

# International Deposit Insurance Survey

## Section 1: Background Information

### 1.1 Organization (deposit insurer) responsible for administering the deposit insurance system:

#### 1.1.1 Organization Name:

National Bank of the Republic of Macedonia

#### 1.1.2 Organization Address:

Kompleks banki b.b.

#### 1.1.3 Organization Telephone No:

389-2-108-108

#### 1.1.4 Organization Fax No:

#### 1.1.5 Organization Internet Address:

[www.nbrm.gov.mk](http://www.nbrm.gov.mk)

### 1.2 Contact Person(s):

#### 1.2.1 Contact Person(s) Name:

#### 1.2.2 Contact Person(s) Address:

#### 1.2.3 Contact Person(s) Telephone:

#### 1.2.4 Contact Person(s) Fax:

#### 1.2.5 Contact Person(s) E-mail address:

#### 1.2.6 Are there other deposit insurance systems operating in your country ? (i.e. applying to other types of non-bank or non-depository institutions e.g.. insurance, securities) Please state their name(s) and contact information:

**1.3 Please provide information on other participants in your financial system safety-net:**

**1.3.1 Name of Central Bank:**

**1.3.2 Central Bank Address:**

**1.3.3 Central Bank Telephone:**

**1.3.4 Central Bank Fax:**

**1.3.5 Central Bank Internet Address:**

**1.3.6 Central Bank Contact Person:**

**1.4 Financial Supervisor:**

**1.4.1 Financial Supervisor Name:**

National Bank of the Republic of Macedonia

**1.4.2 Financial Supervisor Address:**

**1.4.3 Financial Supervisor Telephone:**

389-2-108-108

**1.4.4 Financial Supervisor Fax:**

**1.4.5 Financial Supervisor Internet Address and contact:**

[www.nbrm.gov.mk](http://www.nbrm.gov.mk)

**1.5 Other related entities:**

**1.5.1 Other Related Entities Name:**

**1.5.2 Other Related Entities Address:**

**1.5.3 Other Related Entities Telephone:**

**1.5.4 Other Related Entities Fax:**

**1.5.5 Other Related Entities Internet Address:**

**Section 2: Objectives, Mandates & Powers**

**2.1.1 When and why was the DIS established (please provide details)?**

The Deposit Insurance Fund in the Republic of Macedonia has been operational for five years. The break-up of former SFR Yugoslavia brought about a "freezing" of foreign currency saving deposits in all the republics of the Federation. The Republic of Macedonia, as well as the other republics, experienced an enormous drop in confidence in banks and savings houses. One of the measures undertaken to restore the confidence of the general public in the banking system was the establishment of Insurance Fund. In accordance to the Law on Banks and Savings Houses, the Saving Deposit Insurance Fund Inc. was set up in January 1997 as a joint shares holders company by the banks and savings houses, with the aim to provide a guarantee for the savings deposits of individuals up to a given level. In July 2000 a stand alone law on the Deposit Insurance Fund was enacted followed by the establishment of the Deposit Insurance Fund in November 2000 as a public institution and a legal successor of the Saving Deposit Insurance Fund Inc.

**2.1.2 What are the stated public policy objectives or mandate for your country's DIS? When was the last time they were reviewed and changed?**

The principal objectives for the adoption and reform of the existing Deposit Insurance Fund are: 1. To restore the confidence of the general public in the banking system of the Republic of Macedonia. 2. To protect the "small" depositors. Pursuant to Law, the essence of deposits insurance can be summarized in three main points: 1) in the case of insolvency of a financial institution, all registered deposits whose owners can be identified are protected; 2) the upper limit of guarantee is 10.000 EURO per individual depositor and 3) the insurance applies to all financial institutions that are members of the Fund. The last time they were reviewed and changed in January 2002.

**2.1.3 What process was used to determine these objectives in your country?**

Fund the answer enclosed in item 1.

