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International Association of Deposit Insurers

Press Release – 22 October 2018

The International Association of Deposit Insurers Holds its 17th Annual General Meeting and Conference in Basel, Switzerland

The International Association of Deposit Insurers (IADI), whose Executive Council is chaired by Mr Katsunori Mikuniya, IADI President and Governor of the Deposit Insurance Corporation of Japan, held its 17th Annual General Meeting and Conference on 18 - 19 October 2018, at the Bank for International Settlements (BIS), in Basel, Switzerland.

The IADI Annual General Meeting

During the IADI Annual General Meeting (AGM) held on 18 October 2018, IADI announced the election results for the position of the Association's Treasurer and the Executive Council members, effective 18 October 2018. The new Treasurer elected is Roberto Tan (Philippines Deposit Insurance Corporation). The five new Councilmembers elected are: Dean Cosman (Canada Deposit Insurance Corporation), Vincent Gros (Fonds de Garantie des Dépôts et de Résolution (France)), Muhiddin Güral (Savings Deposit Insurance Fund (Turkey)), Joon Ki Kim (Korea Deposit Insurance Corporation), and André Loes (Fundo Garantidor de Créditos (Brazil)). They shall act in the best interests of the Association, and the majority shall serve for a three-year term.

The IADI Annual Conference

The IADI Annual Conference, titled “**Deposit Insurance and Financial Stability: Recent Financial Topics**”, featured presentations and panel discussions by top policymakers, deposit insurers and prominent academics to discuss, debate and provide insights into key issues affecting the global economy, financial stability and deposit insurance.

Mr David Walker, IADI Secretary General, welcomed all participant to the Conference and explained that the Conference provided an opportunity to assemble participants from all over the world with an interest in deposit insurance and financial system stability. With this backdrop in mind, the Conference would focus on three key objectives. Firstly to offer a global perspective on the key challenges that exist from the perspective of deposit insurers and international organisations such as the Financial Stability Board, the International Monetary Fund, the Organisation for Economic Cooperation and Development and the World Bank. Secondly to encourage the active exchange of ideas and dialogue. And, lastly to allow deposit insurers and other participants to reconnect and share their experiences with each other.

In his opening remarks, IADI President Mr Katsunori Mikuniya highlighted that irrespective of the differences among jurisdictions and changing circumstances, deposit insurer's core missions are universal, immutable and will not change easily. He also emphasized that an effective deposit insurance system and resolution regime can prevent or mitigate impacts imposed by bank failures and help maintaining financial stability. Mr Mikuniya concluded by noting that actual crises change their forms as they develop, thus we need to learn from the history and experience of others, strive to improve ourselves, cultivate our insights and share them with the next generation.

Conference attendees were also privileged to be addressed by Mr Agustín Carstens, General Manager of the BIS. During his keynote address, he recognised that deposit insurance is an important pillar of trust in the financial system. Yet, it is most effective when it stands alongside other pillars of trust, such as banking supervision, resolution arrangements and ultimately the central banks. Mr Carstens also highlighted

challenging issues deposit insurers and their financial safety-net partners need to pay close attention to in the future such as fin-tech and the blurring of the lines between the traditional banking sector and non-banks.

Keynote speaker Ms Jelena McWilliams, Chairman of the Federal Deposit Insurance Corporation (FDIC), USA, shared her personal experience with respect to the hardship that can result from inadequate protection for ordinary depositors. She went on to state that as a founding Member and constant contributor, the FDIC has been deeply involved in IADI training efforts over the years; and from that perspective, there is a need to promote greater compliance with the IADI Core Principles for Effective Deposit Insurance Systems. This includes measures to upgrade the quality and value added of all IADI training workshops, and to ensure a full supply of Core-Principles compliance experts to assist with the needs of IADI Members. She also underlined the essential complement of transparency to a fully compliant deposit insurance system.

In his summary and closing remarks, Mr Patrick Déry (Superintendent, Solvency, Autorité des marchés financiers, Québec, Canada) stressed that the real value of deposit insurance can only be judged from practical experience. Tremendous efforts have been made by IADI Members since the Global Financial Crises in enhancing their deposit insurance systems, but we do not know yet if these efforts will be fully effective until tested in real-life situations. Nevertheless, he encouraged Members to explore avenues to increase compliance with the IADI Core Principles.

The 17th AGM and Conference events also included a Workshop to promote compliance with the IADI Core Principles with four panels focusing on: (1) the evolving role of deposit insurers in the financial safety net; (2) contingency planning for deposit insurers; (3) the role of the deposit insurer in resolution implementation and funding; and (4) policy issues associated with depositor payouts.

Over 210 participants representing approximately 70 jurisdictions worldwide attended the Annual Conference events.

The IADI Annual Conference materials will be available at www.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. 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. 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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