



Introduction

Welcome to this edition of the IADI newsletter. In this issue we focus on the AGM and Annual Conference hosted in London in October. We take the opportunity to mark both the election of Jerzy Pruski as the new President and Chair of the Executive Council, and express thanks to Chair Gruenberg.

Alongside the congratulations to the Korea Deposit Insurance Corporation as the Deposit Insurance Organisation of the Year 2012, you will see a summary of the conference. At the AGM, Rose Detho was appointed as Treasurer, and María Inés Agudelo, Thomas Hoening and András Fekete Gyor elected to the Executive Council – and we shall introduce the new members in the next edition.

Elsewhere we also catch up with activities of the Asia Pacific and European Regional Committees. Finally, we look forward to Buenos Aires in 2013!

News

- Thank you speech to Marty Gruenberg
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President's Thanks

Jerzy Pruski

Elected as President of IADI & Chairman of the Executive Council

(Acceptance speech made on 25 October 2012)



I'm honoured and privileged to take the floor after my appointment to the IADI Presidency.

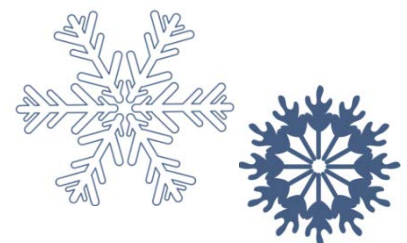
I should like, first of all, to very sincerely thank all IADI members who have put their trust in me by selecting me to perform the duties of the President of the International Association of Deposit Insurers and Chair of the Executive Council.

Let me seize this opportunity to pay tribute to the exceptional role played by Martin Gruenberg. I must say that his unflinching support I enjoyed during the period I served as the Vice-Chair of the Executive Council of IADI undoubtedly helped to spur me on to my future mission.

The scale and gravity of the confidence you have entrusted in me are significant. I feel both honoured by and aware of the demanding task I face. However I am convinced that with the invaluable assistance of IADI Members and staff, we will together continue to serve, as under outgoing Chair Gruenberg's leadership, IADI ideals and objectives. This will contribute to the stability of financial systems by increasing IADI's role in the global financial safety net.

I look forward to a fruitful cooperation with all IADI Members and financial system players.

I am deeply indebted to all of you for this appointment.





Thank you, Chair Gruenberg

(The text of Jerzy Pruski's speech on 25 October 2012)



Dear Chair Gruenberg,

It is with the highest respect that we, members of the International Association of Deposit Insurers, express our gratitude for your service as the Chair of the Executive Council and the President of IADI over the five years of your term.

Martin, you have tirelessly advanced the objects, profile and reputation of IADI and the value of deposit insurance systems. You've done this through your public engagements, both as the President of IADI, and in your professional capacity as the Vice Chairman and now as the Acting Chairman of the Federal Deposit Insurance Corporation.

The peak of the current, protracted financial crisis happened to fall within your tenure. But under your leadership, since 2007, IADI proved well-poised to weather the storm, and even contributed to calming the waves.

Allow me to now outline the major milestones achieved during your presidency. All have contributed significantly to what IADI is now.

1. First of all, it is crucial to underline the importance of your clear vision for the Association. Under your governance, the membership of IADI has grown substantially.

The successful expansion of IADI around the world has contributed to the stability of financial systems.

At the same time it has also been instrumental in promoting international cooperation among the deposit insurer community as well as other interested parties.

There's no doubt that IADI's major achievement in realizing its objectives is the adoption of Core Principles for Effective Deposit Insurance Systems.



The Financial Stability Board added the Core Principles to its Compendium of Key Standards for Sound Financial Systems. The IMF and the World Bank approved the use of the Core Principles in the FSAP reviews. Then under your leadership, IADI has made significant progress in advancing the Core Principles through the development of the Assessment Methodology and Handbook. Finally, IADI has pursued a strategy of providing guidance to deposit insurers and other safety-net organizations through training and lectures at regional workshops.

However, the most recent achievement developed under your presidency regarding the Core Principles is one that in hindsight will prove the most legacy-building and valuable. Namely, it is the cooperation agreement between IADI, IMF and World Bank on the assessments of deposit insurance systems under the FSAP program.