**2.1.4 What is the legal basis under which the DIS was established? Please provide a copy.**

Legislation

The Law on Deposit Insurance Fund

**2.1.5 Is there a formal process for a periodic review of the policy objectives/mandates?**

No

**2.1.6 What sort of system do you have?**

Government legislated and administered

**2.1.7 Who makes decisions to pay depositor claims?**

Central Bank

The Fund pays the insured deposits of the physical persons within three months from the date when the Governor of the National Bank of Republic of Macedonia issues the decision for revoking the license for establishment and operation of a bank or savings house.

## **2.2 Which of the following powers has been provided to the DIS in order to carry out its mandate?**

### **2.3 Authority to**

#### **2.3.1 Enter into contracts**

Yes

#### **2.3.2 Set regulations or by-laws for conduct of its business**

### **2.4 Authority over entry and exit of member deposit taking institutions**

#### **2.4.1 Establish terms and conditions of membership**

Yes

#### **2.4.2 Authority to terminate the insured status of a member institution**

### **2.5 Depositor reimbursement**

#### **2.5.1 Affect reimbursement of depositors claims**

#### **2.5.2 Access to depositor information**

#### **2.5.3 Use various methods of reimbursing depositors claims**

### **2.6 Funding**

#### **2.6.1 How funding is provided**

#### **2.6.2 Terms and conditions of premiums or levies**

#### **2.6.3 Borrowing authorities and limits**

### **2.7 Information Requirements**

**2.7.1 Access to information directly from member deposit taking institutions or its auditors**

**2.7.2 Access to information through supervisory authorities**

**2.8 Enforcement and intervention**

**2.8.1 Authority to conduct examinations and/or reviews**

**2.8.2 Ability to set standards or guidelines for member institutions**

**2.8.3 Authority to take enforcement actions against members (i.e. such as the authority to require a change in institutional control and/or behaviour).**

**2.8.4 Authority to cancel deposit insurance of a member institution**

**2.8.5 Authority to hold officers and directors of failed institutions legally liable for the failure of the institution**

**2.9 Failure resolution**

**2.9.1 Authority to decide on appropriate form of failure resolution**

**2.9.2 Authority to provide financial assistance (e.g. in the form of a loan -- with or without security -- by purchasing assets from the institution or through some other process).**

**2.9.3 Authority to guarantee deposits with member institutions or guarantee loans to an institution by other parties**

**2.10 Authority to:**

**2.10.1 Undertake formal liquidation**

**2.10.2 Purchase and assumption (sale and merger)**

### **2.10.3 Open assistance (bridge bank)**

### **2.10.4 Other forms of failure resolution**

## **2.11 Optimizing recoveries**

### **2.11.1 Ability to act as a receiver**

### **2.11.2 Ability to act as a liquidator**

## **Section 3: Governance Arrangements**

### **3.1.1 Is the DIS a legally separate organization from other public or private bodies? (e.g. central bank, supervisor, industry association)**

Yes

### **3.1.2 What is the form of governance used by the DIS organization?**

### **3.1.3 How is the governing body selected?**

The Managing Board is consisted of five members appointed by the Government of Republic of Macedonia, of which three upon the proposal of the Minister of Finance, one proposed by the Governor of the National Bank of Republic of Macedonia and one proposed by the Banking and Insurance Association that should be an expert in the field of banking and finances and that can not be member of a management body or employed in a bank or savings house. The Managing Board carries out the bylaws that regulate the operations of the Fund. The members of the Managing Board are appointed for a four-year term. The Managing Board reports to the Government of Republic of Macedonia for its operations. The Government of Republic of Macedonia appoints the Director of the Fund for a four-year term.

### **3.1.4 What is the composition of the governing body?**

Fund the answer enclosed in item 3.

