

What's New at IADI

Volume 3, Issue 8

19 May 2005

Highlights:

Here we grow again: A warm welcome to our four newest Members!

Eurasia Committee Profile and Meeting of the Eurasia Regional Committee in Almaty this week

IADI announces the International Deposit Insurance Week

Fourth Annual Conference in Taiwan: Registration information now available on [IADI's Website](#) and the [Special Conference Website](#)

The Executive Council is pleased to extend a warm welcome to IADI's four newest Members:

Bank Al-Maghrib (Morocco)

Represented by the Head of Banking Supervision Department **Abderrahim Bouazza**, who can be reached at: a.bouazza@bkam.gov.ma
27 Avenue Hassan II, Casablanca, Morocco
Tel: 212 (22) 226-909 Fax: 212 (22) 226-916

Deposit Insurance and Credit Guarantee Corporation (India)

Represented by the Chief General Manager **S. S Gangopadhyay** whose contact details are: ssgangopadhyay@rbi.org.in
Reserve Bank of India, 2nd floor, Opp. Mumbai Central Railway Station, Byculla
Mumbai 400 008, India
Tel: 91-22-2301-9675 Fax: 91-22-2301-5662

Bank Deposit Security Fund (Sudan)

Represented by General Manager **Kamal Alshafei Shamseldin**, reachable at:
El Amarat Street 21, P.O.Box 13624, Khartoum, Sudan
Tel: 249-83584624 Fax: 249-83583723

National Institute for Guarantee of Deposits (Lebanon)

The designated representative is Chairman and General Manager **Khater Abi Habib**.
nigd@guaranteeofdeposits.com.lb
The contact details for the NIGD are:
Hamra Street Picadilly Centre, 5th Floor
PO Box 11-641 Postal Code 1107 2050 Riadh El Solh Beirut Lebanon
Tel: 961 1 341 300 Fax 961 1 350 111

IADI looks forward to mutually beneficial cooperation with our new Participants. Welcome!

PROFILE ON THE EURASIA REGIONAL COMMITTEE

The **Eurasia Regional Committee (EARC)** was established in May 2003 through the initiative of the **Deposit Guarantee Fund (Ukraine)** and the **Kazakhstan Deposit Insurance Fund**.

Objective

The main purpose of the **Eurasia Regional Committee** is to reflect regional interests and common issues through the sharing of information and the exchange of ideas. The EARC performs these functions in a manner to further the objects of IADI and it acts in the best interests of the Association.

Composition of Committee

- **Deposit Guarantee Fund (Ukraine)**
Valeriy I. Ogiyenko, Managing Director
- **KDIF Kazakhstan Deposit Insurance Fund,**
Bakhyt Mazhenova, General Director
- **State Corporation "Agency for Deposit Insurance" (Russia),**
Alexander Turbanov, General Director
- **Deposit Guarantee Fund of Tajikistan** (as an Affiliated Member),
Murotali Alimardonov, Chairman of the Board

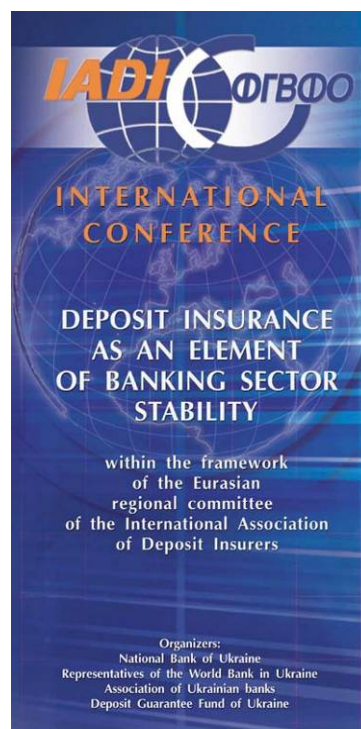
Summary of Current Business Plan

The International Conference, "**Deposit Insurance as an Element of Banking Sector Stability**", bilateral meetings and committee meetings over 2004 launched a new wave of discussions among deposit insurers from participant countries.

