



IADI Newsletter Vol. 7 Issue 3

16 March 2009

### Highlights in this Issue:

- **Upcoming training activities and conferences**
- **Member's and Regional Committee News**
- **IADI Welcomes New Participants**

### Upcoming Training Activities and Conferences

Developing and hosting training and conducting international and regional conferences and meetings enables IADI to promote international cooperation and encourage wide international contact among deposit insurers and other interested parties. In 2008, IADI expanded the training program by establishing a partnership with the Financial Stability Institute (FSI). This partnership includes co-sponsoring seminars and conferences and developing on-line deposit insurance tutorials accessible via FSI Connect. The IADI training initiative for 2009/10 also includes providing access for each IADI member to the FSI Connect on-line subscription services.

Upcoming training and Conference Events in 2009 are highlighted below. Members and other IADI participants are encouraged to participate in these events.

#### ***21-23 April - Claims Management: Reimbursement to Insured Depositors***

IADI's members identified ***Claims Management*** training as a key priority for 2009. The seminar is based on the IADI Discussion Paper on Claims and Recoveries. The first session will be hosted by the Federal Deposit Insurance Corporation (FDIC) in the United States, on 21 – 23 April 2009.

The seminar will explore the pre-closing, closing, and post-closing phases of claims management. In addition, presenters will share information on the systems used by their organizations to automate the claims process. Participants will have the opportunity to learn about the theoretical and actual practice of claims management functions, with a forum to share and discuss their own experiences. We are fortunate to have distinguished representatives from Canada, Mexico, Russia, the Philippines, the United Kingdom, and the United States presenting at both locations. The agenda and registration form of the event are available on the internal site at [www.iadi.org](http://www.iadi.org).

**14 May – Instituto para la Protección al Ahorro Bancario (IPAB) Hosts Seminar on Financial Stability**

The IADI Executive Council will hold its Twenty-seventh meeting in Mexico City on May 13<sup>th</sup>. In celebration of IPAB's 10<sup>th</sup> anniversary, IPAB is hosting the meeting and seminar to discuss the critical role for deposit insurers as we collectively address and progress through the global financial crisis. More information will be available on [www.iadi.org](http://www.iadi.org) soon.

**27 – 29 May - Asia Regional Committee, Almaty, Kazakhstan**

The 7<sup>th</sup> Annual ARC Meeting/Conference will be held on May 27-29 in Almaty, Kazakhstan, hosted by the Kazakhstan Deposit Insurance Fund. The subject of the upcoming conference is "The Primary Responsibilities of Deposit Insurer in the Case of Bank Failure." The sessions include presentations on mitigation of the global financial crisis and the role of Deposit Insurer, claims process and payout mechanisms (Country cases), and special authorities which can result in more efficient asset management and recoveries. Registration is currently underway. For further details, please visit <http://kdif.all.kz>.

**3-4 June (this date to be confirmed) - Cross Border Resolutions**

IADI and the Financial Stability Institute (FSI) are planning to co-host a 2 day seminar for managers and senior staff addressing cross border issues resulting from a bank resolution. This topic is becoming especially important to deposit insurers and other safety net participants as the financial crisis increases the likelihood of cross border resolutions.

The Basel Committee's Working Group on Cross Border Resolutions (CBRG) and the IADI RGC Subcommittee on Cross Border Resolutions will present key issues under discussion by both groups, and future papers that will consider case studies and the most recent events in the global financial crisis. The seminar will be held in Basel, Switzerland on June 3 and 4.

**7-9 July - African Regional Committee, Kenya**

The African Regional Committee Annual Meeting/Conference will be held on July 7-9 in Kenya.

The theme of the conference is the *Role of Deposit Insurance in the Stability of the Financial System*. The key areas to be covered during the conference include; the design of effective deposit insurance systems, analysis of IADI core principles, the role of deposit insurance schemes, financial safety net players, effective failure resolution and the impact and lessons from the recent global financial crisis.

Conference participants, including resource persons, are expected from IADI, Europe, Asia, U.S.A, Canada and Africa. The events will be hosted by the Deposit Protection Fund Board (Kenya).