### **3.1.5 What are the duties and responsibilities of the governing body?**

The managing board conducts the following activities: 1. Adopts the Charter of the Fund and the amendments and addenda to the Charter; 2. Issues by-laws to regulate the operations of the Fund; 3. Reviews and approved mid and end of year reports on operations of the fund; 4. Reviews and approves the financial plan and the annual accounts; 5. Takes decisions on the use and distribution of gains or covering of losses; 6. Takes decisions on the premium levels; 7. Takes decisions on the additional payments to be made by banks and saving houses; 8. Takes decisions on domestic and foreign borrowing by the Fund; 9. Takes decisions on taking loans from the Central Budget of the Republic of Macedonia; 10. Takes decisions on purchase of securities issued by the Republic of Macedonia with maturity of six months from the date on which they were acquired by the fund; 11. Takes a decision on purchase of debentures issued by foreign countries, central banks or public international financial institutions rated by at least two internationally recognized credit risk assessment agencies in one of the two highest categories at the level equivalent to the level of insured deposits denominated in foreign currency; 12. Takes decisions on purchase of futures, options and term contracts from deposit institutions rated by at least two internationally

recognized credit risk assessment agencies in one of the two highest categories at the level of 2% of Fund's assets. 13. Takes decisions concerning application of new members insured with the Fund. 14. Takes decisions on termination of membership of a bank or a saving house when the conditions set out in this Charter are met. 15. Assigns a chartered auditor; 16. Adopts the rulebook which regulates the activities of the fund for insurance of saving deposits in relation to the insurance of deposits of natural persons as well as the use of the Fund's funds in case of occurrence of a risk laden event. 17. Sets up working bodies and committees to perform tasks and defines their remit; 18. Reviews reports and minutes on supervision and audit made by a relevant authority or authorized audit house; 19. Adopts a by-law on internal organization and systematization of the fund; 20. Initiates and proposes amendments and addenda to the regulations governing the activities under the fund's prerogative; 21. Proposes measures and activities aimed at the enhancement of general conditions for development of saving; 22. Gives approval to the draft text of the Announcement of the method and type of insurance of deposits of natural persons in the country. 23. Conducts other activities defined in the charter of the fund and other by-laws of the Fund.

**3.1.6 Is there any direct or indirect representation in the management of the DIS by member insured institutions?**

Yes

There is direct representation from the Central Bank, Ministry of Finance and Banking Association.

**3.1.7 Is there any direct or indirect representation in the management of the DIS by the central bank?**

**3.1.8 Is there any direct or indirect representation in the management of the DIS by the regulator?**

**3.1.9 Is there any direct or indirect representation in the management of the DIS by the supervisor?**

**3.1.10 Is there any direct or indirect representation in the management of the DIS by other?**

**3.1.11 Please provide a breakdown of the management structure of the DIS**

Fund the answer enclosed in items 2, 3 and 6.

**3.1.12 Do you have an internal control and audit systems**

No

**3.1.13 Are directors and officers of the DIS and/or supervisors personally liable for their decisions in the normal course of their activities?**

Yes

**3.1.14 Is there an advisory committee to the DIS?**

No

**3.1.15 Has the DIS ever taken legal action against directors of failed member institutions? Or others? What position did the person(s) hold?**

No

**3.1.16 Please indicate which of the following tools are used as part of your accountability regime.**

## **Section 4: Human Resources & Infrastructure**

**4.1.1 What is the total number of employees at the DIS (e.g. full-time, part-time and contract) ?**

DIF presently has 7 full-time employees

**4.1.2 Are the majority of DIS employees dedicated staff or do they come from other organizations (i.e. government, central bank, private sector)?**

Yes

**4.1.3 Does the DIS train and develop its own staff? If so, briefly describe programs which have been put in place for training and development?**

Yes

The human resources policy of the Fund considers continuous education and training of its employees as one of the major issues. Therefore DIF aim is to send them to appropriate seminars, conferences and training sessions.

**4.1.4 Is there shared training and development between the staff of the DIS and other authorities involved in financial sector supervision or regulation? (i.e. central bank, supervisor, regulator, other)**

No

Not yet but we hope it will happen in close future.