Nowadays, it is hard to imagine deposit insurers operating without the Core Principles. IADI's voice, with you at its helm, has gained immense force and impetus by being admitted to the exclusive international standard-setting community.

2. Of course, these accomplishments, as all others, have their roots. What are they in IADI's case?

At a grassroots level, the actions of all IADI members need certain structures to come together to form a single, cohesive unit.

Among these, the Committees and Subcommittees have a fundamental role to play and pave the way for the enduring Association that IADI has become.

Parts of IADI's foundation are also the many conferences, workshops and seminars. These important research events happened in parallel to the many EXCO meetings and AGMs. Such important events have helped to build a cohesive structure underpinned by the pillars of high corporate governance and high quality research.

This model is a direct consequence of the vision you, Martin, have upheld and been dedicated to throughout your tenure.

But Martin, I'm convinced that you'll agree with me that this is not a responsibility you have carried on your capable shoulders single-handedly.

Your staff as well, has done their part to help push forward this noble cause. And here let me tip my hat to, Barbara Ryan, Gail Verley, Fred Carns, Vijay Deshpande, Debra Decker and David Hoelscher - and many others - and let me express my sincerest hope and conviction that these dedicated individuals, with your ongoing support, will continue contributing tirelessly to IADI for many decades to come.

In such a brief speech it is not possible to enumerate all your great accomplishments and invaluable contributions. But allow me to conclude by stressing that the clarity of your long-term vision, Martin, has been of the utmost significance. It has enabled the creation of a strong Association that IADI, undoubtedly, has become. This turned out to be critically important in this time of global crisis.

In all certainty we can now say that you will be long-remembered as having made an important contribution to the overall landscape of financial stability by so effectively guiding our Association that has become an international standard setter.

As an appreciation of your presidency and as an acknowledgement for all those years that you have spent with IADI, we would like to present you with this small gift. At the same time please accept the most sincere wishes of successes on your future professional and personal paths.

Thank you Martin, without you we wouldn't be where we are today.





IADI AGM & ANNUAL CONFERENCE 2012



11th IADI
ANNUAL CONFERENCE
London / October 2012



FSCS hosted the 11th IADI Annual Conference and Annual General Meeting between 22 and 26 October in London.

The first two days of the event were reserved for IADI members to attend standing and research committees, as well as the Executive Council meeting held on the afternoon of 23 October.

The conference itself had a theme of 'Deposit Insurers and the Financial Safety Net', inviting delegates to explore the relationships of deposit insurers with other financial safety net players.

The conference ran from Wednesday 24 October to midday on Thursday 25 October and brought together over 200 international delegates and speakers.

The programme included a variety of high profile speakers and the event was opened by the new Financial Secretary to Her Majesty's Treasury, Greg Clark. This was followed by Nathalie de Basaldúa, Head of the Financial Stability Unit at the European Commission, talking about the European Commission proposals on Recovery and Resolution and Banking Union. She was joined by Aerd Houben of De Nederlandsche Bank responding with the views from a Eurozone Member State to the proposals.



The keynote speeches of Andrew Bailey, Managing Director of the Prudential Business Unit at the UK Financial Services Authority (FSA) and Anthony Browne, Chief Executive of the British Bankers Association (BBA) were interspersed by panels made up of selected IADI members giving their views on deposit guarantee schemes and the financial safety net. The presentations represented different models of deposit schemes including private, public and those who are part of the central bank or regulator.

The second day had more of a consumer focus and was opened by the journalist Martin Lewis, of moneysavingexpert.com. The panel which followed allowed representatives of deposit guarantee schemes to give examples of their schemes' approaches to consumer awareness. The closing keynote speakers were Carol Sergeant (Member of the European Commission's High-Level Expert Group on Reforming the Structure of the EU Banking Sector), discussing the recommendations made in the Liikanen report, followed by Paul Tucker, Deputy Governor of the Bank of England. Paul Tucker's speech, on deposit insurance, resolution and bail-in, was subsequently published on the Bank of England website.

On Wednesday evening, delegates were invited to attend a Gala Dinner at the Painted Hall, Greenwich

Naval College, a UNESCO world heritage site, and the journey to Greenwich also gave delegates a chance for a boat trip at night along the Thames.

