



JAMAICA DEPOSIT INSURANCE CORPORATION
FINAL CORPORATE PLAN, OPERATING
&
CAPITAL BUDGETS
FY2022/23- FY2025/26





VISION

To protect depositors and contribute to the highest levels of financial system confidence and stability in Jamaica; leveraging Financial System Safety Net partnerships and recognizing consumer expectations.

MISSION

In contributing to the stability and confidence in Jamaica's financial system the Jamaica Deposit Insurance Corporation:

- Protects depositors against loss of their insured deposits*
- Facilitates the resolution of non-viable Deposit Taking Institutions in cooperation with the Financial System Safety Net Agencies*
- Promotes financial consumer education and financial inclusion,*

and for these purposes manage the Deposit Insurance Fund.

To execute on its Mission, the Corporation will create a knowledge management environment which promotes excellence in professional and technical expertise, acknowledging employees as our internal customers and allowing them to realize their full potential.



CORE VALUES

The Core Values are the common philosophies/behaviours that keep Employees grounded through any transformation. JDIC's Core Values are:

ACCOUNTABILITY	We accept our responsibilities, strategies and initiatives and carry them out in a transparent manner.
INTEGRITY	We promise to adhere to strong moral and ethical principles in carrying out our responsibilities.
PROFESSIONALISM	We exercise skill, good judgement and adherence to appropriate standards and practices, communicating effectively and appropriately, always pursuing team objectives and ensuring the highest level of productivity in the performance of our duties.
TEAMWORK	We preserve an environment of collaborative efforts, respect and mutual support, where our best solutions come from embracing each employee's unique talents.
EXCELLENCE	We continuously measure and monitor productivity to improve our operations.



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ABBREVIATIONS

BCBS	Basel Committee on Banking Supervision
BOJ	Bank of Jamaica
BSA	Banking Services Act
CUSPA	Credit Union (Special Provision) Act
DIA	Deposit Insurance Act
DIF	Deposit Insurance Fund
DIS	Deposit Insurance Scheme
DTIs	Deposit Taking Institutions
ERP	Economic Reform Programme
FAAA	Financial Administration and Audit Act
FIRA	Financial Institutions Resolution Act
FIRS	Financial Information Reporting System
FHC	Financial Holding Company
FRC	Financial Regulatory Committee
FSAP	Financial Sector Assessment Programme
FSC	Financial Services Commission
FSB	Financial Stability Board
FSSN	Financial System Safety Net
FSSC	Financial System Stability Committee
GDP	Gross Domestic Product
GOJ	Government of Jamaica
IADI	International Association of Deposit Insurers
IMF	International Monetary Fund



MIBIS	Member Institutions' Business Intelligence Software
MoFPS	Ministry of Finance and the Public Service
NFCMP	National Financial Crisis Management Plan
NFIS	National Financial Inclusion Strategy
PBMA	Public Bodies Management and Accountability Act
PRAF	Policyholders' Risk Assessment Framework
SRR	Special Resolution Regime

EXECUTIVE SUMMARY

BACKGROUND

The Jamaica Deposit Insurance Corporation (JDIC/the Corporation) will continue to execute its primary mandate under the Deposit Insurance Act (DIA) as Jamaica's Deposit Insurer and the public body with the mandate for the guarantee of insured deposits held in its member institutions which become insolvent or are unable to pay its depositors because of decided actions taken by the Supervisor of Banks (Bank of Jamaica/BOJ) further to the BOJ Supervisory Committee determinations. JDIC Member institutions, for the time being, remain Jamaica's commercial banks, merchant banks and building societies, all being regulated by the Bank of Jamaica and prescribed under the Deposit Insurance Act as JDIC Policyholders. JDIC remains critical to the country's financial system safety net and public administration mechanism for engendering and supporting depositor confidence and financial system stability, which JDIC keenly recognizes includes focus on pre-emptive financial system crisis preparedness planning and management.

During the period of the Corporate Plan, FY2022/23 to FY2025/26, the JDIC will focus its efforts on its primary mandate in a financial market and regulatory environment being rapidly transformed by financial technologies (fintech) including the introduction of central bank digital currency and consequent changes to Policyholder business models and changes in financial consumer expectations. Adjunct to this will be the continued build out of the JDIC's existing powers to act as receiver and liquidator of Policyholders and their holding companies and subsidiaries. The exercise of JDIC powers will be coordinated with the BOJ powers including the latter's prospective powers as the statutorily designated resolution authority for financial institutions in Jamaica in place of the Minister with responsibility for finance. Supportive of an administrative model that reduces conflict of interests The expectation is for the appointment of the JDIC as a resolution administrator, including liquidator/trustee under the impending legislation (the Financial Institutions Resolution Act, FIRA). The reform is to achieve a resolution framework for non-viable financial institutions in Jamaica premised on the expectation of financial institution safety net authorities being able to deal with financial institutions in distress before they become balance sheet insolvent and securing options that will see no creditor worst off.

Within this context JDIC must enhance its own business model and operations to enable it to advance responsive public policy and implement timely initiatives consistent with appropriate legislative underpinning to be able to give recognition to both business model changes and financial consumer

expectations. This will serve to assure the desirable levels of protections to depositors and evolve the scope of financial system protections that will ensure confidence and stability as financial systems and markets evolve. This will also help facilitate the growth of the economy and the development of Jamaica for all citizens. The JDIC Business Strategy themes holding valid from the prior year plans will continue with key supporting initiatives recognizing the anticipated changes described above.

THE ENVIRONMENTAL SCAN, SWOT ANALYSIS, PLANNING ASSUMPTIONS AND ENTERPRISE RISK MANAGEMENT

This 4-year Corporate Plan for FY2022/23 - FY2025/26 is prepared against analysis of an environmental scan; SWOT analysis; planning assumptions; environmental management activities and risk assessment; JDIC's prior year achievements and its 4-year strategic goals.

The Environmental Scan encompassed a review of and projections for: Global, Regional and Domestic Economic Development; Developments in the Policyholders Regulatory Environment and Other Developments in the Financial Regulatory Environment; Deposit Insurance Systems: Key International Standards and Supporting Guidance; Emerging Developments and Trends in financial system developments and regulation.

Of particular significance is the continued adverse impact of the COVID-19 pandemic on the global macroeconomic landscape since early 2020. Whereas recovery has begun the momentum has weakened and is expected to be slow, as vaccine access and hesitancy in many countries, including in the region and Jamaica, have increased uncertainty about the duration of the pandemic and its outcome on economies. Also ravished by the pandemic, Jamaica's economy like most other countries in the region (*refer Regional Developments and Outlook*), has begun a modest recovery. Macroeconomic improvement now and prospects for further improvement in the near term, augurs well for the stability of Jamaica's financial system, making it unlikely that the JDIC will be called upon to resolve a member institution, as Policyholders remained solvent and adequately capitalized. Risks however remain, as the extent of the impact of the pandemic as well as how long it will last, both locally and globally, are uncertain.

Review of key international best practice standards related primarily to those for effective financial institution resolution and financial crisis preparedness and management, including the *International Association of Deposit Insurers (IADI) Core Principles for Effective Deposit Insurance Systems* and the *Financial Stability Board (FSB) Key Attributes for Effective Resolution Regimes for Financial Institutions*. Emerging developments and trends in financial inclusion, financial innovation and technology and

microfinance also remained key areas of focus, particularly in light of the rapid pace of digitization of financial products and services. Against the background, the JDIC and other members of the FSSN continue to build out their crisis preparedness framework and communication plans, as well as to enhance the regulatory framework for financial institutions. In this vein the proposed legislation to establish a Special Resolution Regime (SRR) for Financial Institutions, and other reforms are currently at an advanced stage of completion to further strengthen the financial system. The Corporation is also preparing for the introduction of the BOJ's digital currency at the commencement of the planning period and continues to assess the benefits which could accrue to the DIS, as well as any potential risk. Of note, in the region the Eastern Caribbean Central Bank (ECCB) in early 2021 started initial roll-out its digital currency (launched in 2019) in four of the eight member countries of the Eastern Caribbean Currency Union (Antigua and Barbuda, Grenada, Saint Kitts and Nevis, and Saint Lucia). Other countries that have implemented and/ or are experimenting with the use of digital currency includes the Bahamas, China, Nigeria and Sweden.

The protection of other financial consumers (other than depositors of JDIC Policyholders) is critical to financial inclusion and further strengthening of the financial system. An emerging trend is for existing Deposit Insurers not only to enhance depositor protection, but also the protection of investors in securities and policyholders of insurance companies, through a prospective expanded mandate for JDIC which would see it become an integrated protection scheme. In this regard, the JDIC continues collaboration with the Financial Services Commission (FSC) on the work commenced in 2010 for the establishment of compensation schemes for non-deposit taking institutions (Non-DTIs).

With climate related risk now seen as having the potential to result in devastating impact to economies and financial system stability, international standard setters are developing several initiatives and toolkits to address these financial risks. The Corporation will keep abreast of these initiatives and collaborate with FSSN partners and other key stakeholders in order to research and highlight the main issues for consideration, and develop a coordinated strategy for dealing with them.

The SWOT Analysis revealed strengths in governance, key members of staff with the requisite expertise, an enhanced enterprise risk management framework and a robust and secure ICT infrastructure. On the other hand, an intractable weakness remains the staff recruitment and retention hampered by inadequate salary and benefits structure. The MoFPS has now approved the organizational structure as per the *JDIC Organizational Review, Job Evaluation and Reclassification Recommendation* submitted for in August 2018, however with respect to the new salaries the Corporation will have to await the rollout and implementation of the *GOJ Public Sector Transformation and Modernization (PSTM) Programme*, which is expected to be implemented at the start of the planning period (April 1, 2022).

The Corporation will continue to work on strengthening/enhancing areas relating to disaster preparedness and business continuity, developing a fully automated Policyholder risk assessment system, implementing an electronic records management system, and engaging more with depositors, Policyholders and other stakeholders through an enhanced public education programme.

Opportunities include strong strategic partnership arrangements, such as that with FSSN partners, Policyholders, JDIC's membership in the IADI and engagement with other standard setting bodies; and importantly a supportive policy directorate which provides the platform for the necessary reforms to strengthen the Corporation's mandate.

