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Core Principles Training Programme

Draft Proposal
Implementation Council Committee

The Core Principles Training Programme was prepared by the IADI Secretariat with input from members of the IADI Capacity Building Technical Committee and the Implementation Council Committee.

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Introduction

The International Association of Deposit Insurers (IADI) plays a key role in supporting the implementation of effective deposit insurance systems. It achieves this by offering technical assistance, conducting training and capacity-building programmes, and serving as the principal forum for deposit insurers to share knowledge and expertise. These efforts enable IADI Members to strengthen their deposit insurance frameworks, thereby promoting financial stability and public confidence in their jurisdictions.

To advance this mission, IADI provides Members with a broad range of tools and resources. These include mechanisms to assess and improve compliance with the IADI Core Principles for Effective Deposit Insurance Systems (Core Principles), opportunities to learn best practices in deposit insurance and bank resolution, and platforms to leverage the expertise of peers and international financial institutions.

The Core Principles Training Programme supports the comprehensive and effective implementation of the revised Core Principles. It ensures IADI Members are equipped with the skills and tools necessary to assess the revised Core Principles effectively. This document outlines the achievements and lessons of the previous Expert Training Strategy and sets out the new structure of the Core Principles Training Programme. The new structure builds on the achievements and insights gained from the previous programme and supports a comprehensive and practical learning experience. It aims to equip participants with the skills and tools necessary to understand, implement, and assess effective compliance with the revised Core Principles.

Background: The Previous Expert Training Strategy

The Expert Training Strategy, approved in 2019 by the former Training and Technical Assistance Council Committee (now the Implementation Council Committee), was a key initiative to enhance IADI's training and capacity-building activities. Implemented from 2021 to 2023 by the IADI Secretariat and the Capacity Building Technical Committee, the strategy was structured into four stages, each designed to progressively develop participants' expertise in understanding, assessing, and implementing the Core Principles.

Structure of the Expert Training Strategy

Stage 1: Core Principles Practitioners Workshop

This stage introduced participants to the Core Principles and their essential criteria through an in-person workshop that included lectures, exercises, and group discussions. Before attending the workshop, participants were required to complete Financial Stability Institute (FSI) tutorials and review the Core Principles and the Handbook for the Assessment of Compliance with the Core Principles.

Stage 2: Expert Training Working Group

This virtual stage provided a deeper exploration of each Core Principle and its essential criteria, with a focus on compliance assessment methodologies. Completing virtual sessions for each Core Principle was mandatory to progress to the next stage.

Stage 3: Core Principles Experts Workshop

This five-day workshop in Basel simulated a Self-Assessment Technical Assistance Programme (SATAP) review for a hypothetical jurisdiction. Participants conducted stakeholder interviews, reviewed documentation, and developed action plans to address compliance gaps with the Core Principles.

Stage 4: SATAP Reviews

Participants who completed the earlier stages became eligible to take part in SATAP reviews.

Main Achievements of the Strategy

The strategy achieved several key milestones:

1. **Development of Comprehensive Training Materials:** High-quality resources, including case studies, assessment methodologies, a comprehensive mock jurisdiction, and realistic documentation, were developed to support the training programme.
2. **Capacity Building:** Participants enhanced their understanding of the Core Principles, compliance assessment methodologies, and implementation challenges.
3. **Simulation of Real-World Scenarios:** The SATAP review simulation offered participants practical experience in conducting assessments and engaging with stakeholders.

4. **Global Collaboration:** The programme encouraged interaction among participants from diverse cultural and institutional backgrounds, enriching the learning experience.
5. **Establishment of a Pool of Core Principles Representatives:** A trained group of representatives from IADI Members was prepared to support IADI's assessment and capacity-building initiatives.

