

Introduction

Generally, the revised document has addressed key weaknesses identified with the current CPs with regards to the role of the DIS in resolution. However, emerging digital technologies such as artificial intelligence (AI), big data analytics, cloud computing and mobile banking and digital wallets such as mobile money in Africa which have grown significantly have not been addressed by the revised CPs.

CP	Issues Identified	Recommendation
CP3- Governance	The CP is silent on the competence of the governing board. For an institution to be well governed. It must have a competent board, knowledgeable individually and collectively as a board. This must be stated in law to prevent the appointment of less qualified people to the governing boards.	Add a new EC: The competencies of body shall be diverse to facilitate effective oversight and shall ideally cover a blend of the following fields: Banking, Law, Finance, Accounting, Economics, Information Technology, Business Administration, financial analysis, Entrepreneurship, Risk Management, Strategic planning and Corporate Governance.
Principle 4 – Business continuity management	EC5 did not provide cross-border communications with financial authorities in other jurisdictions during an operation disruption.	Amend EC5 as follows: The deposit insurer has a coordinated plan for ongoing communication with internal and external stakeholders during an operational disruption. This plan must include cross-border communications with financial authorities in other jurisdictions
Principle 4 – Business continuity management	The role of the governing board and senior management in the Business continuity framework not stated	Add a new EC: The deposit insurer's governing board and senior management are responsible for managing its business continuity effectively and for developing and endorsing appropriate policies.

Principle 9 – Funding for the deposit insurer	The CP is silent on how the body corporate/institution responsible for implementing the scheme is funded. (Administrative expenses etc.)	Add a new EC; There should be a clear source of funding the body corporate responsible for the scheme. This must be formally stated in law
Principle 9 – Funding for the deposit insurer	EC5 says Initial “start-up” or “seed” funding is permitted to help establish a deposit insurer. Any start-up funding provided by a government is to be fully repaid before the deposit insurer reduces any or all premiums. What about donor funds/grants which are not supposed to be paid back? What should be done in this case?	Where donor funds/grants are used as seed funds, premiums should only be reduced when the target fund size is achieved.
Principle 15 – Reimbursement	The additional criteria conflicts with the EC1 which says most depositors are reimbursed within 7 days	
Principle 15 – Reimbursement	There is no EC on when insured depositors should have access to their funds when the resolution tool is other than not liquidation and payout	
Principle 16 – Use of the deposit insurance fund in resolution	EC 3(d) Net contributions from the deposit insurer for the resolution of member institutions do not exceed the estimated net costs the deposit insurer would otherwise have incurred in a reimbursement of insured depositors in a liquidation, net of expected recoveries; and gross contributions do not exceed total insured deposits in the failed insured deposit-taking institution.	<p>a. Exceptions should be made where using the deposit insurer's fund to cover uninsured deposits in other resolution tools other than payout will promote financial stability and only where the fund has the capacity.</p> <p>b. The governing board must formally authorize the use of the fund for other resolution tools other than payout.</p>