



KENYA BANKERS
ASSOCIATION

12th Annual Banking Research Conference

Theme: “Monetary-Fiscal Policy Trade-Offs Amidst Multiple Macroeconomic Shocks and Banking Sector Responsiveness”

The Kenya Bankers Association (KBA) Centre for Research on Financial Markets and Policy® invites researchers to submit proposals for papers to be presented at its 12th Annual KBA Banking Research Conference scheduled for September 2023. This year's Conference theme is: “**Monetary-Fiscal Policy Trade-Offs Amidst Multiple Macroeconomic Shocks and Banking Sector Responsiveness**”.

Global uncertainty arising from protracted geopolitical tensions in Eastern Europe, escalated inflationary pressures across many economies, and mounting fiscal challenges have called for macroeconomic policy adjustments characterized by somewhat synchronized monetary policy tightening, and fiscal policy consolidations in support of economic sustainability. In addition, the adverse effects of climate change continue to linger drawing policymakers' attention to the need to structure green and sustainable financing arrangements. Amidst these developments, and the observed banking sector responsiveness, three challenges are evident: 1) credit risk assessment by lenders has become increasingly complex with emergence of new risks and compounding of existing ones, and the need to embed sustainability principles; (2) banking sector responsiveness in terms of deposit mobilization, credit portfolio allocations, risk management, and sources of profitability; and 3) given policymakers growing trade-offs between monetary-fiscal policy interventions, achieving an optimal policy mix amidst uncertainty remains a delicate balance.

In light of the above, the **12th Annual KBA Banking Research Conference** seeks to attract and showcase high-quality analytical work on any or a combination of the following three critical areas:

- **First**, with the ongoing monetary policy tightening across the globe and financial markets remaining volatile, the credit landscape is becoming more complex. New risks continue to emerge sustaining high private sector credit risk and increasing the likelihood of competition for loanable funds between the public and private sectors. Therefore, there is need to analytically interrogate further the credit risk assessment, spotlighting on both the supply - and demand-side developments, including the role of technological innovations. Here, the use of household-based national surveys and cross-sectional supply side data would be important to espouse heterogeneity across lenders in their risk analysis, financial inclusion strategies and customer centricities in credit supply.
- **Second**, is a focus on the banking sector responsiveness to global and domestic market developments, in terms of deposit mobilization, credit portfolio allocations, risk management, and sources of profitability. Stemming from this, is the need to explore critical anchors to economic recoveries as the economy reels from the adverse effects of the pandemic and the existing multiple shocks that have hit economies – from disruptions in global value chains, escalated effects of climate change and attendant calls for investments in mitigation and adaptation, rising inflationary pressures, to unprecedented monetary policy tightening in advanced economies. Policymakers globally are in dire need to structure stronger and more sustainable private sector-led economic recoveries. Analytical papers focusing on credit expansion strategies are welcome, including those that embed the implications of emerging green and sustainable financing arrangements, and the role of technological innovations in the delivery of financial services and products.
- **Third**, with the uncertain economic outlook; narrowing fiscal space; elevated inflationary pressures and volatilities in financial markets, achieving an optimal monetary-fiscal policy mix is faced with sizeable trade-offs that must be navigated. Towards this end, we invite papers documenting the implications of these macroeconomic policy developments on the economy and by extension the banking sector, particularly with heightened uncertainty.

The Conference's emphasis will be on high-quality research on the theme motivated above

in the East African Regional context; bringing out an optimal balance between theory and application, and policy and/or business relevance of the research findings.

An honorarium will be paid for each paper selected for the Conference. The conference shall be hosted both physically and virtually, and all authors (at least one presenter for co-authored papers) will be required to present their papers physically (in-person) at the conference venue. However, for authors from the region whose papers are selected for the conference, they will have a choice to either connect virtually to the conference or meet their own travel and accommodation costs.

Further, all conference papers will be reviewed for possible publication in the KBA Centre for Research on Financial Markets and Policy® Working Paper Series (<http://www.kba.co.ke/research-center/working-paper-series>) which is also hosted on *Econstor* Repository (<https://www.econstor.eu/handle/10419/249501>).

Requirements:

1. Researchers should submit a written research proposal to the KBA. All proposals should be strongly aligned to the above motivated theme of “**Monetary-Fiscal Policy Trade-Offs Amidst Multiple Macroeconomic Shocks and Banking Sector Responsiveness**”.
2. Each proposal **should not be more than five pages** and should include:
 - Motivation of the study
 - Key hypotheses to be tested
 - Research methodology
3. The research area can focus on either one of the areas outline or bring out dimensions of linkages to other areas in the theme line.
4. The proposal should include a **300 to 500-word abstract**.
5. A **brief biography of the researcher/** research team including their professional qualifications and research experience. The biography **should not be more than two pages**.

Key dates

April 21, 2023	Deadline to submit a research proposal
May 15, 2023	Selection of research papers and notification of authors
July 3, 2023	The full research papers and policy briefs completed by the authors and submitted to KBA Centre for Research on Financial Markets and Policy®
August 2023	Technical Review Workshop (Virtual /in-person)
September 2023	12th Annual KBA Banking Research Conference

Submission

Researchers responding to this call can submit their research proposals by sending an email as indicated below.

Email: research@kba.co.ke

To the attention of: Director, KBA Centre for Research on Financial Markets and Policy®

Email Caption: Annual Research Conference 2023