### ***20-21 August - Latin America Regional Committee, Lima, Peru***

The Latin America Regional Committee will hold its Annual Meeting and Conference on August 20-21 in Lima, Peru. The conference will be hosted by Fondo de Seguro de Depositos.

### ***25 - 27 August – Claims Management: Reimbursement of Insured Depositors***

IADI and the European Forum of Deposit Insurers (EFDI) are co-sponsoring this session of the Claims Management program. While the format for this session will be the same as the sessions in Washington, DC and Kuala Lumpur, the session will primarily focus on experiences in Europe. The Savings Deposit Insurance Corporation of Turkey is hosting the seminar.

### ***23 - 24 September - IADI 8th Annual Conference on Deposit Insurance Core Principles***

The Conference will be co-hosted with the Financial Stability Institute and Basel Committee on 23-24 September in Basel, Switzerland. The Core Principles for Effective Deposit Insurance Systems were sent to IADI's Executive Council and the Basel Committee for Bank Supervision for joint approval in March 2009. Both groups have now approved the Core Principles, and they have now been released for public consultation. The conference provides the first international forum to share the background on the development of the core principles, and how they can be applied to promote financial stability.

Key leaders in deposit insurance, bank supervision and the international financial community will present at the 1 ½ day conference. Please reserve 23 to 24 September 2009 in your calendar and details will be available on [www.iadi.org](http://www.iadi.org). The IADI Annual General Meeting of Members is scheduled for 24 September in the same location.

### ***3-5 November – Claims Management: Reimbursement of Insured Depositors***

The seminar will explore the pre-closing, closing, and post-closing phases of claims management. In addition, presenters will share information on the systems used by their organizations to automate the claims process. Participants will have the opportunity to learn about the theoretical and actual practice of claims management functions, with a forum to share and discuss their own experiences. We are fortunate to have distinguished representatives from Canada, Mexico, Russia, the Philippines, the United Kingdom, and the United States presenting at both locations.

The session will be hosted by the Malaysia Deposit Insurance Corporation (MDIC) in Malaysia, 3-5 November 2009.

### ***On-line Tutorials with Financial Stability Institute – FSI Connect***

We are working with the FSI to jointly develop a number of on-line tutorials on key deposit insurance issues. Launched in 2004, FSI Connect provides a web-based information resource and learning tool for central banks, financial sector supervisors and now deposit insurers. FSI Connect reaches over 8,000 individual subscribers from more than 160 institutions and 130 countries around the world. FSI Connect offers 161 tutorials on a wide range of topics, such as financial sector supervision, key risks and their management, financial instruments, and accounting. By the end of 2009, the following four deposit

insurance tutorials, representing approximately four hours of learning time, will be available:

- ***Deposit Insurance – An Introduction (available now)***
- ***Deposit Insurance – Premiums and Fund Management***
- ***Reimbursing Insured Depositors – Claims Management***
- ***Asset Management and Recovery***

FSI Connect is available only to central banks, supervisory authorities and deposit insurers. IADI, as part of its training initiative, is paying the cost of a one-year subscription for one FSI Connect licence for each IADI Member. Each of these licences is available for the *exclusive use of one individual for the subscription period*, which will start on 1 April 2009 and end on 31 March 2010.

## **Members and Regional Committees News**

***The IADI Latin America Regional Committee “CRAL”*** held its annual meeting and Seminar in Arlington Virginia, on 28 October 2008. Please [click](#) here for the details about the conference including Gregor Heinrich’s presentation material.



## ***IADI’s Seventh Annual Conference***

The 2008 Annual Conference “The Role of Deposit Insurance in Promoting Financial Stability and Economic Inclusion” was held in Washington, DC on 29-30 October

With a worldwide financial crisis lending urgency to regulators’ jobs, over 250 attendees primarily representing deposit insurers from 60 countries gathered for the conference. The issues addressed by the group expanded to include much broader financial and economic concerns as deposit insurers grappled with the events leading up to the crisis and considered the current state of deposit insurance and financial systems.