The IADI Annual General Meeting was held on the afternoon of Thursday 25 October. This meeting saw Mr Martin Gruenberg stand down as President and Chair of the Executive Council of IADI after five years of service and Mr Jerzy Pruski, Vice-Chair of the Executive Council of IADI and President of the Management Board of the Bank Guarantee Fund (Poland) elected as his replacement.

A closing drinks reception was held on the evening of 25 October at the fifteenth century Lincolns Inn.

On Friday, delegates got a chance to relax and take in some of London's history as they travelled by boat to Westminster Abbey and then returned for lunch and a guided tour at the Tower of London.

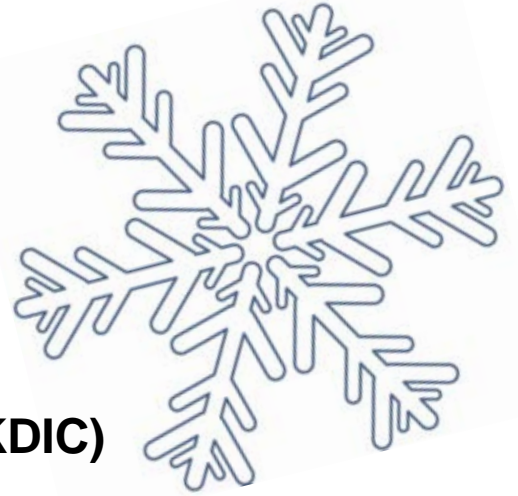
Copies of the conference presentations are available on the IADI website and a video of the speeches will also be made available. Photos of the events are also available.

FSCS would like to thank all the delegates who participated and a particular thank you to IADI members who participated as speakers.





DEPOSIT INSURANCE ORGANISATION OF THE YEAR 2012



Korea Deposit Insurance Corporation (KDIC)

Presented by the President of IADI, October 2012

KDIC was established in 1996 and was a founding member of IADI in 2002. KDIC was nominated to receive the DIO of the year award because of its achievements in strengthening deposit insurance systems and their associated contributions to financial stability in Korea. Additionally, KDIC was also noted by voters for its ready willingness to share knowledge and to assist in training for other IADI members.

KDIC is a key player in the international community's financial safety-net and has achieved several successes with their involvement in an intensive restructuring of their financial industry following the 1997 Asian financial crisis - and in the process it has reinforced public confidence in KDIC and generated a higher level of awareness regarding its deposit insurance system. In fact, a public survey conducted at the end of 2011 showed that the deposit insurance awareness level among the general public had reached the enviable level of 89%.

During the current financial crisis and in the past two years, KDIC successfully carried out prompt resolution of twenty failed institutions. These resolutions served to calm financial markets, while at the same time its efforts were performed with a reduction in resolution costs and were financed by the industry, and not the taxpayer. The timescale for payment of deposits was shortened from two weeks to four days.

KDIC has been in the forefront in promoting international collaboration and exchange, by hosting the 2003 IADI AGM; by sending expert officials abroad and accepting trainees; by sending and receiving visits from other deposit insurers; and by participating as lecturers in conferences and seminars. Their organization was the first to commit to sponsoring a Secondee at IADI beginning in 2006. They are active contributors through IADI's own Capacity Building program; and in addition, they also contribute in sharing their deposit insurance expertise through the Korean government's specialized Knowledge Sharing Program – which serves to help developing countries who have taken an interest in the Korean economic development model and its critical components, including deposit insurance.

In regards to the IADI regional committees, KDIC very actively promotes regional cooperation, outreach and participation in IADI. They are in active efforts to assist regional jurisdictions in performing the steps needed to implement deposit insurance schemes.



Congratulations to KDIC for its accomplishments and thanks to Won-Tae Yi and the staff at the KDIC as the recipients of the 7th Deposit Insurance Organization of the Year Award.



IADI ERC Seminar

IADI Europe Regional Committee held a Technical Seminar on “Key Legal Modalities for Assisting Cooperation among DGSs in Europe” hosted by the Bulgarian Deposit Insurance Fund in Sofia on 19-21 April 2012.

The main panels in the program included: lending/borrowing and mutual claims handling agreements among DGSs, insolvency regimes in different countries, backup funding agreement with the state/central bank, and selected legal issues of resolution framework.

The event garnered high-profile lectures and moderators from around the globe: European DGSs, the Federal Deposit Insurance Corporation, Kazakhstan Deposit Insurance Fund. Seminar attendees were over 40: representatives of deposit guarantee schemes, representatives of the Bulgarian National Bank and the Ministry of Finance and leading Bulgarian lawyers in international law.



