



COVERAGE ISSUES: RUSSIAN DIS APPROACH AND EXPERIENCE

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Istanbul, June 26-27, 2007

Approaches to Determining Optimal Coverage Limit

Expediency



Economic benchmark

Social benchmark

Target benchmark

+

Possibility

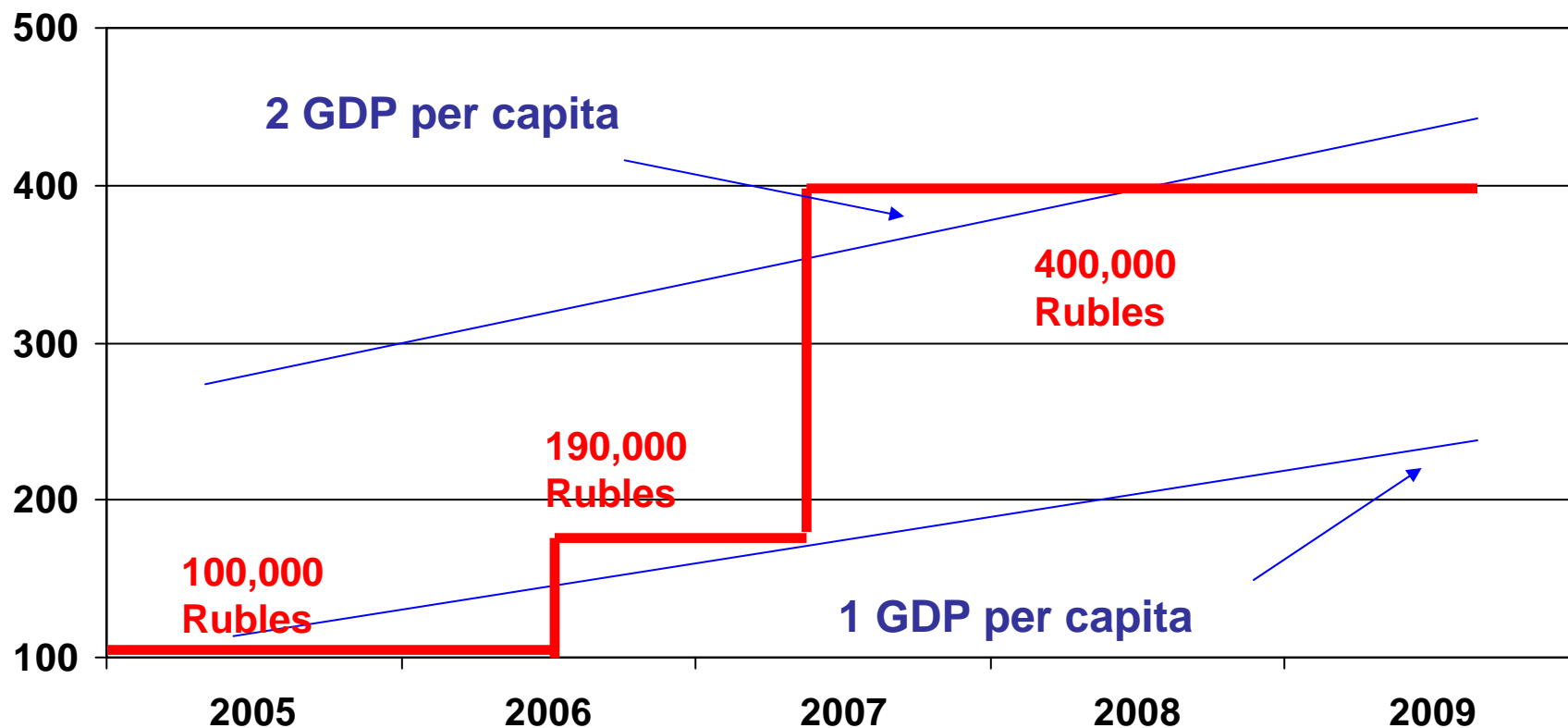


**Deposit Insurance
Fund Sufficiency**

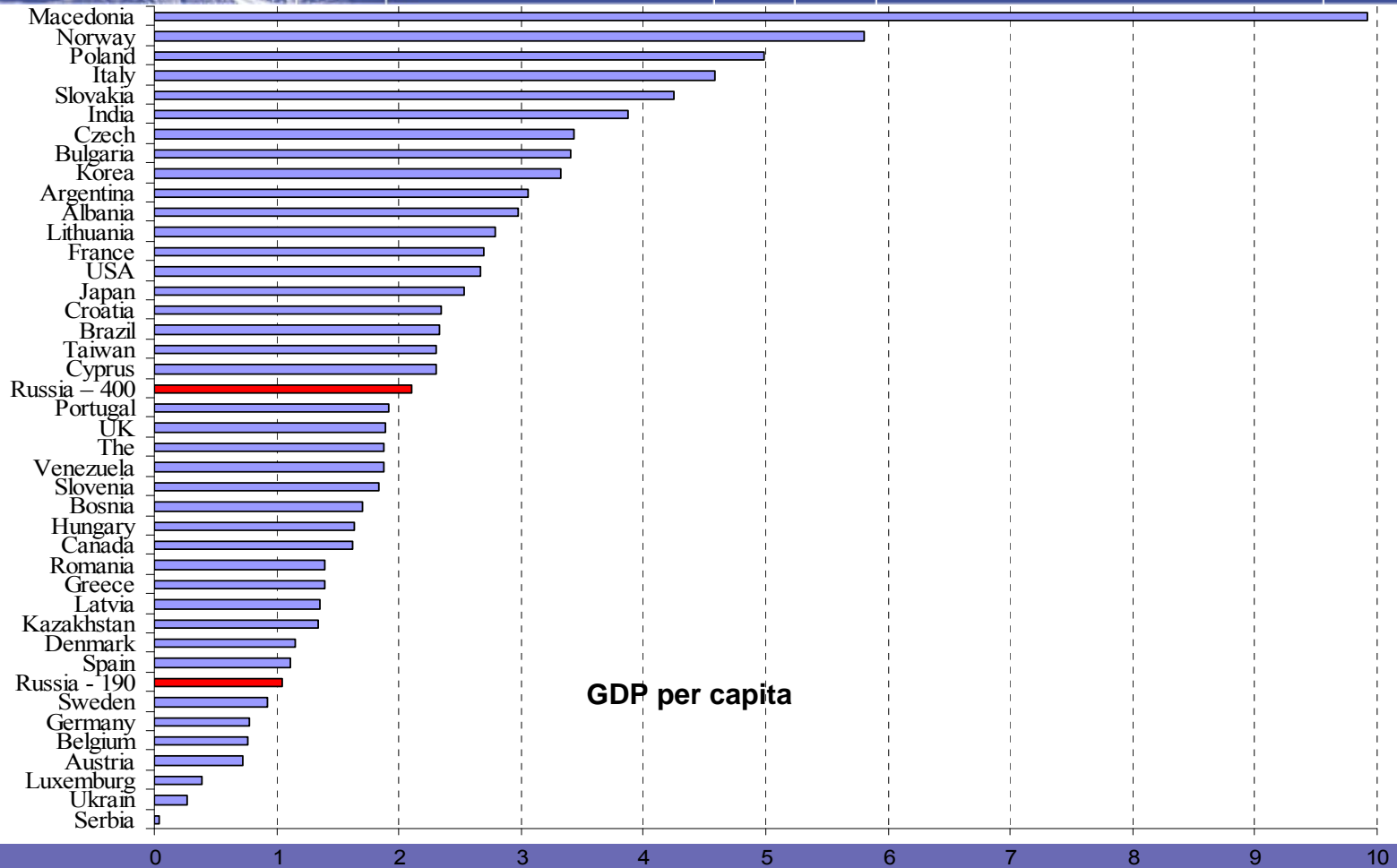
Economic Benchmark

**Deposit insurance coverage
should correspond to the level of
economic development of the
country and household income**

Economic Benchmark (Cont.)



DI Coverage to GDP per Capita Ratio



Social Benchmark

DI Coverage limit should be set at the level which ensures maximum protection of majority of depositors

Social Benchmark (Cont.)