Conference Proceedings will be made available on [www.iadi.org](http://www.iadi.org).



< IADI Conference participants at the Corcoran Gallery, Washington DC >

### ***13<sup>th</sup> Meeting of the IADI Europe Regional Committee***

The Europe Regional Committee met on 22 and 23 January in Prague, hosted by the Czech Deposit Insurance Fund.

Meeting Agenda:

- Status report by the Chair – IADI/CBRG steering group on the Core Principles of Effective Deposit Insurance
- Account of a successful P&A transaction by the representative of DIA Russia
- Update on research activities in EFDI by the representative of BGF Poland
- Developments of the consultation process on the EU/EFDI Working Group papers by the Chair
- Next steps with the amendment of EU Directive by the representative of EFDI Update on banking failures in the UK by the representative of FSCS
- Update on bilateral and multilateral co-operation of ERC Members

For more information on Europe Regional Committee, you may refer to [the profile of the Europe Regional Committee](#).

### ***Deposit Insurance Corporation of Japan Annual Round Table***

The Deposit Insurance Corporation of Japan held its Annual Round Table on February 25 and 26, 2009, and a Workshop on February 27 in Tokyo, Japan. The materials for the event can be found [here](#).

### ***Financial Services Authority (FSA) UK Public Consultation***

The Financial Services Authority (FSA) has published a public consultation on changes to the financial compensation scheme. The paper sets out proposals for speeding up the payout of compensation to make it possible for customers to get back their money within seven days if a bank fails.

The consultation paper makes the following recommendations:

- Simplifying eligibility for deposit compensation to include all private individuals and small entities;
- Gross payout, which would ignore any debts the depositor has with the same firm;
- Ensuring the firm holds up to date information to allow quick processing of claims;
- Ensuring firms provide information on the existence and basic coverage of the FSCS for deposits; and
- Requiring firms proactively to tell consumers which trading names are covered by a particular authorisation.

Published alongside the consultation paper are the following reports.

- The FSA, along with the FSCS and the British Bankers' Association (BBA), commissioned Ernst & Young to undertake research into the fast payout proposals.
- The FSA, along with the FSCS, commissioned Strictly Financial to undertake research into consumer understanding and awareness of compensation arrangements.

The consultation paper and the associated reports are all available via the FSA's website - <http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/003.shtml>

### ***DIA Russia released its survey result***

The DIA Russia within the framework of its activity in the Eurasia Regional Committee completed the survey regarding the influence of Deposit Insurance on the banking sector on the example of Kazakhstan and Ukraine. For full text, please click [here](#).

### **IADI welcomes new Participants.**

#### ***World Bank joins IADI as Partner***

Recently, the IADI Executive Council has approved the application for the World Bank to join IADI as a Partner, represented by Mr Robert R. Rocha. ([Rrocha@worldbank.org](mailto:Rrocha@worldbank.org))

***IADI's welcomes Member Thailand Deposit Protection Agency.***

Thailand has passed a Deposit Insurance law in December 2007 and the Deposit Protection Agency was created on 11 August 2008. In September, the Executive Council welcomed the DPA as IADI's newest Member.

More information can be found at:

✚ [Link to Deposit Insurance Agency](#)

✚ [Link to the Deposit Protection Agency Act B.E. 2551.](#)

The Executive Council thanks the **Bank of Thailand**'s decision to continue as an Associate in IADI.

Please click [here](#) to see the current IADI Participants directory.

New Executive Council Members were appointed at the IADI AGM, please click [here](#) to see the current Councilmembers.

*This newsletter was issued on 16 March 2009. To submit articles or items for consideration for a future issue, please send them to [kim.white@iadi.org](mailto:kim.white@iadi.org).*

*Editor: Kim White*

*Deputy Secretary General*

*International Association of Deposit Insurers*

*Tel: +41 (61) 280 99 33 (Basel, Switzerland)*

*E-mail [kim.white@iadi.org](mailto:kim.white@iadi.org) [www.iadi.org](http://www.iadi.org)*