Among the threats identified was that created by the COVID-19 pandemic to Policyholders business environment, with the increased use of fintech products and thereby heightened exposure to cyber-crimes and bank default risks. This increased use of financial technology will of necessity cause banks to change their operating models and move closer to digital transformation as customers need more secure and reliable solutions for their transactions. The Corporation will therefore continue to ensure it has the capacity to effectively monitor Policyholders, by having the necessary data gathering and analytical tools to predict potential problems before they occur, and also to be proactive in managing those risks. The JDIC will also continue to review of its internal data management and cyber security response infrastructure to ensure that the technology remains relevant and effective in keeping with the advancement in the industry and meeting its business needs. Additionally, the JDIC will also leverage the GOJ National Cyber Security Strategy and mechanisms for addressing cyber security risks, including the Data Protection Act.

The Planning Assumptions include focus on the expansion of the Corporation's mandate in a context of legislative developments for resolution of financial institutions. An increase in membership in deposit insurance scheme (DIS) is also anticipated in year 1 of the planning period with deposit insurance coverage to be provided to credit unions (presently 25), consequent on impending regulation of these institutions by the BOJ under the proposed CUSPA legislation. This will also mean an increase in the staff complement (already accounted for in the recently approved organizational structure). The assumptions also include continued robust regulation and supervision of the banking system in the context of the adverse macroeconomic impact of the COVID-19 pandemic.

Environmental Management continues to be a priority for the Corporation as it seeks to adhere to environmental protection best practice standards. This is consistent with the requirement for all public bodies (and other stakeholders) to be committed to protecting the environment by undertaking initiatives to promote greater environmental responsibility and the development of eco-efficient

solutions. The Corporation's Board, Management and Staff are committed to exercising proper environmental and climate change management practices as an integral part of its operations and will develop strategies to minimise pollution in compliance with environmental protection regulations.

Enterprise Risk Management - The risk identification and validations sessions showed that the highest risk remained the Corporation's inability to fully implement a sustainable human resource strategy, (the *JDIC Organizational Review, Job Evaluation and Reclassification Recommendations* of 2018 to the MoFPS now partially approved). Another high risk area involved the Corporation's resolution capacity, but there are a number of legislative reform areas and internal and FSSN coordinated and on-going initiatives and operations relating to financial crisis management preparedness; depositor pay-out processes and collaborations with FSSN partners designed to mitigate this risk. The adequacy of the DIF remains a not insignificant risk, but there are ongoing initiatives to mitigate this as well. These and all other high risk areas are being addressed and will be progressed in the planning period.

BUSINESS STRATEGY THEMES FOR FY2022/23 – FY2025/26

Against this analysis the implications for the Corporation were identified and policy responses examined. The analysis revealed that the business strategy themes: **(i) Proactive Readiness and Resolution Management; (ii) Strong Partnerships; (iii) Leveraging Information and Communication Technology for Operational Efficiency, (iv) Building Sustainable Human Resource Capacity; and (v) Public Education and Awareness** adopted in prior periods remained valid through the planning period.

Operational Plans - Summary of Key Initiatives to Advance the Business Strategies

The business strategies and supporting initiatives are detailed in the *Departmental Operating Plans* (Appendices 5 - 8), highlighted under *Business Strategies for FY2022/23- FY2025/26* and summarized in *Tables 1 and 2*.

The key initiatives under the strategy for *Proactive Readiness and Resolution Management* include: the continued phased implementation of Standard Record Keeping Guidelines and Compliance Framework for Policyholders and engagement of relevant stakeholders to ensure this implementation is effective; testing of contingency planning and crisis preparedness with development of SharePoint database and continued simulation of JDIC role as receiver and liquidator of non-viable and insolvent financial institutions; a multi-agency Financial Crisis Simulation with other FSSN partners; the strengthening of the resolution management framework through proposals for legislation specific to JDIC's role and the development of internal policies and procedures and guidelines for the JDIC relationship with the BOJ as the Resolution Authority under the proposed FIRA; implementation of



Member Institutions' Business Intelligence Software and DIF Adequacy Evaluation. There will be other simulations related to depositor pay out and crisis communication.

The strategy for *Strong Partnerships* includes work with IADI and CARICOM member states for delivery of a Regional training seminar; participation in IADI's Capacity Building Programme; work with CARICOM Secretariat and member countries to draft a CARICOM Deposit Insurance Model Law; sign off on information sharing MOU with the BOJ and Service Level Agreements with the BOJ and the FSC, and engage in collaborations with Policyholders and other major stakeholders through fora and workshops.

The strategy for *Leveraging Operational Efficiency through ICT* includes: development of Business Intelligence software for monitoring and risk assessment and resolution management; implementation of range of deposit insurance payment disbursement methods; implementation of investment software, updated accounting and human resource management software; implementation of records management software and electronic library; update to ICT security policy; review and update ICT Business Continuity Plan and Infrastructure; and development of ICT policies and procedures.

The strategy for *Building Sustainable Human Resource Capacity* include the implementation of the recommendation for the organization structure and job reclassification, staff pension scheme; updating/strengthening the human resource and performance management policies and workplace wellness initiatives.

The *Public Education and Awareness* strategy, revamped during FY2021/22 will continue with increased social media usage and digital advertising; the production of new radio and television advertisements; development of time signals and a feature programme for radio; promotion of financial education in secondary and tertiary institutions and distribution of a book on financial systems developed for the primary level students; phased rebranding of the Corporation with the inclusion of credit unions in the DIS and the later implementation of compensation schemes for the non-DITs; public awareness surveys; Policyholders training; public fora and work on the National Financial Inclusion Council. In FY2023/24 (year 2) the Corporation will celebrate twenty-five (25) years of operations and will mark this significant milestone with a series of events and outreach activities, commencing with a church service.



FINANCIAL PROJECTIONS

The key sources of income will continue to be the premiums collected from Policyholders and investment income reflected as the total income of the Corporation. Premium growth is based on the growth of insurable deposits held by JDIC Policyholders being the basis for the application of the prescribed premium rate, being 15 basis points. The projection is for insurable deposits to grow by a conservative 13 percent each year in the planning period, after an actual growth rate of 17.72 percent for FY2021/22. With the most recent stance of the Central Bank (BOJ) for the management of inflationary tendencies will continue in line with the Bank of Jamaica's inflation targeting regime for maintaining a range of 4 – 6 percent but interest rates will be likely to follow the Bank of Jamaica latest adjustment to its signal rate at October 2021 moving from 0.5 percent to 2.0 percent after the second quarter of FY2021/22. In recognition of the impact of the COVID-19 pandemic on economic activity, investment income is projected to grow at a slower rate than the previous years with a weighted average yield of 6.30 percent on the JDIC investment portfolio at the beginning of the four-year period and 6.7 percent by the end of the period. The JDIC will continue review of its investment mandate, policies and strategies to optimize the growth of the Deposit Insurance Fund within the context of preservation of capital and its liquidity requirements, assuming a countercyclical strategy to any continuing risk to financial stability due to the economic impact of the COVID-19 pandemic.

Increase in expenses over the prior year outturn (actual expenditures) will be reflective of the implementation of the major initiatives during the period and, in particular, the long awaited implementation of the Organization Review and Job Evaluation and Reclassification exercise recommendations awaiting MoFPS approval. This will be implemented incrementally over the planning period.

With sound management of investment operations, and notwithstanding a continuing lower interest rate environment, net surplus ratio (total surplus over total income) is projected to remain comfortably around 75 percent in each year of the 4-year period of the plan. This is in the context of a net surplus of 88.6 percent at end FY2021/22 where significant expenditures were not undertaken due primarily to external approvals not obtained.

The Deposit Insurance Fund

In the prior year period of this Plan, with appropriate risk analysis of Policyholders, the Deposit Insurance Fund (DIF/the Fund) was deemed adequate to meet its liabilities and potential liabilities. The projected balance in the DIF at the end of the period FY2025/2026 will reach approximately \$45.49 billion and represent 6.20 percent of insured deposits projected within the system and take the DIF reserve target



ratio closer to the lower end of the target range set by the Corporation of 8 -10 percent. As the occurrence and magnitude of a financial crisis is not necessarily readily predicted, during the planning period, the Corporation will continue to ensure that its liquidity requirements in crisis and non-crisis periods can be met and that there is contingency funding readily available or easily negotiated through pre-determined channels, and in line with the Corporation's borrowing powers to deal with a crisis. These channels will include, but are not limited to, support from the GOJ, BOJ and selected multilateral agencies, subject to adequate arrangements for the provision of security/guarantees to support borrowings and commitments.

Key Performance Ratios

The efficiency of the Corporation's operations is proxied in non-crisis periods as, the operating ratio, which measures total expenses as a percentage of total interest earned and other income. For the planning period, the operating ratio will reflect required improvements in emoluments and conditions of work of the JDIC staff and technical capacity enhancement through the engagement of subject matter experts and consultants; and as well the costs of enhancements to the Corporation's building and work space infrastructure. In this context, asset management and return on assets ratios are relatively flat during the planning period. Total administration costs as a percentage of the DIF remains highly creditable around 2.6 percent, just above prior periods. Total staff costs (salaries, benefits and staff training) as a percentage of administrative expenses remains under 60 percent of total expenses, still at the lower end of the appropriate benchmarks for a business organization model with the JDIC mandate, but this shows improvement toward the end of the period with the implementation of the various human resource initiatives implemented.

INTRODUCTION

Established in 1998, and the second deposit insurance organization in the region (DIC Trinidad and Tobago being the first), the Jamaica Deposit Insurance Corporation (JDIC/the Corporation) is a statutory corporation established under Section 3 of the Deposit Insurance Act (DIA). Its principal objects are to establish and manage a Scheme (The Deposit Insurance Scheme/DIS) for the insurance of deposits against risk of loss. In doing this the Corporation must take all such measures as may be necessary that there is the least possible exposure to loss.

The Corporation's mandate for insuring deposits include providing depositors with prompt access to their deposits up to the prescribed coverage limit (presently J\$1.2 M per depositor, per insured institution), where their deposit taking institutions (DTIs) becomes insolvent, and facilitating other financial institution resolution options in times of financial institution distress or crisis where financial system stability might be at risk.

