

# International Exchange

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## 1. Become the IADI's Founding Member and Participate Its Activities

In May 2002 the International Association of Deposit Insurers (IADI) was established in Basel, Switzerland. Its founding purpose was to promote cooperation and exchange among deposit insurers and financial supervisory institutions and enhance the stability of the financial system. Since the establishment of the IADI, six standing committees have been set up, including Governance, Training and Conference, Research and Guidance, Membership and Communication, Finance and Planning, and Audit. There are six regional committees located in Asia, Africa, Europe, Eurasia, the Caribbean and Latin America. Through the operations of these committees international activities are organized and global guidance are drawn up to strengthen cooperation and exchange among member countries and promote the deposit insurance system. As up to the end of August 2005, the IADI has 58 participating countries /organizations, including 41 members, 7 associates, 4 observers and 6 international organizations as partners.

CDIC joined the IADI in 2002 and became one of its 25 founding members. In the same year CDIC set up the division of international affairs to dedicatedly promote international exchange. In 2003 CDIC's Chairman, Mr. Chin-Tsair Tsay, had the honor to be nominated by the IADI and elected as a member of the Executive Council. In 2004 CDIC was recommended by the IADI to serve as the Chair of the Research and Guidance Committee as well as to chair the Research and Guidance Subcommittee on Resolution of Failed Banks and in charge of promoting the formulating of international guidance governing the handling of problem financial institutions. CDIC was also recommended to chair the Asia Regional Committee, Research Subcommittee in charge of two research projects, namely “Transitioning from Blanket Guarantee to Limited Coverage System” and “Developing Sources of Liquidity”. In addition, CDIC has been recommended to host the IADI Fourth Annual Conference and the Third Asia Regional Conference Meeting in Taipei in September. It is expected that more than one hundred representatives from more than fifty countries in the world will participate in this convention. CDIC will officially publish the achievements of promoting international guidelines over the past years as well as the results of the aforesaid two researches in this conference.

In future CDIC will participate in the activities of the IADI in an even more proactive way to share the information of supervision and principles of deposit insurance system through exchanges of experiences among members so as to enhance the participation in and contributions to the deposit insurance field in the international arena.

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## 2. Signing of Cooperation MOUs with KDIC, KAMCO and NDIF

In view of the significant achievements of financial reforms in Korea after the 1997 Asian financial crisis, which had also won very high international acclaim, CDIC signed memorandum of understanding with Korea Deposit Insurance Corporation (KDIC), and Korea Asset Management Corporation (KAMCO), in March and August 2003, respectively, and officially established cooperative relations. CDIC is still in exchange of relevant information of economics, finance, regulation amendment and research and development on a constant basis

with these institutions. Personnel is also exchanged to share the practical experiences of deposit insurance implementation and work jointly on the international research programs led by the IADI. In addition, CDIC signed the Memorandum of Understanding with the National Deposit Insurance Fund of Hungary (NDIF), which was the first formal tie established with the deposit insurers outside the Asian region, and thus is especially meaningful in terms of promoting international cooperation.

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### **3. Organize or Participate in Other International Exchange Activities**

To promote international academic exchange, CDIC held a series of seminars, including the “Academic Seminar on Deposit Insurance” in Taipei in December 1994, the “International System on Financial Risk Management and Crisis Resolution” in Taipei in October 2003, the “International Symposium on Risk Management in the Post Financial Restructuring Fund Era in Taipei in September 2004, and an international convention jointly held by the KDIC and the Deposit Insurance Corporation of Japan in the Korean capital, Seoul, in November 2004 focusing on the issues related to the powers of the deposit insurance corporations to investigate the employees of insured institutions and bankrupt companies. In addition, CDIC also dispatched staff abroad for inspection, further education and participating in international meetings in order to enhance international visibility and to keep the development of Taiwan's deposit insurance system in line with international financial trend. Moreover, CDIC has maintained continued international exchange by receiving relevant financial supervisory institutions from all over the world to discuss on an extensive type of issues for closer cooperation.