**Number of banking clients
who have bank deposits (time or
demand deposits)**

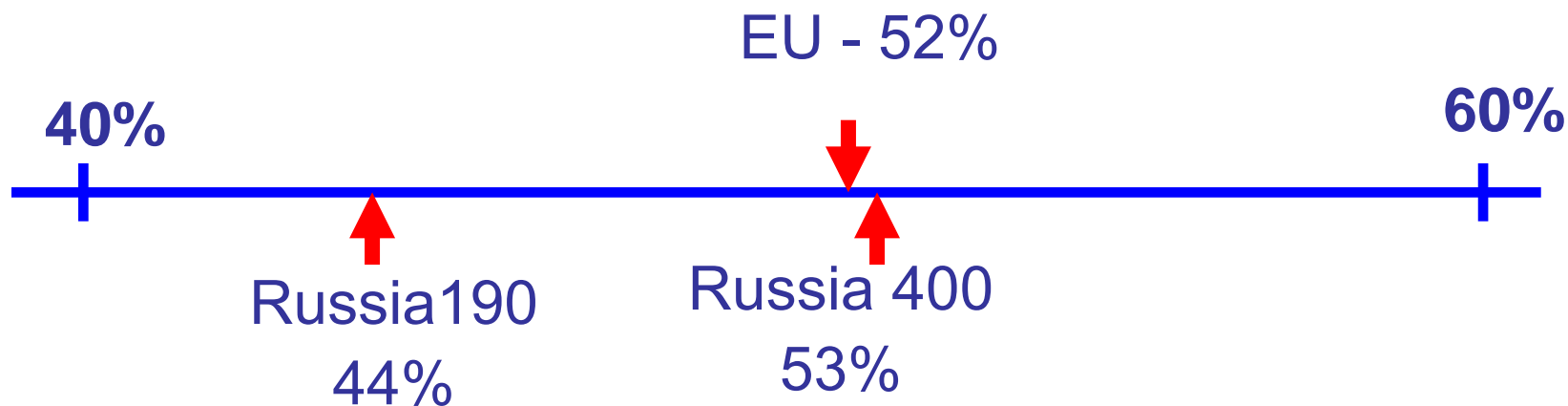
$\geq 90\%$

Target Benchmark

Reflects correspondence between DIS mission and scale of protection provided by the DIS

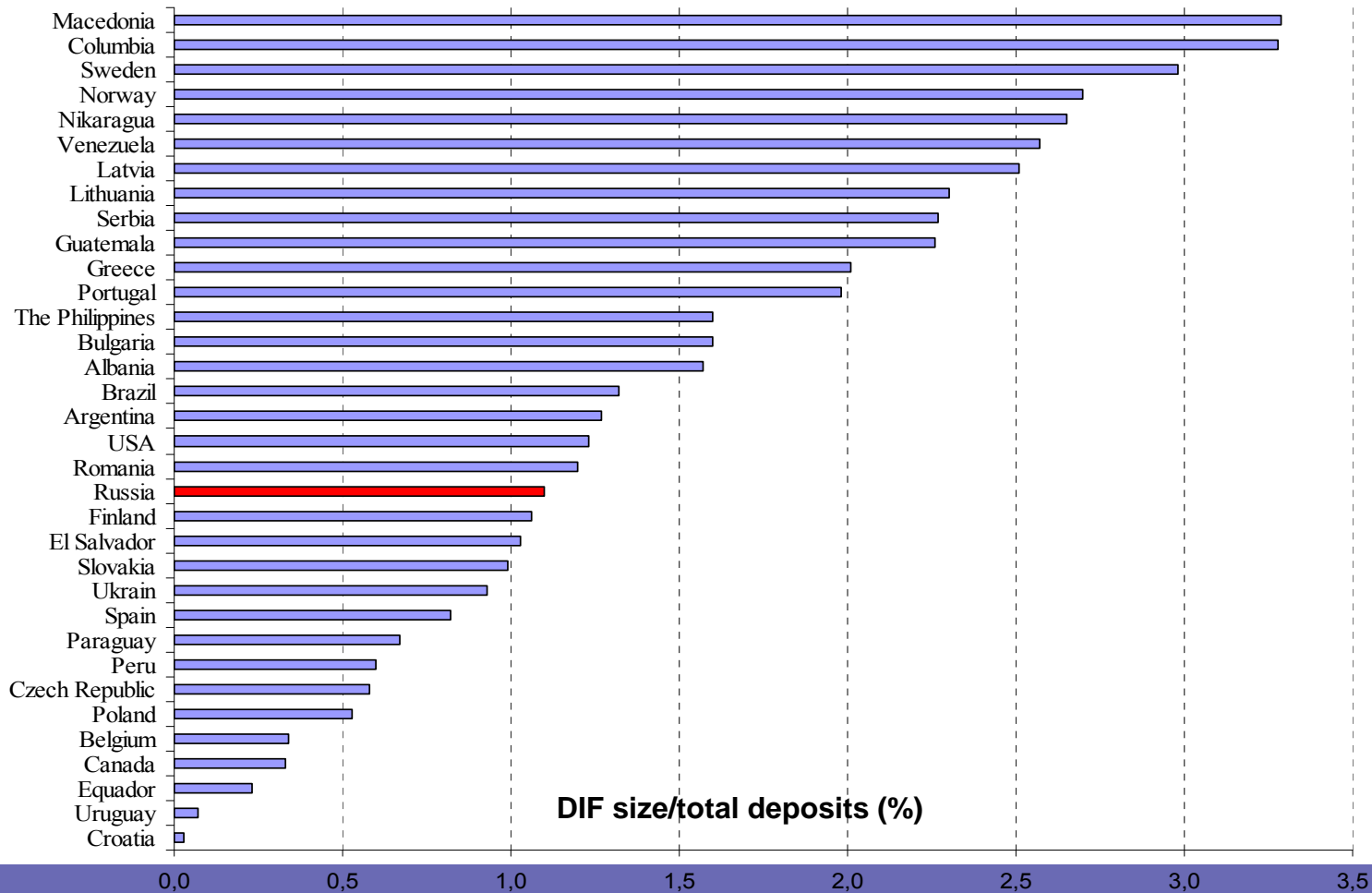
Target Benchmark (Cont.)