The overarching public policy objective for the Corporation is to contribute to financial system confidence and stability. To meet these objectives, the Corporation has powers in specified circumstances to make loans and advances and to act as receiver or liquidator in restructurings relating to banks, their holding companies and subsidiaries. The DIA also mandates the establishment of a Deposit Insurance Fund (DIF/the Fund,) which the Corporation manages, and from which the expenses of its operations and the conduct of its mandate are charged. The DIF, which as at September 30, 2021 was \$29.60 billion, is funded by premiums levied by JDIC on its Member Institutions (Policyholders), presently numbering 11 (8 commercial banks, 2 building societies and 1 merchant bank), whose deposits are covered under the DIS. Premiums which are paid annually are calculated at 15 basis points of total insurable deposits held by the Policyholder at December 31 and are due on April 1. The rationale is the ex-ante build-up of adequate financial resources to deal with a payout of the depositors of small non-systemic insolvent Policyholders, or otherwise facilitate resolutions options for financial institutions where financial system stability is at risk.

Of note, the DIA and other related legislation mandates collaboration and cooperation between the JDIC and other financial system regulatory and supervisory agencies and authorities, including the BOJ, the FSC and the MoFPS, together referred to as the Financial System Safety Net (FSSN). The Corporation works with the BOJ in the monitoring and risk assessment of Policyholders.

THE FY2022/23 – 2025/26 CORPORATE PLAN

This four-year Corporate Plan is developed against the background of JDIC's statutory objects and broader mandate for contributing to financial system stability as outlined above, as well as the required ongoing reforms to the financial system infrastructure consistent with *Jamaica's Vision 2030 National Development Plan*.

Financial System Reforms - Benchmarking International Standards, Building Institutional Capacity and Resilience

Jurisdictions such as Jamaica continue to implement reforms that comply with international standards, to minimize the potential for the occurrence and impact of financial crises. The global reform agenda continues in the areas of liquidity, capital adequacy, macro prudential regulations, crisis management and effective resolution frameworks for financial institutions. Reforms to address gaps identified consequent on the enhanced standards include the establishment of: newer deposit protection schemes and protection schemes for non-deposit taking financial institutions, financial consumer protection, financial inclusion strategies, appropriate institutional arrangements among financial safety net partners and cross border arrangements. Likewise, the local economy continues to be characterized by reforms to build resilience and economic growth. These include financial sector reforms to strengthen the FSSN and better align with international standards.

As per the reforms for resolution management, the Corporation continues to enhance its resolution readiness framework and strategy. Under the DIA, the JDIC is required to act as receiver or liquidator for any Policyholder or of its holding company or subsidiary, arrange the restructuring of a non-viable Policyholder, provide financial assistance to effect decided resolution options; and reimburse insured depositors. Additionally, the JDIC's mandate and role in resolution will be expanded upon the passing the Financial Institution Resolution Act (FIRA). Under the FIRA, the BOJ is designated the resolution authority and the JDIC may be designated a resolution administrator. The FIRA also includes provision for the establishment of a resolution fund which the JDIC will manage.

To ensure its mandate is met in, the Corporation remains focused on building its technical competences for depositor protection and resolution management under its strategy for "*Building Sustainable Human Resource Capacity*". In this context, the Corporation awaits MoFPS full

approval of its *Organizational Review, Job Evaluation and Recommended Classification and Compensation Report* submitted in August 2018 (the Organizational Structure was approved in October 2021).

JDIC remains aware that digital disruption in the financial system will not abate as it continues to create boundless opportunities for profitability and economic development, but also significant risk; and with the COVID-19 pandemic now accelerating the pace and use of digitization, thereby increasing those risks. This is in addition to the classical risks that come from poor management of financial institutions and the ebb and flow of the economic fortunes of a country. Of note a key business strategy for the Corporation is "*Leveraging Information and Communication Technology for Operational Efficiency*", and which focuses on a process of strategic digital transformation over the planning period and into the longer term.

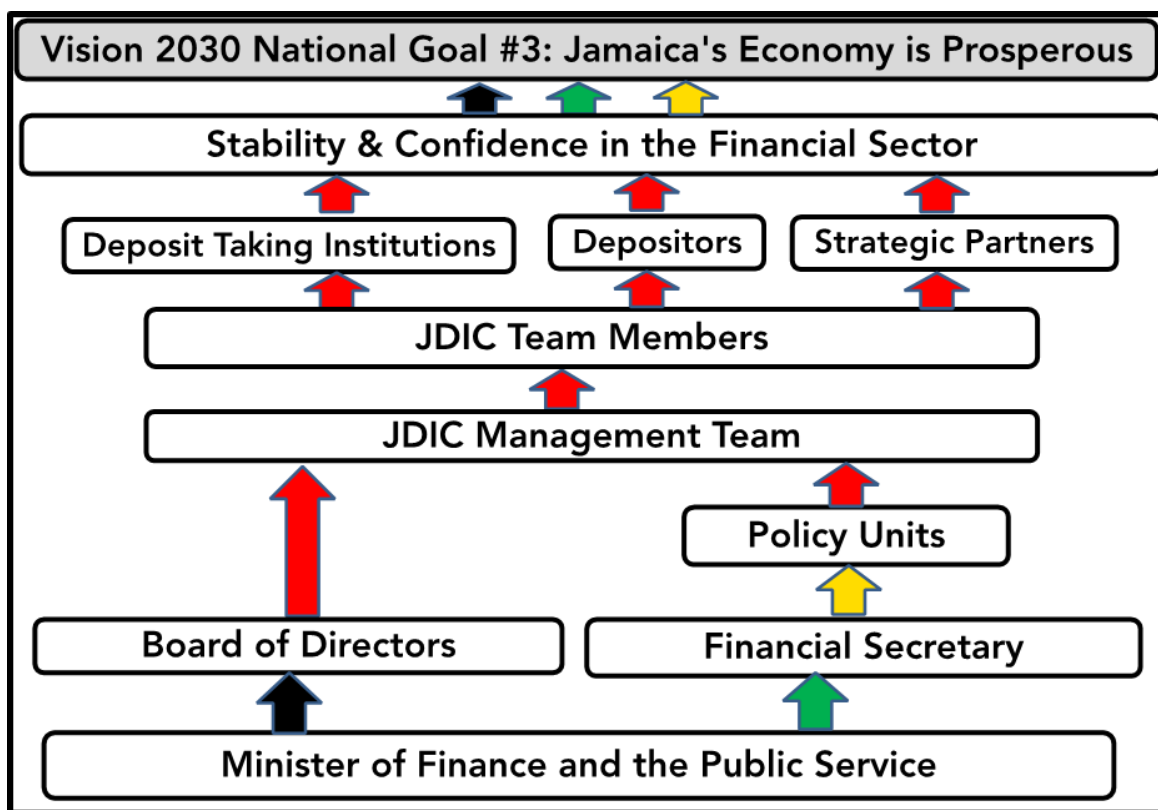
In keeping with international standards of best practice and global reforms the Corporation continued the deployment of its suite of public education and awareness programmes. To ensure increased confidence JDIC must continue to educate the public and consumers of financial services so that they remain aware of the benefits of the regulatory regime and the protections offered. This remains consistent with the growing demand for public bodies to be able to define, create and account for the value it provides to the public. Aspects of the public education programme are done in collaboration with FSSN partners, including joint initiatives under the Consumer Protection and Financial Capability working group (National Financial Inclusion Strategy) and going forward greater reliance will be placed on the use of digital media platforms in delivering the programme, however ensuring balance with traditional media for reach and impact.

Continuing the Transformation - Defining and Creating Value

The strategic/corporate planning period commenced with validation of the business strategies, a review and assessment of the enterprise risk and the enabling KPIs for FY2021/22 (*Refer Appendix 4*). Starting from the previous year, the objective of the planning process was to clarify the methodologies to clearly articulate and test the value creating proposition of the JDIC, as a public sector entity in a regulatory environment. As this is intended to allow for the required transformative effect, the modelling process focused on the departmental and functional levels of the organization and will be further developed during the planning period.

Key considerations in the planning process included the Corporation's Mission and Vision, its Value Creation Chain, Strategic Destination, and Performance Gaps. The Departmental Operating Plans detail the business strategies and key initiatives required to be carried out during the planning period in order to fill the performance gaps.

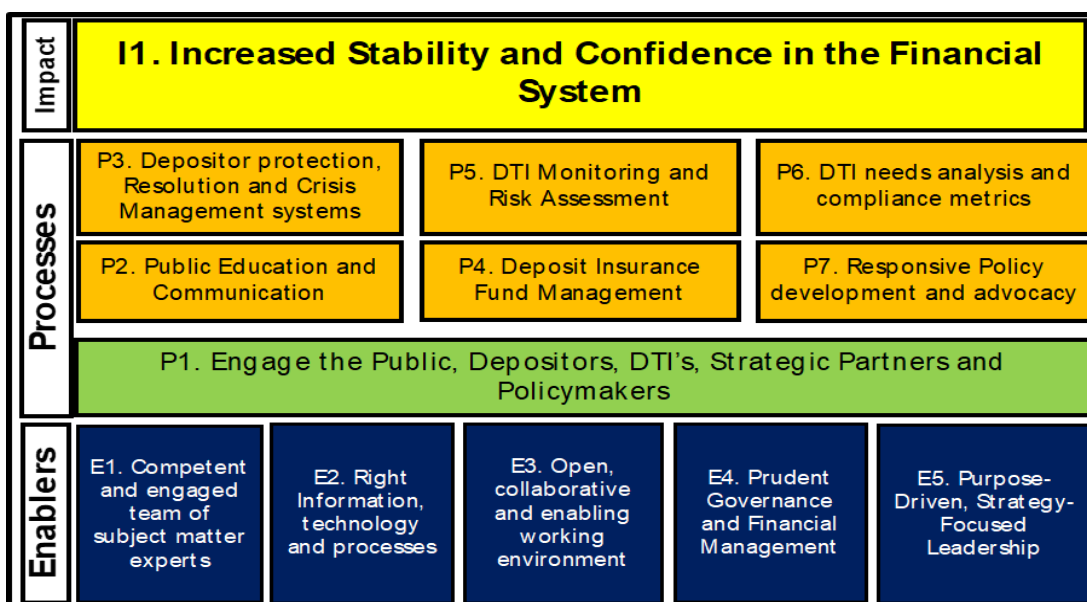
The **JDIC Value Creation Chain** which depicts how the Corporation creates value for the society and the critical links in that chain is shown below.



