



2024 IADI
23rd IADI Annual General Meeting
and Annual Conference
11-15 November 2024, Tokyo, Japan

IADI 2024 Annual Conference Agenda

Hosted by the Deposit Insurance Corporation Japan (DICJ)

Future proofing the Core Principles: raising the bar for deposit insurance systems

The Grand Hyatt
Tokyo, Japan

The IADI Core Principles for Effective Deposit Insurance Systems have served their purpose well in guiding the development of new and existing deposit protection frameworks. Nonetheless, there were lessons to be learnt from the 2023 banking turmoil for the existing regulatory frameworks and the operation of the financial safety net. The ongoing review of the Core Principles on Effective Deposit Insurance Systems seeks to reflect those lessons to maintain their use as a flexible, internationally applicable standard.

The individual components of the financial safety net and their interaction, as well as the market environment and other economic conditions, have a direct impact on the effectiveness of deposit insurance systems in achieving their public policy objectives of protecting depositors and maintaining financial stability. Against this background there is merit in reflecting on deposit insurance design within jurisdiction-specific legal and institutional frameworks and on how deposit insurance systems can continue to deliver on their objectives in an evolving banking landscape characterised by continuous change and innovation.

Thursday 14 November 2024

09:00 – 09:30	Registration
09:30 – 09:40	Welcome remarks by the Governor of Deposit Insurance Corporation of Japan and APRC Chairperson
09:40 - 09:55	Opening remarks
09:55 – 10:05	Address by IADI President and Chair of the Executive Council

10:05 – 10:20	Remarks
10:20 – 10:35	Coffee break
10:35 – 10:45	Remarks by the IADI Secretary General
10:45 – 12:00	<p>Panel 1: Design of deposit insurance systems: coverage, funding and the concept of deposits</p> <p>Effective deposit insurance system design underpins the stability of financial systems and mitigates the moral hazard risks affecting the behaviour of shareholders, bank management and depositors. In determining the scope and coverage level of deposit insurance, policymakers need to balance the effectiveness of protection against the potential impact on bank risk-taking and on the funding of deposit insurers, as the credibility of a deposit insurance system itself rests on the reliability of its funding structure. Moreover, as banking systems are evolving due to technological innovation, deposit insurance may deserve a regular review to remain relevant in a changing environment. In this session, panellists will discuss the policy considerations and trade-offs in striking the right balance between the design elements of deposit insurance systems.</p> <p>Lunch Break</p> <p>Keynote speech</p>
13:30 – 14:45	<p>Panel 2: Deposit insurers and resolution: early involvement, selection of resolution strategies and use of funds</p> <p>Resolution authorities should have at their disposal a broad range of powers and tools to handle bank failures. Whereas resolution by way of liquidation and fast payout of depositors remains the default procedure in many jurisdictions, non-payout resolution tools have received increased attention, as they help to maintain the continuity of critical bank operations and can contribute to the continuity of depositor access to funds. Considering the growing role of deposit insurers in bank resolution funding, the interaction of deposit insurance and resolution needs to be clearly defined. This session will consider the role for deposit insurers in resolution and reflect on early involvement, the factors guiding the selection of resolution strategies, and effective funding arrangements.</p>

14:45 – 16:00

Panel 3: Financial safety net coordination: information sharing, collaboration and simulation exercises

The 2023 banking turmoil demonstrated the importance of an effective financial safety-net in maintaining stability and confidence in the banking sector. No single actor in the financial safety net can achieve these policy objectives in isolation. Cooperation, coordination, and information sharing among the financial safety net participants, including the deposit insurer, is critical both during “business-as-usual” times and in times of crisis. This session will focus on how to implement a holistic approach based on close coordination between all relevant authorities in the financial safety net. This includes the increasing relevance of monitoring activities and subsequent sharing of data between the financial safety-net participants, and the crisis preparedness by the deposit insurance system, e.g. through the determination of the preferred tool in crisis intervention and resolution measures.

16:00 – 16:10

Coffee break

16:10 – 17:25

Panel 4: Digitalisation and financial innovation: can deposit insurers become obsolete?

Developments in technology by bank and non-bank actors, and by public authorities have accelerated the digitalisation of financial services and improved efficiency and speed in financial transactions. At the same time, they have given rise to concerns about financial stability, bank disintermediation, consumer protection, and financial inclusion. In this context, deposit insurers face a number of complex issues, including the impact innovation may have on deposits as a source of funding to banks, the availability and attractiveness to users of alternatives to bank deposits, including central bank digital currencies and tokenised deposits. This session will consider the potential impact on deposit insurer’s operations, the emerging opportunities, and how they may need to evolve to address new challenges and risks.

17:25 – 17:30

Closing