



PRESS RELEASE

Federal Deposit Insurance Corporation

FOR IMMEDIATE RELEASE
November 19, 2007

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FDIC Chairman Sheila Bair Completes Trip to Japan and Korea Trip Culminates in Memorandum of Understanding Between the Korea Deposit Insurance Corporation and the FDIC

SEOUL, KOREA -- FDIC Chairman Sheila C. Bair on Friday addressed employees of the Korea Deposit Insurance Corporation (KDIC) in a speech that marked the conclusion of a five-day trip to Tokyo, Japan, and Seoul, Korea. The visit to the KDIC was highlighted by the signing of a memorandum of understanding (MOU) by FDIC Chairman Bair and KDIC Chairman and President Jang-Bong Choi that will further the relationship between the two Corporations. The MOU provides the framework for KDIC employees to be temporarily stationed at the FDIC in the future to provide them with an overview of the FDIC's operations. The MOU was a continuation of the FDIC's efforts to forge international working relationships with deposit insurance systems around the globe. During her stay in Tokyo, Chairman Bair met with officials from the Deposit Insurance Corporation of Japan as well as other government and business leaders.

Japan and Korea are both founding members of the International Association of Deposit Insurers (IADI), an organization formed to exchange views, share experiences and expertise, and provide guidance, technical assistance and training. The FDIC assumed the leadership of IADI earlier this month.

Chairman Bair said, "I am extremely proud of the FDIC's extensive work internationally. Particularly in today's environment, a well-designed, explicit deposit insurance system contributes significantly to overall financial stability. As economic systems are increasingly interconnected, it is important that countries continue to participate in international organizations such as IADI. Sharing training, technical assistance and core principles on an international basis will facilitate greater communication and cooperation and ultimately lead to greater financial stability for the global economy."



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-96-2007

"I would like to thank my Japanese and Korean hosts for their generosity and hospitality. I look forward to continuing these exchanges and fostering the healthy and constructive dialogue that has been present throughout our discussions."

The adoption of explicit deposit insurance systems around the world has steadily increased since the 1960s. In 1970, there were only 10 countries with explicit deposit insurance systems. Today, over 100 countries either have, or are considering or planning, deposit insurance systems. In August, the FDIC signed an MOU with the People's Bank of China for the purpose of developing expanded methods of interaction on economic and financial issues. China is in the process of establishing a deposit insurance system.

[Remarks of Sheila Bair, Chairman, FDIC; to the Korea Deposit Insurance Corporation; Seoul, Korea](#)

[Remarks by FDIC Chairman Sheila Bair; Nikkin 18th Special Seminar on International Finance; Tokyo, Japan](#)

[Photo Essay](#)