system in the context of the global financial crisis. It was chaired by Professor Oleg Yaremenko, Deputy Head of the Expert-analytical Center of the Monetary Policy Council of the National Bank of Ukraine and Professor Tetiana Vasylieva, Head of the Chair of Banking, Ukrainian Academy of Banking of the National Bank of Ukraine.

The participants of the session listened to the reports of the experts from the National Bank of Ukraine, the leading national economic research institutes and universities.

The issues raised during the session were devoted to the study of behavioral finance and the choice of investment preferences, international experience of using the seasonally adjusted monetary statistics, peculiarities of banking sector evaluation in the context of the national assessment of legalization risks, assessment of the bank liquidity gross reserves, analysis of hierarchies as an effective instrument for solving problems of the banking sector, integrated reporting of banks, operational risk management of commercial banks, restoration of the banking system of Ukraine, improvement of banks’ rating, cyclicity of the credit market, the structure of the banking system of
Ukraine, the assessment of banks’ efficiency, foreign capital and the domestic investment market, forecast assessment of factors in the formation of banks’ net profit. These reports led to intense debates, which continued during the second day of the conference.

At the end of the first day of the conference the participants received an opportunity to meet in the informal barbecue atmosphere, to communicate with colleagues and potential partners, exchange ideas and continue discussions.

The following day, May 25, open lectures of foreign experts were organized for students, post-graduates and guests of the Academy as part of the conference events. The first lecture on “The essence of corporate governance in banking” was delivered by professor Mynhardt, University of South Africa. Professor Mynhardt has a rich experience of working at banking institutions, the Central Bank of South Africa, consulting the boards of directors of banks and top managers of financial companies. Therefore, his lecture was full of interesting practical examples and drew the audience’s attention.

Parallel to the first lecture, in another conference room Professor Ivo Pezzuto of the Swiss Management Center made a presentation on business strategies and planning. In addition to his academic career Professor Pezzuto has held leading positions in several major international companies and keeps advising the managers of transnational corporations. During the lecture he shared his years of experience in management with the audience.

Professor Gabor Szőcs of the Hungarian Banking Association presented a fundamental study of the banking system in Hungary during the financial crisis and told the audience about the bank regulatory measures taken to stabilize the banking system of his country.

The second part of the open lectures began with the presentation of Professor William Megginsson from the University of Oklahoma (USA). Professor Megginsson is an
internationally renowned expert in corporate finance and management. The results of his research were published in the best academic journals and are included in the list of the most cited works on the above-mentioned topic. Some participants pointed out that the very presence of the researcher at the conference is the evidence of its high level. In his lecture the American expert presented the findings of his research devoted to the relationship between the ownership structure of corporations and their financial stability during the crisis.

The report of Professor Mo Vaziri from the California San Bernardino State University (USA) was the last in the program of open lectures. In his lecture Professor Vaziri presented a methodology to evaluate worldwide financial securities. During the lecture the necessary software was used, which had both the theoretical and practical value for the audience.

A gala dinner arranged in the traditional Ukrainian style by the organizers became a spectacular completion of the conference. In an informal atmosphere, participants continued to discuss various interesting issues raised during the conference, made contacts and thanked the organizers for the well-planned scientific event.

On the whole, the VII international scientific and practical conference “International competition in banking: theory and practice” was fruitful and successful. After the debates and discussions of reports and presentations, sharing of experiences, views and analysis of the problems and prospects of economic development, the conference participants developed some guidelines that can be used to counteract the negative consequences of the global economic crisis in different countries of the world. The conference showed the willingness of Ukrainian scientists to cooperate with foreign specialists in the field of banking regulation.

The participants mentioned the timeliness and relevance of the conference topics as well as a high level of organization. The organizers expressed their gratitude to the National Bank of Ukraine, the state higher educational institution "the Ukrainian Academy of Banking of the National Bank of Ukraine", to all the speakers and conference participants.
The participants of this international scientific event have not only increased their professional qualification, but have also established new contacts and extended their cooperation network with colleagues from universities and institutions of other countries. The conference organizers received a lot of positive comments regarding the conference. Here are some of the comments:

Wonderful conference! Excellent organization, very interesting papers and presentations and stimulating debate. And everyone was super nice!

Marco Ventoruzzo, Director, Ph.D. in Business Law, Vice-Director, Paolo Baffi Center on Financial Regulation, Bocconi University Law Department, Italy

It was a great honour to have the opportunity to assist at the magnificent conference organized by the Ukrainian Academy of Banking. I will always remember the warm welcome I received in Sumy.

Ricardo Gimeno, Bank of Spain

It was a great pleasure for me to conduct presentation. I hope to attend next conference again.

Kozo Harimaya, Ritsumeikan University, Japan

Thank you very much for the invitation and the wonderful organization and hospitality. I hope that we will meet again in the near future. Good luck and my best wishes. Thank you all!

Cândida Ferreira, ISEG UTL and UECE, Portugal

It has been a pleasure for me to attend this conference. Good themes, good people and good organization. Thank you for all.

Rossana Bubbico, Politecnico di Milano, Italy

I enjoyed the conference and all wonderful individuals that I met. I hope to see all of you in USA or get another chance to come to Sumy and visit the friends I met. Thanks for the opportunity.

Mo Vaziri, California State University San Bernardino, USA