The **Strategic Destination and Performance Gaps** indicate where the Corporation needs to be at the end of the 4-year planning period and the required performance to achieve this. Mission-driven performance indicators and the 4-year vision-driven performance targets define that future desired performance (shown below). Based on where JDIC is presently (FY2021/22), the 4-year Performance Gaps are calculated and form the basis of the corporate/ strategic plan, indicating the extent of improvement required to attain the strategic destination.

Performance Indicators	FY2021/22 Year 0 Actual	FY2022/23 - 2025/26 Year 4 Target	FY2022/23 - 2025/26 Percentage 4-Year Gap
1. Ratio of Deposit Insurance Fund over Insured Deposits	5.2%	6.5%	25%
2. Public Awareness of DIS	50%	60%	20%
3. Confidence in DIS by Depositors	80%	90%	12.5%
4. Confidence in DIS by Policyholders	95%	98%	3%
5. % Return on Investment relative to T-bill Rate	6.5ppt	TBD	TBD
6. Staff Satisfaction Survey Score	65%	80%	23%
7. Strategic Partners Satisfaction Survey Score	95%	98%	3%
8. Resolution Readiness Score	70%	80%	14%

The **Strategy Map** expresses pictorially the cause-and-effect linkages from **Enablers and Processes** (input of the strategy) to the **Organization's Impact and Mission** (output of the strategy).



The **Key Initiatives/Projects** identified to drive the strategic/corporate plan and to make the Corporation ready to execute are highlighted below and detailed in the Departmental Operating

Plans, under the respective business strategies.

- Enhance depositor protection resolution and crisis management system to expand resolution capabilities
- Enhance the public education programme to be more effective and stakeholder-focused
- Revamp the DTI engagement system to be more relationship building and customer-centric
- Revamp relationship building and engagement systems with strategic partners
- Implement realigned organizational structure to strategy
- Revamp Performance Management System aligned to the JDIC strategy
- Design and implement a Technology Transformation Strategy to support JDIC strategy
- Design and implement a Culture Change programme to support the JDIC strategy
- Design and implement a Strategic Leadership and Management Development Programme
- Design and implement and system for DTI needs analysis and tailored solutions to achieve compliance

Arising out of the process, it was determined that although the Corporation's mandate remained the same, in a rapidly changing business environment there was need to slightly revise its *Mission and Vision Statements and Core Values*. However, it was determined that the *Business Strategies* pursued in the previous period remained relevant. These are:

- (i) Leveraging Information and Communication Technology for Operational Efficiency**
- (ii) Proactive Readiness and Resolution Management**
- (iii) Strong Partnerships**
- (iv) Building Sustainable Human Resource Capacity**
- (v) Public Education and Awareness**

To successfully implement these Business Strategies, the Corporation has identified supporting key initiatives/commitments against which corporate performance will be measured. The key initiatives/commitments can be described as those that are “critical and imperative” and others that are “mission developing and enhancing”. Together with the ongoing commitments this will allow the Corporation to remain responsive in pursuit of its public policy objective to contribute to confidence and stability in the financial system and protect depositors. These initiatives/commitments are set out in the *Departmental Plans (Appendix 5, 6, 7 and 8)* and include, but are not limited to, its core accountabilities for ensuring the Corporation's compliance with relevant legislation, regulations and guidelines of the responsible Ministry of Government. Key initiatives/commitments are set out in *Table 1* for the four-year period and *Table 2* for the annual reporting period (FY2022/23).

Monitoring, Evaluating and Reporting - Monitoring and evaluation of the Corporation's performance will be ongoing and reported in keeping with the requirements under the DIA and the Public Bodies Management and Accountability Act (PBMA).



PART A

(SATISFACTION OF ITEMS 1 AND 2 OF THE FIRST SCHEDULE OF THE PBMA)

CORPORATE OBJECTS

The corporate objects of the JDIC are broadly specified in Section 4 of the Deposit Insurance Act in the following terms:

“The principal objects of the Corporation are to establish and manage a Scheme for the insurance of deposits or parts thereof against risk of loss. In carrying out these objects the Corporation shall take such measures as may be necessary to ensure that there is the least possible exposure of the Corporation to loss.”

These objects form the basis of the Corporation's business strategies for the period of the Corporate Plan and inform the business initiatives that have been identified as paramount in the implementation of the Plan.

The core operations of the Corporation are regulatory in nature consistent with the provisions of the Deposit Insurance Act and are as follows:

❖ **Policyholder Monitoring and Risk Assessment**

- Management of Policyholders' admission and administration processes
- Policyholders' Monitoring and Risk Assessment
- Economic and Market Analysis, Policy Research and Development

❖ **Financial Institution Resolution Management**

- Financial Institution Resolution Framework Development, Planning and Management
- Maximization of Recoveries from Assets of Failed Policyholders
- Research and Policy Development for Resolution Management

❖ **Deposit Insurance Fund Management and Adequacy Assessment**

- Treasury Management and Deposit Insurance Fund Management and Adequacy Assessment based on Policyholders' risk
- Contingency Funding

ENVIRONMENTAL SCAN

OVERVIEW

The COVID-19 pandemic has had an adverse impact on the global macroeconomic landscape since early 2020. Global recovery has begun but the momentum has weakened as the pandemic continues. Recovery is expected to be slow and uneven as vaccine access and hesitancy, the rapid spread of Delta and the threat of new variants have increased uncertainty about the duration of the pandemic. While approximately 60 per cent of the population in advanced economies are fully vaccinated, roughly 96 per cent of the population in low-income countries remain unvaccinated resulting in significant divergence in prospects for economic recovery.

Against the background of the health and economic crisis, the JDIC and other members of the FSSN¹, continue to build out their crisis preparedness framework and communication plans as well as to enhance the regulatory framework for financial institutions. In this vein, the Bill, Credit Unions (Special Provisions) Act² and the proposed legislation to establish a Special Resolution Regime (SRR) for Financial Institutions, i.e., the Bill, Financial Institutions Resolution Act (FIRA) are currently at an advanced stage of completion to further strengthen the financial system. Work will continue with regard to the establishment of compensation schemes for non-deposit taking institutions (Non-DTIs)³, in collaboration with the Financial Services Commission (FSC). The Corporation is also preparing for the introduction of the Bank of Jamaica's digital currency at the commencement of the next planning period and continues to work to assess for any potential risk as well as for benefits which could accrue to the DIS.

Jamaica's financial system has remained largely resilient and robust. At the onset of the pandemic, the Bank of Jamaica implemented several measures to support the liquidity needs of the Policyholders and stands ready if further intervention is required. During the planning period, the Corporation will continue to monitor the performance of its Policyholders, finalize plans for the admission of the credit union sector to the Deposit Insurance Scheme (DIS) and build out its

¹ Includes the Ministry of Finance & the Public Service, the Bank of Jamaica, the Financial Services Commission and the Jamaica Deposit Insurance Corporation.

² This will bring the Credit Union Sector under the regulatory ambit of the BOJ.

³ These include life insurance, general insurance and securities dealers.

resolution capacity within the context of the current economic reality and with due consideration to the risks that may be introduced or heightened as a result.

To effectively plan for the Corporate Planning Period FY2022/23 – FY2025/26, the Corporation conducted an environmental scan to guide an appropriate mix of strategies and policies for the four-year period. The results of the scan are presented under the following headings:

- 1. Global Economic Developments and Outlook**
- 2. Regional Developments and Outlook**
- 3. Domestic Economic Developments and Outlook**
- 4. Developments in the Policyholders' Regulatory Environment**
- 5. Other Developments in the Financial Regulatory Environment**
- 6. Deposit Insurance Systems: Key International Standards and Supporting Guidance**
- 7. Emerging Developments and Trends: Deposit Insurance and Financial System Stability**
- 8. Analysis, Implications and Policy Responses**

1. GLOBAL ECONOMIC DEVELOPMENTS AND OUTLOOK

Global economic recovery is expected to continue albeit slow and uneven. The IMF projects that the global economy will grow 5.9 per cent in 2021. It is important to note that the pandemic is further fuelled by unequal access to vaccines, vaccine hesitancy, and higher infectiousness. In addition, uncertainty in the timeline for recovery is fuelled by the spread of the Delta variant, the threat of new variants that could undermine the effectiveness of vaccines and the dislocation caused by the disruption to the supply chain. Advanced economies are projected to grow 5.2 per cent while Emerging Market and Developing Economies are projected to grow 6.4 per cent. Of note, economic recovery is projected for Jamaica's major trading partners for the next two years. (See Table A).

Table A: Economic Growth of Jamaica's Major Trading Partners 2020 – 2022			
	2020	2021P	2022P
United States	-3.4	6.0	5.2
United Kingdom	-9.8	6.8	5.0
Canada	-5.3	5.7	4.9
China	2.3	8.0	5.6
P – Projections			

2. REGIONAL DEVELOPMENTS AND OUTLOOK

The Caribbean region continues to be negatively impacted by the pandemic. While growth is projected for most countries in the region for 2021, most of the recovery is attributable to a low comparison base in 2020 when the greatest impact of the pandemic was felt rather than a real increase in economic activity. The JDIC will need to continue to monitor developments in the economies for its Caribbean counterparts for any opportunities or challenges for our local financial institutions. The IMF projects 3.6 per cent growth in the Caribbean in 2021 compared to a 4.2 per cent contraction in 2020. The financial system in the Caribbean is highly interconnected with cross-border banking operations and continued expansion among institutions across the region. A number of Jamaica's financial conglomerates have controlling interest and operations in other Caribbean jurisdictions. In light of this, the Corporation continues to monitor the developments in Caribbean counterparts for any potential impact on Jamaica's financial system or the economy, even as our Policyholders continue to seek out other markets for expansion and growth. Below is an overview of the performance of selected Caribbean countries which also operate a deposit insurance scheme.