**4.1.5 Are compensation and incentives offered sufficient to attract and retain skilled staff? Please elaborate.**

1

**4.1.6 Are confidentiality provisions for employees provided for?**

Yes

All employees are bound by the Rules of Fidelity and Secrecy.

**4.1.7 Do employees of the DIS receive legal protection against lawsuits for their actions taken in good faith and acting in the best interests of the DIS?**

No

**4.1.8 What percentage of the budget is spent on training and development and information technology?**

Training and development currently takes up 0.5% of DIF's operating expenses while total IT spending depends on the Annual Plan.

## **Section 5: Information Sharing & Interrelationship Among Safety-Net Players**

**5.1.1 Who performs examinations of DIS member institutions?**

Central Bank

The National Bank of the Republic of Macedonia, as an authorized supervisory body, performs its supervisory function at the following levels:

**5.1.2 Please describe the examination process that is used to evaluate member institution performance?**

/

**5.1.3 What information is collected from member institutions for the DIS and other parties?**

/

**5.1.4 What arrangements (i.e. formal or informal) are in place between organizations responsible for deposit insurance and other parties comprising the safety-net (e.g. central bank, supervisor, regulator) regarding the sharing of information concerning member institutions? Please provide details of these agreements.**

/ DIF is expecting the signature of a memorandum for data sharing with the Central Bank.

**5.2 On a scale from 1 to 5, 1 being low and 5 being high, please rate both the accessibility (i.e. access to all necessary information for the DIS to fulfill its mandate) and timeliness ( i.e. information is received when needed) of information that is shared amongst members of the safety net.**

**5.2.1 accessibility**

2

**5.2.2 timeliness**

3

**5.2.3 Is there a consistent definition/classification across authorities of problem institutions**

Yes

**5.2.4 When policy regarding the DIS and financial sector is developed or amended, are other bodies consulted and/or advised (e.g. central bank, supervisor, regulator, government, industry associations) ? If you do consult and/or advise what bodies do you do it with?**

**5.2.5 Is discussion with other bodies encouraged prior to the implementation of new policy?**

**5.2.6 How often do you contact other DIS?**

Occasionally

**5.2.7 Is the DIS consulted when the regulator, supervisor or central bank enters into an agreement with a financial institution that is experiencing problems?**

No

## **Section 6: Membership**

**6.1.1 What types of institutions are covered in your DIS?**

Our DIF covers banks and savings houses.

**6.1.2 Is membership in the DIS mandatory for designated deposit taking institutions?**

Yes

**6.1.3 Do you have terms and conditions of membership? (i.e. laws, regulations or agreements which member institutions have to abide by) If so, please explain the application process used and any conditions of membership imposed on institutions by the DIS.**

**6.1.4 Is the membership of foreign institutions (i.e. foreign bank branches and/or subsidiaries) covered in the same way as domestic institutions? If not, please describe the difference.**

No

They are not licensed by the National Bank of the Republic of Macedonia to take deposits from individuals.

**6.1.5 If more than one safety-net organization is responsible for the application process for membership, how is the application process coordinated between the parties responsible?**

Find the answer enclosed in item 3.

**6.1.6 Are deposit-taking institutions required to re-apply for membership after a certain period of time?**

Yes

**6.1.7 How many member institutions do you have?**

At the present there are 32 member banks and savings houses.

**6.1.8 What is the total level of assets, deposits and insurable deposits of all DIS member institutions?**

As of April 30, 2002, total insured deposits = USA\$ 468 million. For total member assets and total member deposits refer to the web-site of the National Bank: [www.nbrm.gov.mk](http://www.nbrm.gov.mk)

## **Section 7: Coverage**

**7.1.1 Is there a formal definition of a deposit and or insured deposit used by your DIS? If so what is it?**

**7.1.2 What types of deposits are eligible for coverage in your DIS?**

Savings account, Chequing account, Money orders, Foreign currency deposits

null|null|null|null|null|null|null|null|null|null|

**7.1.3 Is coverage**

per depositor per institution

**7.1.4 What is the coverage limit per depositor?**

The Fund reimburses the physical persons up to the level of: Valid from July 03, 2002: 1) 100% of the deposits of each physical person in one bank or savings house amounting to EURO 10.000 in denar counter-value; and 2) 90% of the deposits of each physical person in one bank or savings house amounting between EURO 10.000 to 20.000, but not more then EURO 20.000 in denar counter-value.

