SELF-ASSESSMENT TECHNICAL ASSISTANCE PROGRAM (SATAP)

Program Description and Guidelines

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IADI Training and Technical Assistance Council Committee (TTAC)

June 2021

I.   Background

On 5 November 2013, IADI's Executive Council (EXCO) established a Self-Assessment Technical Assistance Program (SATAP) to achieve these broad objectives:

   a. Promote self-assessment by IADI Members to determine their compliance with the **IADI Core Principles for Effective Deposit Insurance Systems (Core Principles)** and thereby help strengthen their organizations.
   b. Provide technical assistance to IADI Members through the provision of IADI experts to ensure consistency in applying **IADI's Compliance Assessment Methodology**.

The EXCO delegated to its Training and Conference Committee (TCC)[1] responsibility for establishing the Program's description and guidelines.

Jurisdictions conduct self-assessments and request a subsequent SATAP review in anticipation of, and to prepare for, upcoming IMF/World Bank Financial Sector Assessment Program (FSAP) reviews, among others.

II.   Overall Purpose and Focus

The SATAP provides an assessment of an IADI Member's Deposit Insurance Agency (DIA). With practice, it has evolved into an interactive consultative process between the host DIA and the SATAP Review Team. The goal of the SATAP Review Team is to work closely with the DIA to identify gaps in their system relative to IADI Core Principles (CPs) and outline possible steps to address those gaps.

The host DIA conducts a preliminary self-assessment using IADI's Compliance Assessment Methodology. Working remotely, the SATAP Review team and the DIA refine that assessment, identifying questions and potential gaps. Once the SATAP Review Team reaches a preliminary understanding of the self-assessment, the SATAP Review Team visits the host jurisdiction to complete the review of the self-assessment and help develop an action plan to address any limitations or vulnerabilities in the host deposit insurance system.

While the SATAP review is essentially complete upon the end of the mission, communication between the SATAP Review Team and the host DIA may continue for a few months following the visit to help assist clarify the review team's comments and advise how to implement the recommendations.

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[1] The TCC is now the Training and Technical Assistance Council Committee (TTAC).

III. Process Framework

1. Preconditions for SATAP Review

To be eligible for SATAP review, an IADI Member must complete an internal self-assessment of its compliance with the IADI Core Principles and discuss with the key stakeholders within their jurisdiction the opportunity to request a SATAP review and get their formal approval and commitment for involvement.

Guidance on how to conduct the self-assessment is available in the IADI Paper "*Guidance on Conducting Self-Assessments of Compliance with IADI Core Principles*", the Financial Stability Institute (FSI) suite of tutorials on "*Deposit Insurance- Conducting a Core Principles Compliance Assessment*" and the "*Handbook for the Assessment of Compliance with the Core Principles for Effective Deposit Insurance Systems*". IADI Members can also participate in a Self-Assessment Workshop that familiarizes them with the self-assessment process and focuses on the steps to carry out when conducting a self-assessment, underscores the importance of devoting ample time and resources, and explains how best to evaluate compliance with the sixteen core principles and essential criteria.

2. SATAP Review Request

a. After completing the internal self-assessment, an IADI Member may seek assistance from IADI by requesting that the IADI Senior Training and Technical Assistance Advisor (STTAA) or his/her representative from the IADI Training and Capacity Building Unit (TCBU) schedule a review of its internal self-assessment results with a SATAP Review Team.

b. For the SATAP review request to be complete, the requesting IADI Member must submit the following documents:

- Supporting documentation, following the SATAP checklist (ANNEX 1), with corresponding links or files translated into English.
- An internal self-assessment report in the pre-established format (ANNEX 2), including any provision in terms of confidentiality.
- A completed *SATAP funding request form*, indicating the amount of funding, if any, being requested from IADI for the travel expenses of the SATAP Review Team members.

