



REMARKS

By

**UMARU IBRAHIM, FCIB, mni
MD/CEO,
NIGERIA DEPOSIT INSURANCE CORPORATION (NDIC)**

at the

**International Association of Deposit Insurers (IADI)
Africa Regional Committee (ARC) Workshop**

Hosted By

Deposit Protection Fund (DPF) of Uganda and Bank of Uganda

at

Lake Victoria Serena Golf Resort & Spa, Kampala - Uganda

MONDAY, 16TH SEPTEMBER, 2019

Protocol

1. I am profoundly pleased to address you in my capacity as the Chairman of IADI-ARC on this important occasion of the 2019 edition of the IADI-Africa Regional Committee Meeting and Annual Conference with the theme '**Why Deposit Insurance**', taking place here in Kampala, Uganda. Let me join Mr. Kagoro (Chairman, DPF Board of Directors) in welcoming all participants and appreciating their presence at this august conference of the ARC. Mr Walker, the Secretary-General of IADI has been unwaveringly supportive to ARC's course and progress, and has virtually been present and meaningfully contributed to the all ARC meetings since he assumed office.
2. I personally would like to acknowledge the presence of the Minister of Finance, Planning and Economic Development of Uganda, Mr. Kasaija; and Professor Mutebile (Governor of the Bank of Uganda). I would also like to thank the Governor of the Bank of Uganda, on behalf of the ARC, for his tremendous supports in making this event a reality. This meeting would not have had the prospect of success without the presence of all the invitees here present. My special regards also go to Auditor General of Uganda, Board Members and Chief Executive Officers of Sister Deposit Insurance Agencies, Board Members and Chief Executive Officers of Contributing Institutions, Chief Executive Officers of Financial Sector Safety Players, Delegates from Central Banks within the African Region, Delegates from IADI Members countries and Associates. You are indeed welcome to Kampala. I thank you all for making it to this year's annual conference.
3. The theme of this year's ARC conference - '**Why Deposit Insurance?**' - is germane to the key essence of financial system stability and its implications for economic growth and development of the African continent. The pockets

of bank failures on the continent in recent times show that threats to financial system stability are yet to be fully resolved. Hence, deposit insurance as part of financial safety-net arrangements will continue to offer protection to depositors and promote stability of the financial system. I would like to acknowledge the efforts of the ARC and IADI in these regards.

4. It pleases me to remind you that the African Regional Committee of IADI has in the past one year stepped up its efforts on capacity building. For instance, NDIC has hosted about six study visits for staff of deposit insurers from Ghana, Kenya, Uganda, amongst others since 2018. Also, NDIC is coordinating the forthcoming knowledge-sharing forum for deliberation on DIS issues at the Malaysia Africa Open-House. In addition, NDIC had proposed to the Regional Committee members to establish a Centre for Studies of Deposit Insurance System in Africa. The NDIC will be providing the Secretariat while other regional committee members will assist in providing technical and financial supports.
5. To further enhance international collaboration and sharing of information between IADI-ARC member countries, NDIC has sponsored development of ARC website. The website is now ready, and member countries are to supply relevant information to be uploaded on the site. In the same vein, NDIC engaged consultants to develop ARC logo for the site. A total of fourteen (14) logos were created and shared among the countries for selection of the best three (3). At this event, a decision will be taken by all members on the logo to be chosen for the website.
6. Distinguished ladies and gentlemen, I am pleased to intimate you on the Committee's efforts to further foster collaboration among deposit insurers

across the globe, especially within the IADI membership. NDIC recently signed Memoranda of Understanding with the Korea Deposit Insurance and Central Deposit Insurance Corporation of Taiwan (CDIC) on 7th and 12th of August, 2019, respectively. Ghana also signed an MOU with the FDIC on capacity development. This MOU will promote communication and enhance existing levels of cooperation, as well as provide mutual understanding and collaboration on areas related to the development of the deposit insurance systems in their respective jurisdictions.

7. Furthermore, there have been positive developments in DIS operations in Africa. Kenya recently reviewed its DIS strategic plan which has led to introduction of risk-based premium assessment. In Uganda, deposit insurance coverage has been increased from \$800 to \$2700, while the DPF has signed an MOU with the Bank of Uganda on borrowing requirements. Tanzania is also proposing the review of its legal framework to enhance compliance with the Core Principles of Deposit Insurance. Rwanda is also in the process of establishing laws that will bridge identified gaps in its DIS framework. It has also begun the process for automated premium assessment. In Nigeria, NDIC and the Central Bank of Nigeria are jointly assessing risk minimization in extending deposit insurance to mobile money operators (MMOs) and have each issued guidelines on the MMOs.
8. Distinguished Ladies and Gentlemen, notwithstanding these efforts, DIS still has some miles ahead to cover. The role of DIS in prudential supervision needs to be strengthened the more, so as to minimise incidence of bank failures that will have disruptive effects on the financial system. The emergence of new financial technologies that continue to revolutionize the financial system terrain requires that adequate regulatory framework are put

in place to contain and optimise its effects on financial system sustainability. The DIS and other financial safety net participants need to cooperate on this and other areas of joint interest to ensure that there is adequate prudential regulatory and supervisory framework available to cope with and efficiently manage developments that affect the financial system anytime they emerge.

9. On this note and on behalf of the ARC and DPF, I would like to thank all the invited guests for being part of this event. I wish us all a fruitful and insightful deliberation.

THANK YOU VERY MUCH FOR YOUR ATTENTION.