**7.1.5 How was this figures arrived at?**

/

**7.1.6 For eligible financial instruments with maturity dates, what is the longest contract term covered by the DIS?**

Such financial instruments are not covered.

**7.1.7 What types of depositors are not eligible for coverage in your DIS?**

Other

null|null|null|null|null|

**7.1.8 Is the coverage amount indexed?**

Yes

See item 4.

**7.1.9 What is it indexed to?**

See item 4.

**7.1.10 Does your DIS use coinsurance? If coinsurance is used please describe the approach used.**

No

**7.1.11 Is the public widely aware of the presence of coinsurance?**

**7.1.12 Are coverage levels affected by resolution methods? If so, please explain.**

No

**7.1.13 To what extent, is there a public expectation that the DIS coverage limit would be extended to 100% coverage in the event of a banking crisis or the failure of a very large institution? Please provide recent examples, if applicable.**

No

**7.1.14 How is a decision made on the insurance eligibility of new financial products?**

The National Bank should propose law amandments.

**7.1.15 When member institutions merge how are insured deposits treated?**

Insured deposit continue to be insured.

**7.2 Does your country offer the following?**

**7.2.1 Islamic banking**

**7.2.2 Islamic deposit insurance**

**Section 8: Funding & Fund Management**

**8.1.1 What type of funding is used by the DIS?**

A combination of the above two approaches

**8.1.2 Is the DIS funded by levying insurance premium assessments against member institutions or, by some other means such as general tax revenues?**

Premium assessment

**8.1.3 If insurance premiums are assessed, are they assessed as a flat rate or are they differential in some way, please explain? (e.g. risk based)**

Flat rate at the moment.

**8.1.4 What is the current premium rate? If there have been changes to this rate, details would be appreciated.**

The current premium rate is 1% of the total deposits.

**8.1.5 How often is the premium assessed?**

From the establishment of the Fund, five year ago, until now, it has been changed only once.

**8.1.6 Is the premium assessed on total deposits, insured deposits or something else?**

Total deposits

**8.1.7 Are premiums paid by member institutions tax deductible as a business expense?**

Yes

**8.1.8 For premiums that are differentiated please explain the risk assessment system that is used to ascertain a premium assessment.**

/

**8.1.9 Does the DIS have a target with respect to the optimal size of the DIS fund? (Yes is chosen go to question 8.10 otherwise Skip the next 2 questions)**

**8.1.10 How is the optimum level (i.e. target) of the fund determined?**

The total assets of the Fund shall amount to at least 5% of the total deposits of the physical persons in the banks and savings houses in Republic of Macedonia. The Fund is obligated to reach this level of assets not later than 31.12.2003. The Fund is obligated to maintain the level of the assets.

**8.1.11 What investment policies (i.e. safeguards against abuse) exist concerning the use of the fund?**

Yes

**8.1.12 If a fund is not maintained, is an assessment levied on institutions after the failure of a financial institution has occurred? If so, please explain how the levies are determined and losses distributed among institutions.**

Yes

In case of occurrence of a risk event and the Fund lacks resources for payment of the insured deposits of the physical persons, the Fund secures additional resources through additional payments from the banks and savings houses, but not more than the amount of three monthly premiums payed in the month before the risk event.

**8.1.13 Which of the following sources of additional funding, for emergency or liquidity purposes, does the DIS have access to?**

**8.1.14 Are member institutions required by law to issue, on a regular basis, subordinated debt?**

No

## **Section 9: Reimbursing Depositors**

**9.1.1 Please describe the procedure for reimbursing depositors used by your DIS?**

The Fund has Rules for reimbursement. The reimbursement is effective through a bank (paying bank) chosen by the Fund in cash.