Barbados

Barbados' economy continues to be restrained by the COVID-19 pandemic, however preliminary data from the Central Bank suggests that economic recovery has started. The economy is estimated to have grown 5.5 per cent in the second quarter of 2021 largely due to the easing of travel restrictions and increased spending when compared to the same period last year. The financial system remains stable despite increased credit risks resulting from the pandemic. According to the Central Bank, during the first half of 2021, DTIs remained highly

liquid, well capitalized and saw improved profitability due to lower provisioning relative to last year. Barbados expects to benefit from the resumption of global activity coupled with management of the virus to fuel its recovery and create a platform for sustainable growth over the medium term.⁴

The Bahamas

The Bahamas is heavily reliant on tourism and as such, its economic performance has been adversely affected by the COVID-19 pandemic and containment measures resulting in overall contraction in economic activity. The economy has however begun to see a slow pace of recovery with modest improvement in air and sea traffic.⁵

Trinidad and Tobago

In the Trinidad and Tobago economy, performance has been adversely affected by developments in the energy sector coupled with pandemic –induced restrictions limiting activity in the non-energy sectors. Preliminary estimates from the Central Bank's Quarterly Index of Real Economic Activity indicated that production indicators on average were 7.7 per cent lower in the first quarter of 2021 compared to the first quarter of 2020 when the pandemic was just spreading across the world.

3. DOMESTIC ECONOMIC DEVELOPMENTS AND OUTLOOK

Jamaica has begun a modest recovery from the impacts of the COVID-19 pandemic. Macroeconomic improvement now, and prospects for further improvement in the near term, bode well for the stability of the financial system, making it unlikely that the JDIC will be called upon to resolve an institution. Jamaica's economic indicators point to a modest recovery in activity in the country. According to the Statistical Institute of Jamaica, the Jamaican economy increased by 14.2 per cent in the June quarter of 2021 compared to the same period in 2020 when the economy had contracted by 18.4 per cent.⁶ Unemployment has also gradually improved with unemployment rate of 8.5 per cent for July 2021, 4.1 percentage points below the rate for July 2020 and closer to the pre-covid level of 7.3 per cent (January 2020). Jamaica has

⁴ Central Bank of Barbados – Review of Barbados' Economic Performance – January to June 2021

⁵ Central Bank of Bahamas – Quarterly Economic Review – August 2021

⁶ Statistical Institute of Jamaica Quarterly GDP Press Release (Second Quarter 2021)

seen increased inflation in 2021 as increases in international commodity prices and shipping costs have impacted local prices. Further, agricultural prices have increased with the passage of tropical storms in August. As a result, the Bank of Jamaica increased the policy interest rate by 100 basis points to 1.50 per cent per annum effective October 1, 2021. This decision was taken in order to limit the effects of shocks that could hinder the likelihood of annual inflation remaining within the inflation target of 4.0 per cent to 6.0 per cent.⁷

Despite the ongoing COVID-19 challenges, the medium term macroeconomic outlook for Jamaica is positive. This is also supported by the international rating agency S&P affirming GOJ's "B+" long term and "B" short term credit ratings and revised the outlook for Jamaica from "Negative" to "Stable. The country is expected to see improvement in employment levels, increased external demand arising from the gradual recovery of the global economy and continued recovery in most local industries. Inflation expected to be slightly elevated and stabilize within the target range. Table B below outlines the Government's projected economic growth out-turns for the periods FY 2021/22 to FY 2024/25.

Table B: Jamaica's Medium Term Macroeconomic Profile				
	FY2021/22P	FY2022/23P	FY2023/24P	FY2024/25
Real GDP Growth (%)	9.0	3.1	2.8	1.7
Inflation: Annual Pt to Pt (%)	6.5	5.0	5.0	5.0
Primary Balance(% GDP)	6.2	5.7	5.3	4.8
Current Account (% of GDP)	-2.2	-1.7	-1.0	-0.9
Fiscal Balance (% of GDP)	0.3	0.3	0.3	0.3
NIR (US\$ Mn)	3,419.9	3,318.6	3,091.9	3,611.5
Source: GOJ Fiscal Policy Paper FY2021/22 - September 2021				
P – Projections				

4. DEVELOPMENTS IN THE POLICYHOLDERS' REGULATORY ENVIRONMENT

Notwithstanding the COVID-19 pandemic, the Policyholders remained resilient and resolute with the total number of institutions unchanged. At the end of September 2021, there were eight commercial banks, two building societies and one merchant bank. Policyholders generally performed within the stipulated benchmarks for capital adequacy, liquidity and asset quality, as set out by the Bank of Jamaica. The sector also benefited from measures implemented by the

⁷ Bank of Jamaica – Monetary Policy Discussion and Decision – September 2021

BOJ to help ease the impact of the pandemic. Some of these measures were gradually unwound as 2021 progressed. Total deposits continued to increase, growing by 17 per cent over the 12 month ending June 2021, up from 11 per cent for the same period in 2020.

As at June 2021, total assets increased by 15 per cent, up from 9 per cent for the corresponding period in 2020 when Jamaica was in the midst of trying to determine the best set of measures to stymie the spread of the COVID-19 virus. The increase in 2021 was largely due to the increase in holdings of 'cash and bank balances', with a higher increase in foreign currency notes and coins. Growth in gross loans slowed to 11 per cent for the 12-month period ending June 2021 down from 14 per cent for the same period in 2020, while loan quality reflected slight deterioration. Non-performing loans to total assets was 2.9 per cent, relative to 2.8 per cent in June 2020. Prior to the pandemic impacting Jamaica, this asset quality ratio was 2.4 per cent. Policyholders responded to the declining loan quality, triggered by the effects of the pandemic mitigation strategies, by introducing loan moratoriums to customers to soften the impact of the pandemic. These had a positive impact on staving off rapid deterioration in asset quality. However, the slower growth in loans, increased moratorium facilities and higher levels of provisioning, resulted in Policyholders generally recording lower interest income and therefore lower profits.

The system's capital adequacy was 14.3 per cent at the end of June 2021, relatively unchanged from the level as at June 2020 (14.2 per cent), reflecting the sector's resilience in the midst of a pandemic. This was well above the prudential minimum of 10.0 per cent. Primary ratio declined slightly to 9.4 per cent for June 2021 from 10.5 per cent the previous year but was above the prudential minimum of 6.0 per cent.

At the end of the financial year, March 2021, there were 25 credit unions in operation with total assets of \$140.5 billion and total savings of \$108.5 billion. The MRAD remains in dialogue with the Jamaica Cooperative Credit Union League and the Bank of Jamaica as internal monitoring continues in preparation of the passing of the Bill, Credit Unions (Special Provisions) Act.

5. OTHER DEVELOPMENTS IN THE FINANCIAL REGULATORY ENVIRONMENT

5.1 PROMULGATED LEGISLATION IN THE PRECEDING PLANNING PERIOD

- **The Bank of Jamaica (Amendment) Act, 2020**

The Bank of Jamaica Act (BOJ Act) was amended by the enactment of the Bank of Jamaica (Amendment) Act on December 22, 2020, which came into effect on April 16, 2021. The amendments to the BOJ Act strengthen the Bank's governance framework, by providing for the Bank's independence in carrying out its revised mandate in accordance with international best practices and enhancing the accountability and transparency requirements of the Bank. As such the Act now provides:

- that the mandate of the Bank is the maintenance of price stability and financial system stability (with the primary objective being the maintenance of price stability);
- for revised appointment mechanisms, composition requirements and tenure for the Board;
- statutory fit and proper requirements for Board and statutory committee appointments; and
- provisions designed to improve the financial independence of the central bank from central government. This is provided through:
 - a. the establishment of the statutory minimum capital requirement as a percentage of monetary liabilities; restrictions on the ability to make temporary advances to the Government; and the prohibition placed on the central bank from acquiring, on a primary issue, security offered or guaranteed by the Government; and
 - b. the exemption of the Bank from the requirements of the Public Bodies Management and Accountability Act (PBMA). However, governance rules which incorporate the governance principles under the PBMA, have been provided for under the Second Schedule Act.

The Bank of Jamaica (Amendment) Act provides for the establishment of two new statutory committees, namely, the Financial Policy Committee and the Monetary Policy Committee. The Financial Policy Committee is charged with the responsibility of formulating financial policies which govern and promote the proper functioning of the financial system. In formulating financial policies, the Financial Policy Committee will determine policy matters relating to: prudential supervision and macro prudential policy (financial system stability); statutory mandates or

functions delegated by the Minister in relation to remittances and cambios; payments and settlements systems; and credit reporting. While the Monetary Policy Committee is to provide for a more collegial approach towards formulating the monetary policies of the Bank. The Monetary Policy Committee in performing its function is to seek to achieve and maintain the price stability as defined by the inflation target set by the Minister of Finance and the Public Service.⁸

5.2 LEGISLATION TABLED, OR TO BE TABLED, IN PARLIAMENT WHICH IS OF INTEREST TO THE JDIC

- **The Co-operative Societies (Amendment) Bill**

The Co-operative Societies (Amendment) Bill (the Bill) will bring credit unions under the regulatory ambit of the Bank of Jamaica (the Bank). Once enacted the Bill will restrict deposit-taking activities of co-operative societies to those co-operative societies which operate as credit unions. It is anticipated that the Bill will be presented to Parliament jointly with the Credit Unions (Special Provisions) Bill, which contains the substantive prudential requirements which credit unions will be subject to.

- **The Credit Unions (Special Provisions) Bill**

Upon the promulgation of the Co-operative Societies (Amendment) Bill and the Credit Unions (Special Provisions) Bill all credit unions will be under the regulatory and supervisory ambit of the Bank of Jamaica. As such, the Bill will provide for, licensing, capital, reserves, prohibited business, remedial and intervention processes, and the role of specially authorized Credit Unions. Upon the promulgation of the Bill and the licensing of credit unions, credit unions will become member institutions of the Deposit Insurance Scheme (DIS).

- **The Financial Institutions Resolution Bill** (not yet tabled in Parliament)

The Bill proposes enhancements to the current legal framework for the resolution of non-viable licensees under the Banking Services Act (financial holding companies and deposit taking institutions) and certain licensees under the Financial Services Commission Act (securities dealers and life and general insurance companies). The Bill seeks to be one stand along piece of legislation that will provide authorities with the adequate powers and tools for the orderly and timely functioning of the resolution framework, to be better able to maintain stability of the financial system and protect public funds, as well as to better align Jamaica's financial system

⁸ Bank of Jamaica Annual Report, 2020

with international standards of best practice. This initiative is also one of several key reforms under the Government of Jamaica's Memorandum of Economic and Financial Policies (MEFP) to enhance the resilience and stability of the financial system.