Regional Committee

Asia Pacific Regional Committee (APRC)

Mr. Hiroyuki Obata (Chairperson)

Deposit Insurance Corporation of Japan

Mr. Won-Tae Yi (Vice Chairperson)

Korea Deposit Insurance Corporation

Mr. Ian McLauchlan

Australian Prudential Regulation Authority

Mr. Azad Javadov

Azerbaijan Deposit Insurance Fund

Mr. S.K. Sur Chowdhury

Bangladesh Bank

Ms. Tracy Chong Kun Ling

Brunei Darussalam Deposit Protection Corporation

Mr. Howard N. H. Wang

Central Deposit Insurance Corporation, Taiwan

Mr. Andrey Melnikov

Deposit Insurance Agency, Russian Federation

Mr. Jasbir Singh

Deposit Insurance and Credit Guarantee Corporation, India

Dr. Bui Khac Son

Deposit Insurance of Vietnam

Mr. Sorasit Soontornkes

Deposit Protection Agency, Thailand

Ms. Meena Datwani

Hong Kong Deposit Protection Board

Mr. Mirza Adityaswara

Indonesia Deposit Insurance Corporation

Ms. Bakhyt Mazhenova

Kazakhstan Deposit Insurance Fund

Ms. Yee-Ming Lee

Malaysia Deposit Insurance Corporation

Mr. Valentin A. Araneta

Philippine Deposit Insurance Corporation

Mr. Sin Teik Ooi

Singapore Deposit Insurance Corporation

The main purpose of the APRC is to reflect regional interests and common issues through sharing and exchanging of information and ideas. The current focus of APRC is to share knowledge and good practices among the members through various seminars and workshops held within the region and to expand membership.

Major APRC activities since June 2012 include the APRC Annual Meeting held in Moscow, Russia from 4th to 6th June, 2012, the International Workshop on Integrated Deposit Insurance System held in Langkawi, Malaysia from 4th to 8th September, 2012, the IADI Training Program "Deposit Insurance Schemes: A Well Developed Legal Framework and Selected Legal Issues" in Seoul, Korea from 13th to 15th November, 2012, and a Seminar on Islamic Deposit Insurance, in Yogyakarta, Indonesia from 26th to 27th November 2012.



Going forward, APRC members will host various international training program and seminars, including APEC FRIT Regional Seminar on Crisis Preparedness for Banking Regulation to be held in Kuala Lumpur, Malaysia from 3rd to 7th December, 2012, and Round Table in Tokyo, Japan from 6th to 7th March 2013. In addition, APRC is planning to hold a regional seminar, and Deposit Insurance and Credit Guarantee Corporation, India is preparing the first APRC Seminar on Investment Management for deposit Insurance in February 2013.

The APRC Chairperson, Mr. Hiroyuki Obata commented that APRC is expanding in terms of both members and its capability. He also noted the fact that Korea Deposit Insurance Corporation receiving the 2012 Deposit Insurance Organization of the Year Award is a good example of APRC's development as well as its contribution to IADI.



APRC Group Picture from APRC Annual Meeting in Moscow (June 2012)



Data and Survey Committee

Committee Members

Last Name	First Name	Committee Title
Verley	Gail	Chairperson
Velazquez	Ricardo	Vice Chairperson
Blair	Christine	
Chou	Catherine	
Cupei	Dirk	
Fan	Yvonne Y.	
Garcia	Dolores	International Survey Coordinator
Hamed	Jumana	
Kim	Jungsuk	Site Coordinator
Kushmeider	Rose	
Lasconia	Delia	Data Administrator
Lattimore	Joshua	
Lee	Yee Ming	
Loeb	Patrick	
Markova	Roumyana	
Sánchez	Jorge	
Schull	Donna	
Szymczak	Romuald	
Fujiki	Aya	
Walker	David	
Yeh	Fiona	
Yun	Sunghyun	

IADI's Data and Survey Committee (DSC) was established as a Standing Committee at the 35th IADI EXCO meeting in June 2012 to reflect its evolution from handling ad hoc requests as a subcommittee of the Research and Guidance Committee to becoming the entity that supports and provides important data for the on-going work of the Association. The IADI Secretariat participates actively on this Committee and provides critical operational knowledge to the DSC for supporting the Association's information and data requirements. Likewise, the DSC provides the Secretariat guidance on any data issues and assists in resolving websites technical problems.