**9.1.2 Are depositors required to file a claim when a member institution fails? If so, what is the process?**

Yes

Depositors should file a request by filling in a form they can obtain free of charge at the paying bank, as defined by the Fund.

**9.1.3 When is the DIS obligated to reimburse insured depositors?**

According to the Law, the Fund pays the insured deposits of the physical persons within three months from the date when the Governor of the National Bank of Republic of Macedonia issues the decision for revoking the license for establishment and operation of a bank or savings house.

**9.1.4 Is there an established legal basis upon which to base the reimbursement process? Please explain.**

No

**9.1.5 Is the DIS subject to explicit standards for prompt reimbursement? If so what are they?**

Yes

See item 3.

**9.1.6 What methods of payment can be used and under what circumstances are they used?**

Pay off in cash.

**9.1.7 Are the rules regarding clearing, set-off, trust accounts, and related issues well defined (through the legal system or formal agreement)? Please explain.**

**9.1.8 What are financial institutions obligated to hold with respect to deposit records?**

Up to date deposit/depositor data.

**9.1.9 When is the DIS given access to an institutions financial and depositor records?**

Other

**9.1.10 Does the DIS have the option of making advance payments to depositors in situations of dire need (i.e. in an emergency)?**

No

**9.1.11 Does the DIS make interest payments to depositors during the time taken for reimbursement? Please explain.**

No

**9.1.12 What information is communicated to depositors regarding the reimbursement process?**

The Fund notifies the depositors of a bank or savings house in bankruptcy through the media about the place and date of beginning of indemnification payment.

**9.1.13 What process does the DIS use to ensure that depositor secrecy and confidentiality is maintained during the reimbursement process?**

In the paying bank the depositor can obtain information only for his claim.

**9.1.14 What steps are taken to verify, reconcile and settle insured deposit accounts?**

The verification of the deposit accounts is done by the failed institution liquidator.

**9.1.15 What steps are taken to ensure that an institutions depositor records are accurate, up to date and accessible?**

The verification of the depositor records is done by the Nacional Bank's Supervision.

**9.1.16 Does the DIS document its experiences with respect to each reimbursement action (i.e. lessons learned) in order to allow for continuous improvement?**

Yes

DIS documents its experiences with respect to each reimbursement action with the aim to improve reimbursement proceses in the future.

**9.1.17 What technologies does the DIS use to facilitate the reimbursement process?**

/

## Section 10: Public Information & Awareness

### 10.1.1 What obligations are there to inform the public?

The Fund notifies the depositors of a bank or savings house in bankruptcy through the media about the place and date of beginning of indemnification payment. Banks and savings houses that are members should have an announcement posted in their retail operations premises, prepared by the Fund.

### 10.1.2 Who is responsible for communicating information about the DIS to the general public?

DIS

null|null|null|null|null|

### 10.1.3 Are these explicitly stated in policy or law?

### 10.1.4 Are the terms and conditions of DIS explained in a manner that the general public can understand fully?

Yes

### 10.1.5 If so, what methods are utilized?

Brochures, Website

null|null|null|null|

### 10.1.6 At what point is information disclosed to the public about an institution that is having problems and how is information disclosed?

After the Governor's decision for the failure of a financial institution.

### 10.1.7 Has a survey of public awareness about the DIS been conducted? If so/ what were the results? If not why not? Please include supporting documentation.

### 10.1.8 Has the DIS ever embarked on a public awareness campaign to increase awareness and knowledge? If yes, how many times has this been done and when was the last time?

Other

DIF and the Ministry of Finance often inform the public through the media about the coverage limit.