5.3 ANTI-MONEY LAUNDERING, COUNTER FINANCING OF TERRORISM (AML/CFT) AND PROLIFERATION OF WEAPONS OF MASS DESTRUCTION RULES

In accordance with the 2013, revised FATF Recommendations, the Bank of Jamaica (the Bank) has drafted a proposal for the development of AML/CFT Supervisory Rules, to the Banking Services Act. These rules will, among other things:

- a. Codify the risk-based examinations and oversight processes pertaining to the AML/CFT oversight functions of Bank of Jamaica;
- b. Outline the areas in the BOJ's AML/CFT Guidance Notes with which compliance will be expressly mandated and allow the Bank to directly sanction breaches of those requirements.

The requirements under the Guidance Notes with which compliance will be expressly mandated pertain to areas regarding:

- a. Risk Based Framework;
- b. Know Your Customer, Know the Transaction Counterparty and Customer Due Diligence;
- c. Special Guidance – UNSEC Resolutions on the Proliferation of Weapons of Mass Destruction;
- d. Special Guidance – Branches and Subsidiaries;
- e. Nominated Officer Regime;
- f. Board Responsibility and Employee Integrity and Awareness;
- g. Compliance Monitoring;
- h. Transaction Monitoring and Reporting; and
- i. Record Keeping.⁹

⁹ [Legislation » Bank of Jamaica \(BOJ.org.jm\)](https://legislation.jm/bank-of-jamaica/BOJ.org.jm)

6.0 DEPOSIT INSURANCE SYSTEMS: KEY INTERNATIONAL STANDARDS AND SUPPORTING GUIDANCE

The Corporation benchmarks its operations against key international accepted standards that are critical for promoting stable, robust, and well-functioning financial systems and sustained economic growth. These standards are regularly reviewed by the respective standard setting bodies in order to remain relevant in the face of changing circumstances. Supporting principles, practices and guidelines are therefore developed, revised, and issued on an ongoing basis. Standard setters have also included in their agenda, analytical and policy work to: assess and provide guidance in regard to the impact of the COVID-19 on financial systems as well as new and emerging risks; and monitor the measures being undertaken by governments, financial regulatory authorities (central banks, supervisors, regulators, deposit insurers) to ensure financial system stability amidst the pandemic.

Against this background a key function of the Corporation involves the process of monitoring, applying, assessing, and enforcing international standards that are relevant to its mandate and powers. This function also guides the Corporation's technical inputs and contributions in other areas of reforms to Jamaica's financial system in collaboration with the BOJ, FSC and the MoFPS. The Corporation also conducts periodic assessments of its level of compliance with selected international standards and implements corrective actions. The key standards against which the Corporation benchmarks its operations are shown in the diagram below.¹⁰ In developing its strategies and initiatives for the planning period the Corporation places particular focus on the standards issued by the IADI, FSB, BCBS and OECD, these are also summarized below.



¹⁰ These standards are among the Financial Stability Board's compendium of Key Standards for Sound Financial Systems and have been developed with substantive input from the IMF and World Bank.

6.1 International Association of Deposit Insurers (IADI) Core Principles for Effective Deposit Insurance Systems

The International Association of Deposit Insurers (IADI) Core Principles for Effective Deposit Insurance Systems (revised 2014) and their compliance assessment methodology (together referred to as the Core Principles) provide a framework to promote effective deposit insurance practices and are designed to be adaptable to a broad range of jurisdictions. The Core Principles provide guidance in several areas including: public policy; mandate and powers; governance; contingency planning and crisis management; membership; coverage; funding; and depositor reimbursement. An assessment of compliance with the Core Principles is conducted by jurisdictions that are implementing, reviewing, or actively reforming a deposit insurance system. The International Monetary Fund (IMF) and the World Bank, in the context of the Financial Sector Assessment Program (FSAP), also utilize the Core Principles to assess the effectiveness of jurisdictions' deposit insurance systems and practices.

6.2 Financial Stability Board (FSB) Key Attributes of Effective Resolution Regimes for Financial Institutions

The FSB Key Attributes (2014) set out the core elements necessary for an effective resolution regime for financial institutions (FIs), namely banks, insurers, financial market infrastructures as well as the protection of client assets in resolution. This is to allow financial system authorities to resolve FIs in an orderly manner without exposing taxpayers to loss from solvency support, while maintaining continuity of FIs vital economic functions. There are several essential features that the KAs identify that should be part of the resolution regimes of all jurisdictions. These include: scope of the resolution regime; designated resolution authority; resolution powers; funding; set-offs; safeguards; crisis management; resolvability assessments; recovery and resolution planning; information sharing among financial system safety-net participants; cross-border cooperation and information sharing. The FSB recommends that any financial institution that could be systemically significant or critical if it fails should be subject to a resolution regime that applies the objectives and provisions of the Key Attributes.

6.3 Basel Committee on Banking Supervision (BCBS)¹¹ Core Principles for Effective Banking Supervision and the Basel Accords

The Basel Committee on Banking Supervision Core Principles for Effective Banking Supervision (revised 2012) provide an international benchmark for assessing the minimum standards for sound supervisory practices for banks with focus on powers, responsibilities, functions of supervisors and prudential regulations. The BCBS Core Principles acknowledge that a carefully designed deposit insurance system can contribute to public confidence in the banking system.

In addition to the foundations for bank supervision, capital adequacy is a critical focus of the BCBS. In this regard the BCBS has issued a capital measurement system commonly referred to as the *Basel Capital Accords*. The Basel Accords are designed to ensure that financial institutions have enough capital to meet obligations and absorb unexpected losses¹². The most recent accord, Basel III framework was issued in December 2017 as a central element of the Basel Committee's response to the global financial crisis and to address a number of shortcomings in the pre-crisis regulatory framework. The key features of Basel III include: increase in the level and quality of banks' capital; a leverage ratio to constrain the build-up of debt to fund bank investments and activities; the Net Stable Funding Ratio requiring banks to hold sufficient liquid assets to sustain them for 30 days; and Banks retaining earnings to build up capital buffers during times of economic growth i.e., countercyclical capital buffer. Following a one-year deferral to increase the operational capacity of banks and supervisors to respond to COVID-19, the Basel III reforms will take effect from 1 January 2023 for Basel Committee member jurisdictions and will be phased in over five years.¹³ Jurisdictions that are not members of the BCBS have also undertaken initiatives to implement key Basel standards tailoring the standards to fit their country-specific circumstances and adopting proportionality practices, simplifying standards in some cases and applying more stringent requirements in others.

¹¹ The Basel Committee on Banking Supervision is the primary global standard setter for the prudential regulation of banks and provides a forum for regular cooperation on banking supervisory matters.

¹² The first Basel Accord, known as Basel I, was issued in 1988 and focused on the capital adequacy of financial institutions. Basel II, served as an update of the original accord and focused on three pillars: minimum capital requirements; supervisory review of an institution's capital adequacy and internal assessment process; and the effective use of disclosure.

¹³ The Basel Committee comprises 45 members from 28 jurisdictions, consisting of central banks and authorities with formal responsibility for the supervision of banking business. (as at October 2021).

6.4 G20/OECD Principles of Corporate Governance

A corporate governance framework should promote transparent and fair markets, and the efficient allocation of resources and should be consistent with the rule of law and support effective supervision and enforcement.

The G20/OECD Principles of Corporate Governance (the Principles) assist policy makers in evaluating and improving the legal, regulatory, and institutional framework for corporate governance, with a view to supporting economic efficiency, sustainable growth, and financial stability. The Principles were first published in 1999 and have since been updated in 2015 and are widely used as a benchmark by individual jurisdictions around the world. They also provide the basis for assessment of the corporate governance component of the Reports on the Observance of Standards and Codes of the World Bank.

The Principles are developed with an understanding that corporate governance policies have an important role to play in achieving broader economic objectives with respect to investor confidence, capital formation and allocation. The quality of corporate governance affects the cost for corporations to access capital for growth and the confidence with which those that provide capital – directly or indirectly – can participate and share in their value-creation on fair and equitable terms. The Principles address the following areas: the basis for an effective corporate governance framework; the rights and equitable treatment of shareholders and key ownership functions; the responsibilities of institutional investors, stock markets, and other intermediaries; the role of stakeholders; disclosure and transparency; and the responsibilities of the board.

Countries seeking to implement the Principles are required to monitor their corporate governance framework, including regulatory and listing requirements and business practices, with the objective of maintaining and strengthening its contribution to market integrity and economic performance. The OECD has also developed Best Practice Principles for the Governance of Regulators that address the different facets of a regulator's governance and identify the best or good practices for: role clarity; preventing undue influence and maintaining trust; decision-making and governing body structure for independent regulators; accountability and transparency; engagement; funding; and performance evaluation.

7.0 EMERGING DEVELOPMENTS AND TRENDS: DEPOSIT INSURANCE AND FINANCIAL SYSTEM STABILITY

This section highlights the key emerging developments and trends, globally and domestically that continue to shape financial markets and providing implications for: the legal and regulatory environment; deposit insurance and other investor protection schemes; financial service and product offerings and consumer expectations; and ultimately financial system stability. These emerging trends and developments include the: evolutions in financial technologies; thrust to increase financial inclusion and financial literacy; enhanced mechanisms for consumer protection; non- financial risks such as cybersecurity risks, climate change and pandemics and the implications for financial system stability; and strengthening of the resolution framework as well as the expanded role of deposit insurers in crisis management and resolution. It is against this background that as part of the corporate planning process, the JDIC evaluates and assesses financial sector market trends and developments that provide inputs to inform its strategies and key initiatives for the planning period.

7.1 FinTech Developments

Developments in financial technology (FinTech) continue to evolve and transform the economic and financial landscape globally and domestically. FinTech offers a wide range of opportunities as well as raises potential new challenges for financial consumers, financial and non-financial firms, service providers (BigTech) and regulators. Fintech developments have accelerated the digitisation of financial services, enhanced competition, and increased the need for financial inclusion and consumer education and protection. On the other hand, it raises concerns on issues relating to financial stability, cyber-security and competitive distortions resulting from regulatory arbitrage. In the wake of the COVID-19 pandemic, technology has created new opportunities for financial services to accelerate.