The exchange of experience, presentations and discussions also gave food for thought for the deposit insurance institutions in the region.



Valeriy Ogiyenko
Chair Eurasia Regional Committee



25-27
may 2004
KYIV

The EARC's near future activities include establishing multilateral relations and cooperation with countries in the region wishing to create or improve their deposit insurance arrangements. As well, the Committee has pursued the prospects of work with non-IADI participants in the region, with the aim of involving them in IADI's activities.

Achievements



➤ A bilateral meeting of the **Deposit Guarantee Fund (Ukraine)** and the **Kazakhstan Deposit Insurance Fund** took place in August 2003 in Kiev (Ukraine);

➤ The International Conference "**Deposit Insurance as an Element of Banking Sector Stability**" was held on 25-27 May 2004 with the purpose of exchanging information and rendering assistance to countries, wishing to create or improve their deposit insurance systems.



➤ The **Kazakhstan Deposit Insurance Fund** participated in the International Conference "**Measures for Improving Confidence in the Banking System**", held in Bishkek, Kyrgyz Republic, on 1-2 July 2004 an event sponsored by SECO (Swiss Secretariat for Economic Affairs) and the EBRD;

➤ The **Kazakhstan Deposit Insurance Fund** reviewed and provided comments on the Draft Law of the Kyrgyz Republic "On Protection of Deposits";

➤ A **Eurasia Regional Committee** Meeting was held in May 2004, in Kiev, Ukraine. Members discussed prospects of the EARC's activities in 2005;



Chair JP Sabourin and Valeriy Ogiyenko celebrating IADI's second Birthday and Eurasian Cooperation



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- The Seminar **"The Organization of Payments of an Insured Sum"** was organized by the **Deposit Guarantee Fund (Ukraine)** for the **State Corporation "Agency for Deposit Insurance" (Russia)** on 25-27 July 2004. The purpose of the Seminar was to discuss practical issues related to deposit insurance systems and payment mechanism;
- A bilateral meeting of the **Deposit Guarantee Fund (Ukraine)** and the **State Corporation "Agency for Deposit Insurance" (Russia)** was held in Moscow, Russia on 5-8 October 2004 with the purpose to study the Russian experience on restructuring credit organizations.

Plans and Events

- **17-20 May 2005 –International Conference "Early Warning Systems as a Key Issue to Bank Solvency and Financial Stability", Almaty, Kazakhstan.** The Conference will explore the core principles of financial safety nets by looking at issues such as mandates and powers of the participants and their effective management and functioning. A special emphasis will be placed on the deposit insurer as a unique part of the financial safety net and its role in protecting deposit liabilities. Participants will include representatives of the International Association of Deposit Insurers, deposit insurance organizations from Eastern Europe and Central Asia, the National Bank of the Republic of Kazakhstan, the Agency of the Republic of Kazakhstan for Financial Supervision, foreign central banks, and local commercial banks.
- Preparation for the Fourth Annual General Meeting of IADI, which will be held in Taipei, Taiwan.
- In addition to the official EARC's meetings, the members of EARC may organize meetings or conferences for the purpose of sharing knowledge and experience on deposit insurance business when needed.

What's New in Your World?