### 10.1.9 Please describe the approach used; objectives, target audience, communication strategy, and timing results.

/

## Section 11: Risk Assessment & Intervention

### 11.1.1 Does the DIS have a risk monitoring function to analyze and assess the risk of member financial institutions?

No

**11.1.2 Does the DIS perform examinations of its member institutions? If not, who does?**

No

Centrak Bank's Supervision.

**11.1.3 Does the DIS receive information/data/statistics directly from its member institutions or from a third party, such as a regulator or supervisor? If so what information is received and how often?**

No

**11.1.4 What is the risk assessment approach used by the DIS to monitor financial institutions? Please describe. Please be sure to include the criteria used to determine member institution risk.**

/

**11.1.5 Please list and describe the actions taken by the DIS in situations where member institutions are causing concern. Please indicate when coordination occurs with other supervisory/regulatory authorities and the mechanisms used.**

/

## **Section 12: Failure Resolution**

**12.1.1 Is your DIS involved in the failure resolution of member institutions?**

No

**12.1.2 Who determines whether a member institution has failed or is insolvent?**

The Central Bank.

**12.1.3 Under what conditions can the DIS cancel/terminate the deposit insurance of a member institution?**

/

**12.1.4 How is the failure/non viability of a member institution determined?**

/

**12.1.5 How many member institutions have failed in your country in the last 20 years?**

Since the foundation of the Fund (five years ago) there have been two failures.

**12.1.6 Do banks go through the regular corporate bankruptcy process? If no, what is the process used?**

Yes

**12.1.7 Is the receiver of failed institutions also the one that disposes of the institutions? If not, who does?**

No

**12.2 Which methods of failure resolution are used in your country to deal with failures. Also, please indicate the frequency of use of the various methods in the last 20 years.**

**12.2.1 Formal liquidation**

**12.2.2 Purchase and assumption (sale and merger)**

**12.2.3 Open bank assistance (e.g. recapitalization)**

**12.2.4 Bridge banks and other interim solutions**

**12.2.5 What criteria are used to determine the method of failure resolution?**

/

**12.2.6 Is the deposit insurer required to resolve failed or failing insured depository institutions in a manner that is least costly to the DIS?**

**12.2.7 Please indicate what kind of private companies, if any, are included in the failure resolution process?**

/

## **Section 13: Claims, Recoveries & Estate Management**

**13.1.1 Does the DIS play a role in the claims and recoveries process? If yes please describe this role**

No

**13.1.2 What is the primary objective of the DIS when dealing with claims and recoveries (i.e.. maximization of nominal and present value recoveries, financial system stability, system discipline)?**

/

**13.1.3 What role does the private sector play in the claims, recovery process?**

/

**13.1.4 What approaches and strategies are adopted by the deposit insurer to accomplish the objectives of claims and recovery activities?**

/

**13.1.5 By what standard is the DIS judged with respect to performing its function in**

**claims and recoveries (e.g.x. Comparative private sector or DIS benchmarks, internal assessments, past experience)?**

/

**13.1.6 What assets have you found to be the hardest to recover? Why? What types of strategies have been used to recover different assets?**

/

**13.1.7 Does the DIS have rights of subrogation (i.e. the subrogation of insurance entity to the rights of insured depositors) or an equivalent arrangement?**

No

**13.1.8 Is there depositor priority when banks fail? (i.e. Do depositor claims rank in priority above other unsecured creditors in the liquidation of a bank?)**

Yes

**13.1.9 Are rights of set-off available or imposed in your countrys legal system? Please describe the various forms set-off can take.**

## **Section 14: Other Issues**

**14.1.1 What is your view on recent trends and emerging issues in the financial sector in your country and the potential impact they might have on the DIS?**

The trust in the banking sector is growing up, but during the last two years the problem with the safety in the country and in the region has the lagest impact of all.

**14.1.2 Are there any issues related to deposit insurance which you would like to see more research in?**

1. Methods to determine the coverage limit. 2. Bases for the calculation of the premium. 3. Reinbursement rights (for eg.only membership or payed premium also)