Lessons Learned

While the strategy was largely successful, feedback from participants and facilitators revealed several areas for improvement:

1. **Enhancing Clarity Between Stages 1 and 2:** Refining the distinction between these stages can help prevent overlap and ensure a more seamless learning progression.
2. **Expanding Core Principles Coverage:** Offering a more comprehensive review of all Core Principles would better meet participants' expectations and learning needs.
3. **Strengthening Focus on Implementation and Best Practices:** Increasing emphasis on practical implementation and sharing best practices would complement compliance assessments and enrich the training experience.
4. **Developing Soft Skills:** Enhancing participants' skills in areas such as report writing, presentation, and negotiation would better prepare them for Core Principles assessments.
5. **Growing the Facilitator Pool:** Expanding the number of facilitators would ensure the programme's sustainability and support its continued progress.

New Structure: Core Principles Training Programme

Building on the lessons learned and the successes of the Expert Training Strategy, the Core Principles Training Programme aims to deepen participants' understanding of the Core Principles, develop practical skills for their implementation, and prepare individuals to contribute effectively to IADI's training and capacity-building initiatives. The programme is organised into four progressive stages, each with specific objectives, activities, and formats, ensuring a comprehensive and engaging learning journey.

Stage 1: Core Principles Workshop – Essential Criteria and Evaluation

This foundational stage introduces participants to the Core Principles, focusing on their essential criteria and evaluation methodologies. It provides a practical approach to understanding and implementing the Core Principles and their application in assessing compliance within deposit insurance systems. This stage constitutes a permanent training programme offered by the Secretariat, with support from IADI Members. It is self-contained, allowing participants the flexibility to either progress to the next stage or take this course independently based on their needs.

Activities:

- Interactive lectures and presentations on the Core Principles and their essential criteria.
- Group discussions exploring the theoretical and practical aspects of the Core Principles.
- Guided exercises to familiarise participants with evaluation methodologies.

Stage 2: Case Studies – A Practical Approach to the Core Principles

Building on the knowledge gained in Stage 1, this stage focuses on applying the Core Principles through case studies and practical exercises. Participants will perform targeted self-assessments of their jurisdictions and engage in critical discussions on enhancing compliance and implementation.

Activities:

- Case study exercises assessing a diverse range of jurisdictional approaches to implementing the Core Principles.
- Practical exercises involving self-assessment of participants' deposit insurance systems.
- Group discussions to explore compliance differences and identify best practices.

Stage 3: Practitioner Preparation

This stage equips participants with the technical skills needed to support IADI training activities, contribute to capacity-building initiatives, and participate in compliance assessments against the Core Principles. It focuses on effective training delivery, stakeholder engagement, and contributions to IADI's broader objectives.

Activities:

- Workshops on presentation skills, report drafting, and stakeholder communication.
- Interactive sessions on IADI training programmes and opportunities for involvement in capacity-building initiatives.
- Development of action plans following the completion of a Core Principles assessment to apply acquired skills in practical scenarios.

Stage 4: Simulation Exercise – SATAP Review

The final stage simulates a Self-Assessment Technical Assistance Programme (SATAP) review, enabling participants to apply their knowledge and skills in a realistic setting. Participants will conduct assessments of a hypothetical jurisdiction and assign assessment ratings, interview key authorities within the hypothetical jurisdiction, and develop action plans to address compliance gaps.

Activities:

- Simulation of a SATAP review process, including a comprehensive analysis and compliance assessment of hypothetical jurisdiction's deposit insurance system and financial framework.
- Conducting interviews with simulated stakeholders to gain insights into deposit insurance systems.
- Development and presentation of action plans to enhance compliance with the Core Principles.

Programme Outcomes and Participant Contributions

Participants who successfully complete the programme will receive a certificate from IADI, recognising their enhanced technical knowledge and practical skills in understanding, assessing, and implementing the Core Principles.

The programme's structured approach enables participants to build a strong foundation of theoretical knowledge while gaining hands-on experience. This combination equips them to effectively contribute to the strengthening and advancement of deposit insurance systems globally, furthering the goals and objectives of IADI.

Programme Delivery

To ensure sustainability and accessibility, Stage 1 will be delivered annually as a permanent training programme offered by the Secretariat, with support from IADI Members. Stages 2–4 will be organised into cohorts, with new cohorts starting every two years.