DI liability to total amount of insurable deposits

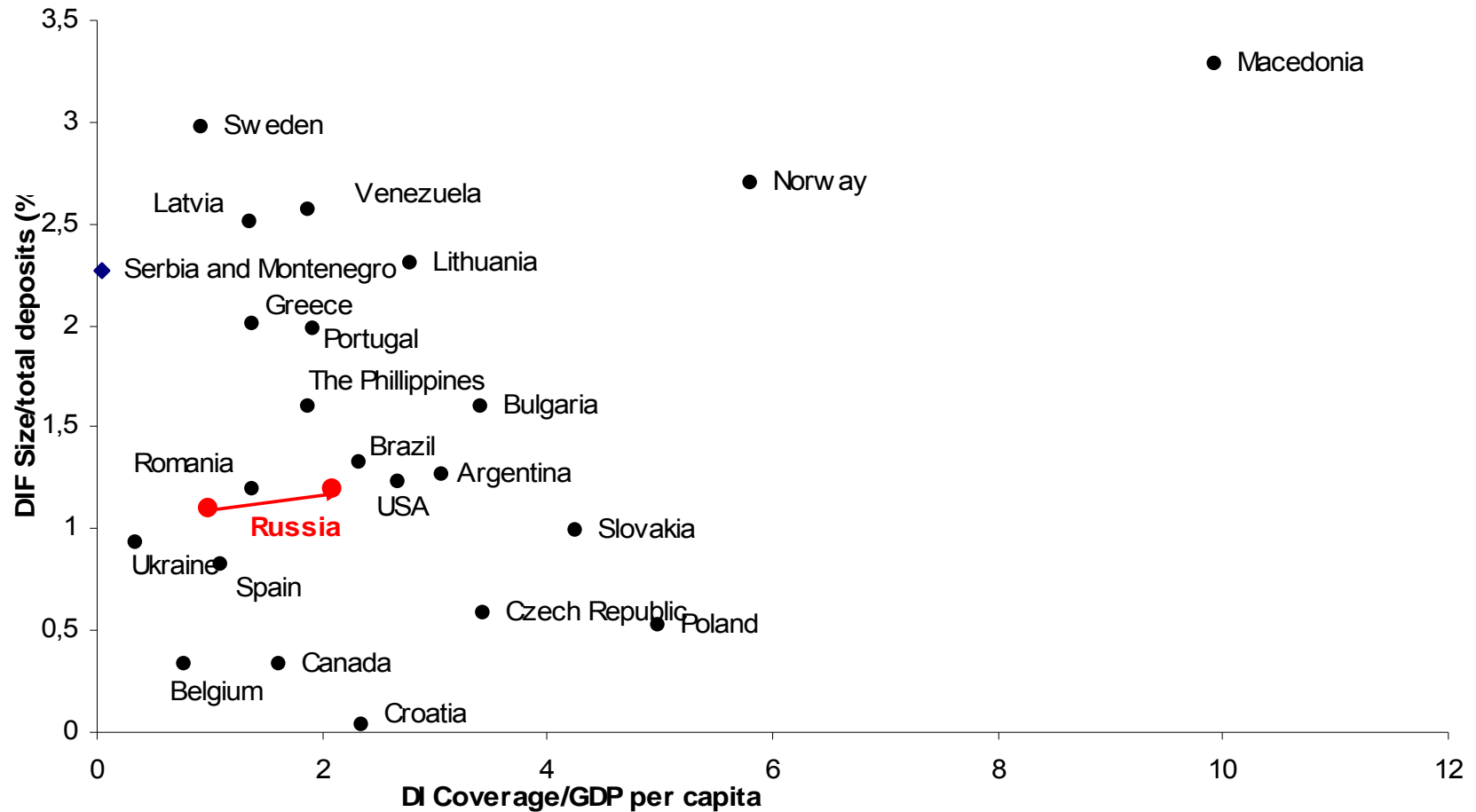


**DI Coverage should be supplied by
adequate DIF reserves and DI
premium rate**

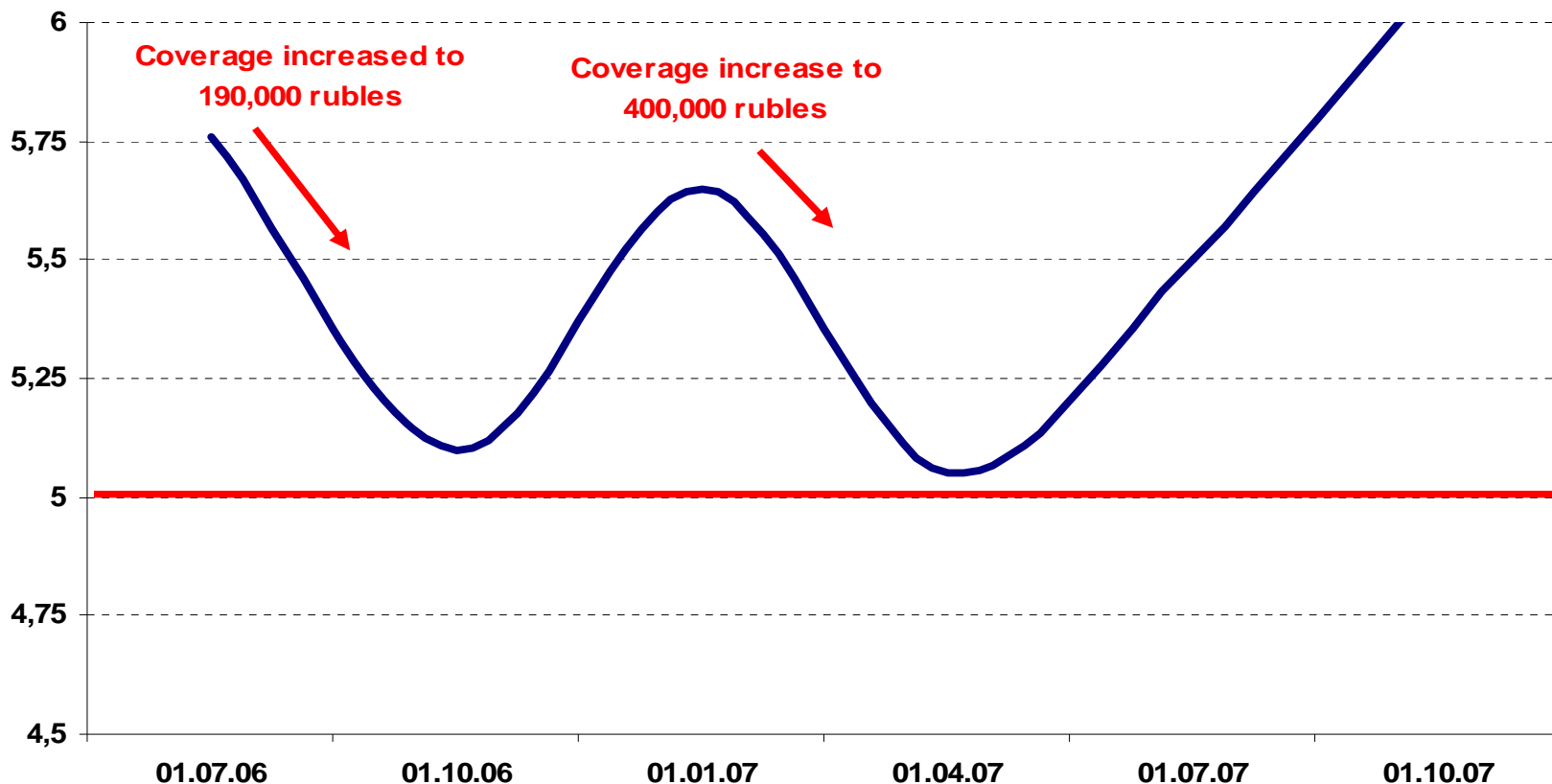
DIF size to total insurable deposits ratio



Russia in comparison with some other countries with DIS



Forecast of DIF reserve ratio for 2007-2008





State Corporation Deposit Insurance Agency Russian Federation

THANK YOU!

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