Training

[The Training Course Catalogue has been updated.](#)

IADI International Deposit Insurance Week

IADI announces the first "**International Deposit Insurance Week**", which this year will coincide with the [Fourth Annual Conference in Taiwan](#), starting 26 September 2005. Conference [Program](#) and [Registration Forms](#) are now available at the following location:

<http://www.cdic.gov.tw/2005iadi%5Fconference/index2.html>, and also on www.iadi.org

One of the main activities will be the [Conference in Taipei](#) and [Member organizations](#) will be encouraged to undertake activities during the same week. More details will be announced during future issues

Canada Deposit Insurance Corporation

IADI is pleased to acknowledge the appointment of **Guy St. Pierre** as **President and Chief Executive Officer** of **CDIC**. Guy is well known in international circles having traveled extensively and he has met with several delegations that have visited **Canada Deposit Insurance Corporation**. The [Newsrelease](#) announcing Guy's appointment is located at: www.fin.gc.ca/news: <http://www.fin.gc.ca/news05/05-034e.html>

Conference Update

On 4-6 May, the Federal **Reserve Bank's** annual **Bank Structure & Competition Conference**, "**The Art of the Loan in the 21st Century**" took place in Chicago. **Canada Deposit Insurance Corporation** colleague **Naina Thoppil** Policy & Research Advisor, Corporate Affairs Division attended the Conference and provided a synopsis of the Conference highlights

The conference featured presentations on: bank regulation; mergers and lending relationships; market power and market structure; bank liquidity; the art of the business loan and the retail loan; and pension funds. Noteworthy speakers at the conference included a.o. Congressman Oxley (co-sponsor of the Sarbanes-Oxley legislation), Jerry Grundhofer (Chairman & CEO of U.S. Bancorp), Julie Williams (acting Comptroller of the Office of the Comptroller of Currency) and Alan Greenspan (Chairman of the Federal Reserve Board).

The conference [agenda](#) and some of the papers presented are available at http://www.chicagofed.org/news_and_conferences/conferences_and_events/2005_bank_structure_conference.cfm

Below are highlighted some of the presentations of interest.

- **The Impact of Explicit Deposit Insurance on Market Discipline.** This study concluded that the design of a deposit insurance system, and particularly an explicit coverage limit, is key in ensuring that deposit insurance does not reduce market discipline.
- **Relationship Lending, Accounting Disclosure and Credit Availability during the Asian Financial Crisis.** The authors note the varying effects of increased accounting disclosure and relationship banking as information substitutes to help prop credit availability in different Asian countries during the Asian financial crisis.

- **Keynote address by Alan Greenspan.** ([Speech](#))
- **Rick Spitler, Managing Director, Novantas LLC**, provided a presentation entitled The Science of Pricing (the retail loan). Competitive Impact Studies of Basel II : QIS4 (Qualitative Impact Study 4) indicates that there will be reductions in minimum capital requirements for the largest U.S. banks, but there is a dispersion of results across banks even in similar risk categories.

PUBLICATIONS:

You may find the following articles of interest:

International Monetary Fund:

1. **Speaking Notes on the Global Financial Stability Report Press Conference**, Gerd Häusler, Counsellor and Director of the International Capital Markets Department of the IMF <http://www.imf.org/external/np/speeches/2005/040505.htm>

2. **Sustaining Global Growth and Stability -- The Role of the IMF**
Remarks by Rodrigo de Rato, Managing Director of the International Monetary Fund
<http://www.imf.org/external/np/speeches/2005/040605.htm>

Bank for International Settlements:

1. [Banking and Financial Stability](#) (11.05.2005 12:25)

A workshop on Applied Banking Research hosted by the Basel Committee on Banking Supervision and the Oesterreichische Nationalbank.

2. [Jaime Caruana: Overview of Basel II and its reflections on financial stability \(Central Bank Articles and Speeches\)](#) (17.05.2005 16:26)

Speech by Jaime Caruana, Governor of the Bank of Spain and Chairman of the Basel Committee on Banking Supervision, at the International Conference on Financial Stability and Implications of Basel II, Central Bank of the Republic of Turkey, Istanbul,

3. [Do "too big to fail" expectations boost large banks issuer ratings? - May 2005](#) (17.05.2005 11:45)

Paper presented at a workshop on "Banking and Financial Stability " April 2005

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This newsletter was issued on 19 May 2005. Want to share your expertise? To submit articles or items for consideration for a future issue please send them to info@iadi.org