The DSC Terms of Reference were approved at the 36th EXCO meeting in London and include the following major duties and responsibilities:

- To facilitate the sharing and exchange of expertise and information on deposit insurance issues by coordinating and monitoring the release of all the Association's survey questionnaires.
- To encourage participation in the Association by sharing information on expertise and major attributes of DIS worldwide through the Association's public website and responding to information requests from the public.
- To ease the sharing and exchange of other non-public information among Members of the Association with the appropriate level of safeguards by way of the internal website.
- To support the Association, in accordance with its Statutes, By-Laws, policies, and procedures, through appropriate oversight of the data and technological resources of the Association by way of:
 - maintaining and expanding the Association's database, data dictionary and glossary;
 - establishing security controls to maintain the Association's data confidentiality, integrity and availability;
 - recommending data and information retention policies for managing the Association's information;
 - providing, as appropriate, IT support for the Association's Annual General Meeting and Council, Standing and Regional Committees and Subcommittees, Secretariat; and
 - recommending updates and enhancements to the Association's internal and external websites.

IADI's DSC and Secretariat have been working with the Bank for International Settlements (BIS) Monetary and Economy Department (MED) since 2010 to build a worldwide deposit insurance scheme database and reporting tool.

As part of this arrangement, IADI is using cBIS, a custom-designed database application owned by the BIS, to manage IADI's survey data on worldwide deposit insurance schemes. A cornerstone of the database is the data collected annually by IADI of major attributes of the deposit insurance schemes.



The second IADI Annual Deposit Insurers Survey was launched in April 2012, and the responses from 88 deposit insurance schemes were posted on the IADI internal site in November 2012. The report, titled "2011 Annual IADI Survey" reflects data as of 31 December 2011. Fifteen key DI attributes from the Annual Survey that are not considered sensitive information are also published on the public website. The DI attributes and summary charts of the Annual Survey data can be found at <http://www.iadi.org/di.aspx?id=168>.

During 2012, IADI conducted several other surveys, including a training-needs assessment survey of its Members to ascertain what the Members' identified as their most pressing areas for their own education needs; and a survey to

collect data and gain insight to be used for research underway by IADI's Dealing with Parties at Fault in a Bank Failure and DI Frauds Subcommittee.

Similarly, five other specific-purpose surveys were conducted at Members' requests over the recent period. All such surveys are, or will be included in IADI's database for internal formal/informal research endeavours, as well as for IADI Members' independent research. The DSC anticipates releasing two surveys in the next few months addressing integrated deposit insurance schemes and recoveries from failed bank asset sales. DSC Chairperson Verley noted that "the active participation of the membership in responding to these surveys provides a valuable reference for the Association's research as well as individual member research."

Invitation to the 12th IADI Annual Conference & AGM

Dear IADI colleagues,

We are pleased to announce the 12th International Conference and AGM which will be hosted by SEDESA in the city of Buenos Aires, Argentina, November 4th till 8th, 2013.

We have already started to put together the program and activities which we are sure will be of interest to you.

The selected venue is the Alvear Palace Hotel, located in the neighborhood of Recoleta which is surrounded by squares and parks, showing off its typical French architecture, and near most of the more renowned museums of the city.

We look forward to having you visit Buenos Aires, a city that reflects the essence of immigration, tango, and an intense cultural life with a broad variety of cultural locations that you will certainly enjoy.

Kind regards,

Alejandro Lopez, CEO

12TH IADI ANNUAL CONFERENCE & AGM



4-8 NOVEMBER 2013

Buenos Aires, Argentina

"Cross-Border Resolutions" Inaugural Conference

IADI Members are kindly invited to attend the "Cross-Border Resolutions" Inaugural Conference of the IADI Regional Committee of North America which will take place at the Fairmont Chateau Laurier Ottawa, Ontario, Canada, on Wednesday, February 6th, 2013. The [Program](#) and [RCNA Conference Registration](#) forms can be found on the website www.iadi.org. Member delegates wishing to also attend the Standing Committees and Executive Council meetings are requested to use the EXCO [registration form](#).