About JDIC

Jamaica Deposit Insurance Corporation

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About JDIC

The Jamaica Deposit Insurance Corporation (JDIC) was created by the Government of Jamaica to protect depositors and promote stability and confidence in Jamaica’s financial system.

Emerging at an important juncture in the development of the country’s financial system, it became the latest plank in strengthening the sector’s regulatory framework as of its establishment on August 31, 1998.

As a statutory body the Corporation reports to Parliament through the Minister of Finance and the Public Service and shall furnish to the Minister such operating plans and forecasts, returns, accounts, and other information as the Minister may require with respect to the operation of the Corporation.

The Corporation’s primary objective is to establish and manage a Deposit Insurance Scheme to protect depositors from loss, up to a specified limit. The main guide line to:

1. Provide the highest level of coverage possible to insured deposits.
2. Restore and maintain confidence in deposit-taking institutions and by extension contribute to the stability and confidence in the nation’s financial sector.
3. Provide a clearly defined system for dealing with problems which may arise in insured financial institutions.

through the preceding objectives, to contain contagious runs on financial institutions in the event of a failure of a Policyholder(s).

VISION

To protect depositors and contribute to the highest levels of financial system confidence and stability in Jamaica’s financial system. Safety net participation and recognizing macroeconomic expectations.

MISSION

In contributing to the stability and confidence in Jamaica’s financial system the objective of the Corporation is to:

- Protect insured depositors against losses due to the insolvency of Deposit-taking Institutions
- Facilitate the resolution of non-viable Deposit-taking Institutions consistent with governing legislation and international best practices
- Support the provision of financial consumer protection and financial inclusion
- Fulfill its mandate to minimise its exposure to loss.

In executing its Mission, the Corporation will create a knowledge management environment and allow employees to realise their full potential.

VALUES

Accountability, Communication, Excellence, Professionalism, Teamwork.

Our Mandated Objectives

1. Provide the highest level of coverage possible to insured deposits.
2. Restore and maintain confidence in deposit-taking institutions and by extension contribute to the stability and confidence in the nation’s financial sector.
3. Provide a clearly defined system for dealing with problems which may arise in insured financial institutions.

Our Mandated Operations

The Corporation’s main objective, the provision of insurance against the loss of depositors’ funds, is achieved through sound managerial and regulatory practices. The Corporation’s main goals are to:

1. Provide the highest level of coverage possible to insured deposits.
2. Manage the Deposit Insurance Fund, including investments in low risk and liquid instruments like government securities.

The Corporation’s mandate is to protect depositors and promote stability and confidence in Jamaica’s financial system. To achieve this, the Corporation operates within the legal framework set out in its governing statute, the Deposit Insurance Act (DIA), as well as the Public Bodies Management and Accountability Act (PBMA) and the Financial Administration and Audit Act (FAAA).

Central to the Corporation are the Deposit Insurance Scheme to deal with the needs of depositors in the event of a failure of a Policyholder. The fund is made up of Policyholders’ premia and is the pool from which payments will be made to depositors of failed institutions. Premia are calculated on Policyholders’ total insurable deposits and levied on a flat rate basis. The Corporation’s main objective is to ensure that losses are limited and that the fund is not over-exposed.

In executing its Mission, the Corporation will create a knowledge management environment and allow employees to realise their full potential.

JDIC works in close collaboration with the Bank of Jamaica (BOJ), the regulatory and supervisory agency for deposit-taking financial institutions. It receives copies of the banks’ on-site examination reports as well as other information relating to the safety and financial soundness of insured institutions (Policyholders). Importantly, the Corporation does not duplicate BOJ’s supervisory function.