

Press release

Press enquiries: +41 61 280 9950

David.Walker@iadi.org

www.iadi.org

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IADI publishes results of its survey on deposit insurance and financial safety net frameworks

The International Association of Deposit Insurers (IADI) has published the [results of its 2016 global survey on deposit insurance and financial safety net frameworks](#) (reference date end-2015). The results are based on responses collected from 124 deposit insurance systems (DIS) across the globe, a more than 50 percent increase in the number of respondents over the last three years. Through this publication, IADI shares its knowledge on deposit insurers' key characteristics such as mandates and governance, membership and coverage, funding and their role in financial crisis management and bank resolution.

- Governance and mandates – The majority of DIS are legislated and administered by the public sector, although around one quarter are privately administered. Three quarters of DIS are structurally independent and 10 percent incorporated in the central bank. Around 70 percent of DIS are assigned a paybox or paybox plus mandate, the latter also including certain resolution functions (e.g. financial support and purchase and assumption), while the remainder function as loss- or risk-minimisers. Over time, there has been a steady increase in the number of agencies with a broader mandate, especially the paybox plus mandate.
- Membership and coverage – Membership is mandatory for institutions in almost all jurisdictions, with commercial banks being the dominant member institutions and savings and checking accounts the most common types of products eligible for coverage. Reflecting differences in the environments in which DIS operate (e.g. macroeconomic conditions), the coverage limits range from below 1,000 USD to still a few systems with blanket guarantees. As of end-2015, the average level of coverage was around 68,000 USD per depositor and institution (median around 55,000 USD) and has risen significantly since 2008/09.
- Funding – Nearly 90 percent of DIS are funded by ex ante contributions from their member institutions. Of the remaining jurisdictions relying on ex post funding, a number are in the process of implementing an ex ante funded system. Some ex ante funded DIS have the authority under certain conditions to raise additional contributions from their members ex post. Although half of all DIS still levy their member institutions based on flat rate premiums, a growing number of systems now apply differential methods or a combination of both.
- Resolution frameworks – Responses suggest that some form of special resolution regime for banks exists in around three quarters of jurisdictions. Deposit reimbursement and liquidation are the most common resolution tools, followed by purchase and assumption, bridge bank and open bank assistance tools. One third of DIS have the authority to act as either receiver/liquidator, conservator/administrator or both.

Overall, the survey results show that jurisdictions are moving towards greater compliance with the [IADI Core Principles for Effective Deposit Insurance Systems](#). The Association envisages to more regularly monitor and report on emerging trends in deposit insurance and crisis management frameworks in the future.

An excerpt of the survey responses has been published on IADI's website and Members and Associates of the Association are granted access to the full set of information. Any queries regarding IADI's annual survey and deposit insurance database can be addressed to IADISurvey@IADI.org.

The International Association of Deposit Insurers (IADI) was formed in May 2002 to enhance the effectiveness of deposit insurance systems by promoting guidance and international cooperation and to contribute to the stability of the global financial system. IADI has currently 83 Members, 8 Associates and 14 Partners. If you are also considering participation in IADI, please contact the IADI Secretariat.