3. SATAP Review Request

a. If the STTAA validates that the SATAP request fulfils the requirements, the STTAA or his/her representative from the TCBU will verify the availability of *Lead Core Principles Experts*[2] and *Core Principles Experts*[3] to form a Review Team. If the request is incomplete, the STTAA or his/her representative from the TCBU will inform the jurisdiction that more documentation or information is needed.

b. The STTAA or his/her representative from the TCBU, in consultation with the CBTC Chairperson, will make a recommendation to the TTAC Chairperson and IADI Secretary General regarding the SATAP request, including the SATAP Review Team Leader and team of CP experts who will carry out the assessment, for approval. This shall include a recommendation regarding funding, if any, in accordance with below guidelines for funding SATAP reviews. The recommendation will also include the funding assistance requested by each assessor, if any, to participate in the assessment.

c. The decision process by the TTAC Chairperson and the IADI Secretary General regarding whether to approve, postpone or cancel a SATAP will be based on various criteria, including funding needs, elapsed time since the last request, and whether the Member is up to date on membership fees.

4. SATAP Review Team Leader

The SATAP Review Team Leader shall:

a. Work with the SATAP Review Team to conduct a preliminary off-site analysis of the requesting IADI Member's internal self-assessment results;

b. Conduct the on-site SATAP review, including meetings with officials in the requesting IADI Member's organisation and other financial safety-net participants;

c. Prepare and present the Review Team's preliminary findings about gaps, conclusions and possible action plan for improvement at a consultative session with the senior official in the host DIA;

d. Work with the SATAP Review Team and authorities in order to arrive at a consensus

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[2] Individual who has completed the full Expert Training Program, including being evaluated by an existing Lead CP Expert, and who has demonstrated a high level of understanding regarding the Core Principles and the essential skills required to assist DIAs in their compliance with the CPs. Lead CP Experts are expected to serve on the ETWG and to support IADI training initiatives such as bilateral technical assistance and workshops/conferences, analyse requests for technical assistance, make recommendations for capacity building and addressing gaps in compliance with the Core Principles, lead SATAP reviews, and answer Member questions related to interpretation of the CPs and their Essential Criteria (EC).

[3] Individual who has completed the Practitioners Workshop, full curriculum of the ETWG, and the Experts Workshop. CP Experts are expected to support IADI training initiatives such as bi-lateral technical assistance and workshops/conferences, analyse requests for technical assistance, and participate as members of a SATAP Team.

about the gaps and corresponding actions for improvement;

e. Share a copy of the Team's final report with the IADI Secretary General, the IADI STTAA & Senior Policy and Research Advisor (SPRA), and the CBTC & TTAC Chairpersons, with a request to treat the document as confidential, unless the authorities agree to make it public to the wider IADI membership.

f. Solicit authorization from the requesting IADI Member for the IADI TCBU, the TTAC and the CBTC to use the SATAP review results, excluding any confidential or identifying information, for training and capacity building purposes.

5. Funding of SATAP reviews

Subject to the availability of funds, and based upon review and recommendation from the STTAA or his/her representative from the TCBU, the travel expenses of the SATAP Review Team experts may either be borne by:

a. the IADI Member requesting a SATAP review;

b. the IADI Members providing SATAP review CP Experts as part of their Technical Assistance Programs;

c. IADI as part of its SATAP funds;

d. An independent Third Party (e.g., World Bank, IMF) supporting the SATAP review; or,

e. Any agreed upon combination of the above funding options.

5.1. IADI funding for SATAP reviews

a. To qualify for funding from IADI for SATAP reviews, the requesting IADI Member must demonstrate financial need by showing that all other possible sources of financial assistance have been exhausted.

b. The IADI Secretary General shall budget appropriate funds each fiscal year for SATAP reviews with an appropriate limit for each review.

c. Upon recommendation by the TTAC Chairperson and concurrence of the IADI President and EXCO Chair, the IADI Secretary General shall budget funding for IADI SATAP reviews on a first- come, first-served basis.

d. When funds are to be provided by IADI, the IADI Secretariat shall make travel arrangements for SATAP Review Team members and, based upon receipts provided, pay their travel expenses up to the amount authorized.

e. If SATAP Review Team travel expenses exceed the IADI budgeted amount, the

expenses shall be borne by the IADI Members providing experts for the SATAP Review, the requesting IADI Member or an independent third party.

f. In the event that funds allotted for IADI SATAP reviews are depleted prior to the end of any given financial year, and if there is a high demand for additional SATAP reviews, EXCO may reallocate any available funds, as appropriate.

g. In the event funds allotted for the SATAP remain unused at the end of any given fiscal year, the unused funds will revert to IADI's General Fund.

Annexes

- **Annex 1**
  SATAP Request Checklist

- **Annex 2**
  SATAP Template