

Opening Remarks

By

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At

The 1st IADI Inter-regional Conference

*“The Role of the Deposit Insurance Systems in enhancing Financial
Stability in Different Countries”*

Istanbul - Turkey
26-27 June, 2007

Mr. Durmush Yilmaz, Governor of the Central Bank of Turkey.
Mr. Tevfik Billgin, Chairman of Banking Regulation and Supervision Agency.
Mr. Ahmet Erturk, President of Savings Deposit Insurance Funds.
Mr. Jean Pierre Sabourin, Chairman & President of the International Association of Deposit Insurers,

Distinguished Guests,
Good Morning,

It is indeed a pleasure to be here today and to have the opportunity to address such a distinguished gathering. I would like especially to thank the Saving Deposit Insurance Fund of Turkey for hosting this Conference which, I am confident, will provide a good forum for participants to share views on elevating the Role of Deposit Insurance Systems. I would like also to congratulate the first independent regulatory body in Turkey; the **Capital Markets Board** which celebrates, this year, its 25th Anniversary.

The participation of the top management of all Turkish safety-net members in this conference demonstrates the level of coordination and cooperation among them which sets clearly a strong model that proved to be efficient and effective in advancing financial stability in Turkey and handling several bank resolutions and pay outs.

The theme of this Conference “The Role of the Deposit Insurance Systems in Enhancing Financial Stability in Different Countries” reflects the increasing global acknowledgment of the critical role that deposit Insurance systems play in promoting financial stability. The Conference highlights in particular the importance of co-operation and information sharing among safety-net members in different countries. Other important topical issues that will be discussed in this Conference include Moral Hazards and Deposit Insurance Function, Recoveries and the Ability of Deposit Insurance to enhance Financial Stability, Bank Failure and the Scope and Limits of Coverage. The experience of countries in Europe, Eurasia and MENA regions will be presented, discussed and assessed with the objective of improving and fostering capacity-building at all levels.

Currently, more than 100 countries adopt an explicit deposit insurance system as compared to 12 countries in mid-seventies. This significant increase reflects the global recognition of the role of the Deposit Insurance Systems in promoting & enhancing financial stability and maintaining the soundness and resilience of banking systems. Deposit insurance systems prevent banks run, curb panics and contagion risks and enable financial systems to restore public confidence in the banking system.

The increase is also a reflection of the recognition and understanding of other safety-net participants of the role and mandate of the deposit insurer, on one hand, and the appreciation of the deposit insurers' role by member banks and institutions on the other hand.

Ladies and Gentlemen,

Regional Committees have been formed within the International Association of deposit Insurers (IADI) for Africa, Asia, the Caribbean, Eurasia, Europe, Latin America, and the Middle East and North Africa to reflect regional interests and common issues through the sharing and exchanging of information and ideas. I am grateful and thankful to Istanbul, and the Deposits Insurance Fund of Turkey in particular, for setting and hosting the first Inter-regional Conference of IADI. Regional, inter-regional and international cooperation enable member countries to revise and develop their systems and to improve their operations in a way that is consistent with the best practices.

With this in mind, I would like to take this opportunity to invite all non-member organizations, deposit Insurers and related parties in various regions to join the IADI and to participate strongly in its activities to ensure better achievements of our goals and objectives and to benefit from the experiences of different countries in the efforts of introducing or upgrading Deposit Insurance Systems.

Ladies and Gentlemen,

Let me conclude, by expressing again my sincere gratitude and appreciation to the Saving Deposit Insurance Fund of Turkey for hosting

this event and making the conference what it is. I wish you all successful and stimulating discussions over the conference sessions.

Thank you.