The increasing use of FinTech in developing and marketing deposit-like products and payment systems poses concerning questions for regulators and deposit insurers in such areas as: consumer education and protection; implications for risk profiles of traditional banks; and technological failures of a non-bank service provider or a third-party platform. As such urgency is now being placed by standard setting bodies, policymakers, regulators, and deposit insurers to promote the benefits, and avoid the potential risks of Fintech. Some common types of FinTech products and services include: e-money; crypto assets; central bank digital currency and Big Tech Companies.

Financial sector reforms to ensure the existing regulatory architecture can adapt to changing conditions, robust and proportionate regulations, and supervision to allow for adequate, oversight and disclosure; as well as consumer education and protection mechanisms must be prioritized.

7.1.1 E-Money

IADI defines “e-money” as an electronic store of monetary value on a technical device that may be widely used for making payments. E-money products have improved access to digital financial services for the unserved or underserved communities by the traditional banking sector. E-money service providers essentially operate different from traditional banks. However, transactions of issuers of e-money are primarily linked to an account held at a DTI for ultimate settlement of the transaction and are not necessarily covered by deposit insurance.

In considering appropriate deposit insurance coverage for e-money consistent with public policy objectives, there exist several challenges for deposit insurers such as identification and pricing of risks, safeguards for timely reimbursement as well as potential gaps in the domestic legislative framework. The extent to which these products may be covered takes into consideration several models such as the direct, pass-through and exclusion approaches. Of note, products such as bank payment cards and online banking services are not to be confused with e-money, as these systems simply allow consumers to access money held in their bank accounts. This can lead to confusion among consumers in relation to the nature of e-money and the protection available to them reinforcing the need for public education by deposit insurers. ***For deposit insurance to be applicable, a robust regulatory framework must be in place for e-money service providers and should include, coordinated ongoing public education and awareness programmes to ensure financial consumers understand how to access and utilize appropriate financial products and services.***

7.1.2 Crypto-Assets

Crypto-assets are digital assets, which can work as a medium of exchange, and as storage of value, using distributed ledger technology and has the potential to foster faster and cheaper cross-border payments. These include but are not limited to stable coins, bitcoin and ethereum. The rapid growth of crypto-assets transactions has reached levels as high as domestic equities in some emerging markets, according to the International Monetary Fund's latest Global Financial Stability Report (GFSR) (2021).

Challenges posed by crypto-assets include excessive price volatility and may lead to operational and financial integrity risks as they are not backed by governments or central banks and are generally not regulated. The anonymity of crypto assets also creates data gaps for regulators and can open unwanted doors for money laundering, as well as terrorist financing. The BCBS is of the view that crypto-assets do not reliably provide the standard functions of money and can be unsafe to rely on as a medium of exchange or store of value as they are not legal tender. In an effort to ensure an appropriate balance between the opportunities and risk posed by crypto-assets, standard-setting bodies and other international organisations continue to work on initiatives focused on regulation, supervision, and oversight. Jurisdictions have also been implementing appropriate regulatory frameworks. Notably China, Turkey, Malta, and Nigeria, have imposed significant restrictions and/or bans on crypto asset activities in recent months including the development of domestic legislation. El Salvador, meanwhile, has passed a law permitting bitcoin to become a domestic currency alongside the US dollar. The FSB has agreed on 10 high-level recommendations that promote coordinated and effective regulation, supervision, and oversight of global stable coins (GSC) arrangements to address the financial stability risks at the domestic and international level. ***As the various types of crypto assets continue to evolve, their future regulatory treatment and coverage must be monitored and addressed by regulators and deposit insurers particularly in assessing their impact of financial system stability.***

7.1.3 Central Bank Digital Currency (CBDC)

Central Bank Digital Currencies (CBDCs) are new variants of central bank issued digital money denominated in the national unit of account. It represents a liability of the central bank used by individuals to make payments or settle trades between financial institutions. Many jurisdictions are still in the early stages of investigating the case for introducing a CBDC, with key design choices and implementation models still under consideration. Jurisdictions that have implemented and/or are experimenting CBDC include Nigeria, Bahamas, China, Sweden, Eastern Caribbean, and Jamaica. According to BIS, some central banks are exploring whether CBDC could help them to achieve their public good objectives.

CBDC has the potential to promote financial inclusion, safeguard trust in the public currency, make domestic and cross-border payments faster and cheaper and offer an alternative payment solution. On the other hand, they are difficult and costly to implement, poses issues for financial stability, allows for higher volatility in deposits and increases the potential for cybersecurity risk. The

nature of CBDC as a substitute for bank deposits can motivate banks to increase their deposit rates as well as it can result in a transition to wholesale funding. CBDC can also increase the risk of system wide bank runs as it allows for the prompt transfer of funds from bank deposits without any dependence on time and proximity. This has potential implications for resolution, crisis management and deposit insurance. ***The role of DTIs must be clearly defined in the distribution and management of CBDC, as well as ensuring appropriate mechanisms are in place to protect against potential risks such as disintermediation and bank runs. Accordingly, there should be strong cooperation between central bank and deposit insurers.***

7.1.4 BigTech Companies

BigTech Companies refer to large technology-based conglomerates with wide reach of consumers. They leverage their models built on their large customer base existing data, advanced analytics, and strong networks to offer a range of financial services. BigTech companies, such as Alibaba, Amazon, Facebook, Google and Tencent, have utilised new technologies to deliver convenient, attractive, low-cost, and trusted services to a large network of customers (IADI FinTech Note, 2021).

BigTechs continue to expand their available range of financial products. The ease and speed at which these companies can scale up their activities and expand into finance poses several risks. These include concentration, competition, data protection and data-sharing, operational resilience, and financial stability. ***The concern for financial regulators exists where the failure of BigTech firms could create a significant ripple effect in financial services providers, with a negative impact on markets, consumers, and financial stability. Collaboration among deposit insurers and other financial safety net partners to address potential risks posed by Big Tech Companies is an imperative.***

7.2 Financial Inclusion

The rapid expansion of FinTech activities globally has the potential to improve financial inclusion through lowering the cost barrier for accessing financial services and information asymmetries between service providers and the unbanked. Institutional weaknesses, low levels of bank competition, high cost of financial services, inadequate infrastructure, and an excessively restrictive regulatory environment continue to negatively impact financial inclusion in some economies. The degree of financial inclusion in Latin America and the Caribbean remains lower

than in other regions as the region have not yet benefited from FinTech developments to boost financial inclusion. However, while the use of digital technology can be considered an important element to increase financial inclusion, the 2017 Global Findex states that “digital technology alone is not enough to increase financial inclusion. **To ensure that people benefit from digital financial services which is a key driver of financial inclusion, well-developed payment systems, adequate physical infrastructure, appropriate regulations, and vigorous consumer protection safeguards must be in place. The advancement of financial inclusion initiatives requires a coordinated effort between the private and public sectors and also among the FSSN partners.**

7.3 Integrated Protection Scheme

The protection of financial consumers namely depositors, investors and policyholder have implications for financial system stability. Against this background, jurisdictions are taking measures to enhance not only depositor protection but also the protection of investors and policyholders by establishing Integrated Protection Scheme (IPS). IADI defines IPS as a system in which a single agency, usually a pre-existing Deposit Insurer that in addition to protecting depositors of a bank, provides a guarantee or protection to investors in securities firms, and/or policyholders of insurance companies. The considerations for establishing an IPS include: the structure and design of the financial system; public policy objectives, expectations of financial consumers; limit and scope of coverage; funding mechanism, including back-up financing in emergency situations; an effective resolution regime. Some challenges in implementing an IPS framework relate to: governance issues and decision-making; unequal benefits where scope of coverage between different sectors vary; and maintaining separate funds for each scheme/sector (banks, insurance, and securities) so no cross-subsidization or borrowing exists.

An emerging trend is for an existing DIO's mandate to be expanded to include IPS as this allows for: greater efficiency of operations and consumer awareness of protection; smooth coordination of policies; better crisis prevention and response capabilities; and cost efficiency through economies of scale and scope. Malaysia, Hong Kong, Singapore, and UK have adopted a protection scheme for some of their non-DTI sectors. **The establishment of IPS is also geared towards enhancing financial consumer protection and inclusion. As non-DTIs continue to provide innovative and, in some instances, complex financial products and services, the need for consumer protection and education becomes more important.**

7.4 Climate Related Risk in Financial Stability Monitoring

There is a growing focus on potential risks to financial stability from climate change. Climate related risk are far reaching and differ from other risk to financial stability, additionally, the type and effects vary significantly based on geographical exposure and other structural issues. Climate-related risks may materialise as physical through the value of assets and financial stability and/or transition risks through product regulations or technological innovations. These risks are becoming increasingly important in determining whether financial supervisors and deposit insurers are meeting their mandates and objectives.

International financial standard setters are responding to climate-related risks and are developing several initiatives to address consequential financial risks. The FSB has developed a roadmap to support international coordination and enhance regulatory authorities' ability to address climate related risk to financial stability.¹⁴ The FSB Roadmap focuses on: pricing and management of climate-related financial risks at the level of individual entities and market participants; using consistent data and disclosures for the diagnosis of climate-related vulnerabilities; designing and applying regulatory and supervisory frameworks and tools; and allowing authorities to address identified climate-related risks to financial stability in an effective manner through practices and tools. The Toronto Centre (TC) has also developed a toolkit that a supervisory authority should follow when addressing climate-related risks. The TC Toolkit recommends using a risk-based supervisory approach which includes, requesting financial institutions to identify their climate related financial risks in their governance and risk management frameworks, internal Capital Adequacy Assessment Process and own risk and solvency assessments. The IADI has identified core challenges that climate change may pose to deposit insurers in carrying out their mandates and has highlighted that climate change has implications for DIOs functions in regard to: business continuity and operational readiness in crisis times; resolution and crisis preparedness; fund management; and risk analysis and financial oversight based on their respective mandates. The respective standard setting bodies also acknowledge that capacity building including the development of staff skills to monitor climate risk is also integral. ***Financial regulators should include climate related risks in their monitoring and early warning and intervention mechanisms for financial institution failures. Strong prudential regulation and supervision will be required to ensure that potential impacts on the financial system are promptly identified and corrected.***

¹⁴ FSB Roadmap for Addressing Climate-Related Financial Risks – July 2021

7.5 COVID-19 and Policy Responses and Unwinding Strategies of Financial Regulators

Since the onset of the COVID pandemic, Jurisdictions have adopted a range of policy responses to limit adverse economic and financial stability impact. The FSB has grouped these responses into five broad categories: lending and credit support; funding and liquidity support; market functioning; business continuity of financial institutions; and regulatory authorities business continuity measures. Given the wide range of unprecedented policy responses, this poses complex challenges for regulatory authorities in planning for exit. The required unwinding strategies will need to be holistic, with due consideration to: moral hazard; the complexities in number of authorities involved in the decision-making process; the extent of the trade-offs at hand; and the challenges in coordinating exit policies. The effective coordination among multiple agencies (fiscal, economic, financial, regulatory, social) will be necessary. Notwithstanding these difficulties, regulatory and supervisory policies will play a critical role in preserving financial stability and credit discipline and ensuring that the flow of credit to the real economy is sustained during the unwinding period. The following principles and recommendations should apply during the unwinding period, with due consideration to country specific circumstances: moratoria and government guarantees; asset quality and provisioning; regulatory capital and liquidity buffers; bank resolution actions and contingency planning; profitability and capital distributions; communications; and intensified supervisory monitoring.

