

Press release

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International Association of Deposit Insurers

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The International Association of Deposit Insurers held its Annual Conference in Seoul, Korea on 28-29 October 2016

The International Association of Deposit Insurers (IADI), chaired by Thomas M. Hoenig, IADI President and Chair of the Executive Council, and Vice Chairman of the Federal Deposit Insurance Corporation (FDIC), USA, held the 15th Annual Conference in Seoul, Korea, on 28-29 October 2016. The events were hosted by the Korea Deposit Insurance Corporation (KDIC), and was attended by over 180 participants, representing around 70 jurisdictions worldwide.

IADI was honoured to have been hosted by the KDIC this year, which marks 20 years since its founding.

The IADI Annual Conference, lasting one and half days, this year had the theme “**Gearing Up for the Next Crisis**”, and featured presentations and panel discussions by top policymakers, deposit insurers and prominent academics to discuss, debate and provide insights into key pertinent issues affecting the global economy, financial stability and deposit insurance.

Mr Bumgook Gwak, Chairman and President of the KDIC, welcomed the participants to the Conference. He discussed how almost 8 years had passed since the global financial crisis of 2008, before outlining the regulatory reforms to fix the fault lines that had led to that crisis. However, there were increasing concerns about the possibility of another financial crisis due to the heightened uncertainties in the global economic and financial markets, said Mr Gwak. With this backdrop, the Conference would focus on three key topics- firstly, how to encourage financial institutions to manage themselves in a safe and sound manner; secondly, building more effective crisis response mechanisms in cooperation with other financial safety net partners; and thirdly, the types of emerging funding frameworks that would help a Deposit Insurer to successfully deal with a crisis.

In his opening remarks, IADI President Mr Thomas Hoenig, highlighted how important deposit insurance has become in providing stability as public policy evolves. He also stressed the critical role IADI plays as it engages in policy discussions around how to prevent future crises and what changes should be made to prepare for and manage potential crises. Mr Hoenig concluded by noting the special opportunity conference attendees would have to consider the progress we have made and the shortcomings we must still address

The Conference was also privileged to be addressed by Mr Eun-bo Jeong, Vice Chairman of the Financial Services Commission, Korea. During his congratulatory address, he recognised IADI for its remarkable achievements over the years. Taking note of the changes in global financial markets and the repetitive nature of financial crises, he strongly urged participating deposit insurers to enhance their ability to prevent a crisis, build effective crisis response mechanisms and have stronger co-operation.

Keynote speakers were Mr Jeung-hyun Yoon (Former Minister, Ministry of Strategy and Finance, Korea), who spoke on the possibility of another financial crisis and ways to avoid it, Mr Iftekar Hasan (Fordham University, USA), who gave his thoughts on the role of the deposit insurer in dealing with a crisis, and Mr William White, elaborated on crisis management and deposit insurance.

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. Members of IADI conduct research and produce guidance for the benefit of those countries seeking to establish or improve a deposit insurance system. Members also share their knowledge and expertise through participation in international conferences and other forums. IADI currently represents 83 deposit insurers from 78 jurisdictions. IADI is a non-profit organisation constituted under Swiss Law and is domiciled at the Bank for International Settlements in Basel, Switzerland.

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