



News Release

International Week of Deposit Insurance Acknowledges Deposit Insurers' Efforts to Provide Consumer Confidence in Banks and Protect Depositors

Basel, Switzerland 7 May 2010: The International Association of Deposit Insurers (IADI) is announcing the **5^h Annual International Week of Deposit Insurance from 7 to 14 May 2010**. This year's week recognizes the numerous initiatives taken by IADI and its members to contribute to financial stability by protecting depositors. The week closely follows IADI's eighth anniversary on 6 May 2010, with the theme **"Deposit Insurance: Contributing to Financial Stability."**

Martin J. Gruenberg, President of IADI observed that "IADI and its members have worked diligently to protect depositors and strengthen deposit insurance systems around the world. We are particularly pleased to be engaged with the International Monetary Fund (IMF), World Bank, Basel Committee on Banking Supervision, and other multinational organizations in the development of a methodology to assess individual deposit insurance programs for compliance with the Core Principles for Effective Deposit Insurance Systems."

Many of IADI's members are undertaking or coordinating initiatives to protect consumers and provide public confidence in banks. Such efforts are often acknowledged during the international week of deposit insurance. Initiatives include public awareness campaigns, press releases on the role of Deposit Insurance (DI) in contributing to financial stability and economic growth, financial literacy campaigns provided through secondary and higher learning institutions aimed at promoting financial awareness. Some Members are upgrading their ability to promptly reimburse depositors in the event of bank insolvency and many are using the Core Principles for Effective Deposit Insurance Systems to justify or support legislation that strengthens individual deposit insurance programs, and assessing their systems' using the Core Principles as the basis.

Deposit insurers are publishing their initiatives through TV broadcast promotions, agreements with insured financial institutions and banker education, press releases, brochures distributed via print and online media, website announcements, multi-lingual advertising campaigns, stakeholder and public briefings, social activities such as assistance to earthquake victims and blood drives, Memoranda Of Agreements with other financial safety net participants, and participation in financial exhibitions. Deposit insurers are upgrading their capacity to communicate with insured depositors through help desks or other means.

Recent international initiatives include:

- In June 2009, IADI and the Basel Committee on Banking Supervision jointly published *The [Core Principles for Effective Deposit Insurance Systems](#)*. The Core Principles set an important bench mark for countries to use in establishing or reforming deposit insurance systems.
- IADI is working with the IMF, World Bank, and several other multinational or international institutions to develop a methodology for assessing compliance with the Core Principles for Effective Deposit Insurance Systems. Completing the Methodology

will help establish the Core Principles as the authoritative international standard on deposit insurance.

IADI recently released a guidance paper on the [Establishment of a Legal Protection Scheme for Deposit Insurance Systems](#).

Many IADI members have requested or have been authorized -- through law or regulation -- to improve their ability to protect depositors and provide financial stability. These actions often reflect experiences from previous crises or lessons learned from responsive policy actions. Going forward, IADI and its Members will work with international organizations and national safety net participants to further improve existing schemes and coordinate transitions from blanket guarantees to explicit limit coverage when financial stability returns.

The International Deposit Insurance Week will be followed by other events co-sponsored by IADI with other organizations that promote international financial stability. **The Deposit Insurance Corporation of Japan in Tokyo will sponsor IADI's Ninth Annual Conference** during the fourth week of October 2010. The Annual Conference will focus on financial safety nets going forward, including exit strategies from the financial crisis, re-privatization of nationalized banks and mortgage providers. The conference will bring together leading experts to provide a forum to consider the roles of Core Principles in supervision and deposit insurance, necessary prerequisites for effective systems, and individual principles and practitioners' experience. Several regional annual conferences are also planned over the next year in the following countries: Mexico, Tanzania, Italy, Argentina and Thailand.

IADI is a non-profit organization headquartered at the Bank for International Settlements in Basel, Switzerland. IADI has 60 Members, 6 Associates, and 12 Partners. IADI aims to contribute to the stability of financial systems by promoting international collaboration among deposit insurers and encouraging wide international contact among deposit insurers and other interested parties.

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