

Press release

**THE MEMORANDUM OF UNDERSTANDING RENEWED
TO EXPAND CDIC AND DIV COOPERATION**

In view of the lessons learnt from the global financial crisis, as well as the fast pace of financial liberalization and globalization in recent years, enhancing cross-border cooperation has come to the fore for financial safety net participants worldwide. The Central Deposit Insurance Corporation (CDIC) and the Deposit Insurance of Vietnam (DIV), led by CDIC Chairman Mr. Hsien-nung Kuei and DIV Chairman Mr. Nguyen Quang Huy, jointly announced the renewal of the Memorandum of Understanding (MOU) between the two organizations on 10th December 2015, to expand the bilateral cooperative relationship.

Formal cross-border cooperation of CDIC and DIV started in 2006 when the MOU was first signed in Hanoi. Effective from the 11th December 2015, the renewed MOU, extended for another three years, manifests a vision for the future of deposit insurance systems in cross-border cooperation and conforms to the *IADI Core Principles for Effective Deposit Insurance Systems*.

The insured institutions of both CDIC and DIV have overseas offshoots set up in the jurisdictions of each other. Despite the fact that the financial and regulatory environments have developed differently, professional dialogues and valuable experiences exchange between CDIC and DIV have brought real benefits to the two deposit insurance systems, inter alia, in depositor protection and financial stability.

Subsequent to the joint announcement, a joint workshop and round table discussions as well as various bilateral meetings were hosted by DIV to facilitate further cooperation between the two organizations.