Financial regulators continue to monitor the impact of the pandemic on the financial system and the wider economy. As the pandemic is not yet over, identifying system vulnerabilities at an early stage remains a priority. Standard setting bodies and regulators in respective jurisdictions have also started focusing on managing the exit from regulatory and supervisory measures already taken, including moratoria, borrower support, bank capital and liquidity measures.

7.6 Deposit Insurers Expanded Role in Crisis Management and Resolution

Depending on deposit insurers' mandate, the legislative and resolution frameworks, deposit insurer's role in crisis management and resolution vary significantly across jurisdictions. The IADI Core Principles seeks to ensure that a DI's mandate is: clearly defined; supported by sufficient powers and resources; and well-coordinated with the mandate and functions of the other safety-net participants. Deposit insurers with a loss minimiser or risk minimiser mandate, plays a more integral role in crisis management and resolution than a paybox or pay-box plus mandate.

DIOs who are considering enhancing or expanding their role in resolution are guided by the FSB Key Attributes, however, they may face several challenges such as ensuring: legal and operating framework are relevant and up to date to support this expanded role; clarity of roles of all FSSN members in resolution; effective safety-net coordination and decision-making mechanisms are in place; and resolution funding mechanisms, risk assessment, public awareness and communications frameworks are fully implemented.

While the Key Attributes are not prescriptive about where resolution functions should be located within a jurisdiction's institutional architecture, they set out a number of principles that the institutional arrangements should meet. Core to those principles is the expectation that resolution authorities should have the necessary operational independence to carry out their functions, and that mechanisms are in place to control any conflicts of interest that arise between resolution, supervision and other functions carried out by the designated authorities.

The KAs having been designed for SIFIs are relevant in some instances for non-SIFIs, however, there are some challenges in adopting the KAs with due regard to size and structure of financial systems and applying appropriate proportionality rules. As such, FSB has commenced preliminary work in collaboration with IADI and other standard setting bodies to issue guidance for the resolution of non-G-SIB banks, including financial cooperatives and state-owned banks. ***The pandemic has reinforced the importance of the DI's role in crisis management and resolution and the need for enhanced frameworks for coordination, collaboration and information sharing among FSSN domestically and cross border. The ongoing testing (simulations) and enhancing of contingency planning and crisis management and resolution frameworks at the agency and inter-agency levels are also an imperative.***

8.0 IMPLICATIONS FOR THE CORPORATION AND POLICY RESPONSES: BEING PROACTIVE IN ADAPTING TO THE CHANGING ENVIRONMENT

Informed by the analyses of the environmental scan, a summary of the implications for JDIC's operations, policy responses, strategies and selected key initiatives that will be conducted during the planning period, are as follows:

- Follow through on initiatives to improve the legal and operational framework and systems for collaboration, information sharing and consultations among the JDIC

and other members of the FSSN¹⁵ in normal times and crisis periods. This is integral to effectively executing the Corporation's role and functions particularly in regard to monitoring Policyholders' performance, risk exposure to the DIF and for resolution and payout preparedness with due regard to reducing regulatory burden. Initiatives in train and/or being considered are: the execution of SLAs, MOUs and maximizing the benefits of the planned establishment of a centralized shared database for all FSSN members.

- Embrace technological advancements by leveraging technology to:
 - Facilitate and enhance the Corporation's Member Institutions' monitoring and resolution processes (i.e. SupTech).
 - Improve the depositor reimbursement systems and ensure depositor expectations are met as best as practicable as the Corporation seeks to achieve a seven-day payout consistent with recommended best practice.
 - Increase operational efficiencies in other functional areas of the Corporation.
 - Enhance digital interactions with Member Institutions, depositors, FSSN partners and employees.

The increase use of data validation and analytical tools and mechanisms to improve data protection/confidentiality, integrity and security (cyber risks) will also be implemented.

- Strengthen the Corporation's legal and operating framework to carry out its role in resolution in accordance with its powers under the DIA and its expanded role in resolution (FIRA), the pending admission of Credit Unions to the DIS (CUSPA Bill) and the management of the proposed compensation schemes for the Non-DTI sector.
- Continue to collaborate with BOJ, FSC and MOFPs and provide technical inputs to advance the following key financial sector reforms to:

¹⁵ Includes the Ministry of Finance & the Public Service, the Bank of Jamaica, the Financial Services Commission and the Jamaica Deposit Insurance Corporation.

- Enhance the resolution framework for financial institutions to include an insolvency framework – The draft FIRA was prepared by the CPC and is being reviewed by an FRC technical working group.
 - Implement the legal and operating framework to bring credit unions under the supervisory ambit of the BOJ and membership in the DIS – CUSPA Bill.
 - Establish compensation schemes for the Non-DTIs sector¹⁶ – Agree policy proposals for an appropriately designed compensation scheme to be implemented for the non-DTI sector in collaboration with the FSC.
- Build out, test (i.e. simulations, role play, table top exercises) and review on an ongoing basis the JDIC's Financial Crisis Management Plan and other strategies and also the FRC led National Financial Crisis Preparedness and Management Plan in collaboration with the other FSSN members. This is particularly within the context that although Member Institutions remain resilient, the impact and recovery of the global and domestic economy from the pandemic is subject to many variables and still remains uncertain.
- Monitor the developments in digital financial solutions products and services offered by banks and non -banks and emerging financial sector trends (domestically and globally). Ensure there is clarify in regard to the eligibility for deposit insurance under the DIS, scope of coverage is consistent with public policy objectives, and all stakeholders are aware and informed. The JDIC's policy responses will also ensure alignment with and support the thrust for digital transformation and the National Financial Inclusion Strategy. Additionally, the JDIC will continue to collaborate with BOJ as it pursues initiatives to enhance the legal and regulatory framework for payment service providers (who are not DTIs), promote the use of digital finance and introduce a central bank digital currency through its Fintech Regulatory Sandbox (launched in March 2020).¹⁷

¹⁶ These include life insurance, general insurance and securities dealers.

¹⁷ The BOJ's Fintech Regulatory Sandbox provides a controlled environment where technological financial innovations can be tested for viability while ensuring adequate consumer protection and data privacy before any introduction to the Jamaican economy.

- Enhance public education initiatives to keep the public aware and informed about JDIC and deposit insurance as well as to instil confidence and trust in the JDIC. Initiatives will also focus on promoting financial consumer protection and financial literacy and will continue to be conducted in collaboration with the BOJ, FSC, MOFPS, Member Institutions and other key stakeholders. The JDIC also remains committed and involved in advancing the work on financial inclusion and financial literacy in partnership with the BOJ and other key stakeholders.
- Keep abreast of initiatives and collaborate with the BOJ through the FSSC in regard to analysing and incorporating climate related risk (and other non-financial risks) in the monitoring of financial system stability and in the supervisory framework.
- Maintain a robust business continuity framework to include ongoing, testing and improving of business continuity policies, procedures and systems and ensure robust measures are in place to continue to maintain operations particularly in crisis times.
- Build staff capacity in core specialized areas such deposit insurance, resolution, insolvency and crisis management to be ready to execute the Corporation's mandate of protecting depositors and contributing to financial system stability. Deposit insurance and resolution are complex and specialized areas that continue to evolve and as such the skills set required have also expanded. Within this context, the Corporation's organization structure and staffing strategy to maintain a small core staff, ongoing learning and development, participation in simulation exercises and inclusiveness remain a key human resource initiative during the planning period. Strategies to support core staff, by having the flexibility to engage and maintain a pool of outsourced services comprising key subject matter experts that will also allow for knowledge transfer, building of synergies and timely engagements in crisis periods are imperative. Rigorous hiring processes are also required, as well as the scope to offer competitive remuneration packages to attract and, equally important, retain expert staff.

SWOT ANALYSIS

The Corporation conducts ongoing assessments of its SWOT Analysis. For this corporate planning period, FY2022/23 – 2025/26, the following were identified:

1. STRENGTHS

1.1 Governance – The Corporation has implemented an effective governance structure consistent with laws, GOJ guidelines and other best practices governing its: Board of Directors; management structure; and operations. These laws, guidelines and best practices include: *The Deposit Insurance Act*; the *Public Bodies Management and Accountability Act*; the *Financial Administration and Audit Act*; the *GOJ's Corporate Governance Framework*; and the *BOJ's Standard of Best Practice for Effective Corporate Governance of Deposit-Taking Institutions*. The Corporation also incorporates international best practice standards as are appropriate, including the IADI Core Principles for Effective Deposit Insurance Systems, the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions and the G20/OECD Principles of Corporate Governance. This provides the framework for and facilitates effective oversight, prudent management and compliance to ensure the Corporation's successful execution of its strategic objectives and delivery of its mandate.

1.2 Enterprise Risk Management – The Corporation's Enterprise Risk Management (ERM) framework was fully developed and implemented during FY2021/22. The risk management process is supported by a consulting firm that provides the services of a risk manager, and internally there is a risk liaison officer, risk champions and risk owners for the respective Departments and Units. Training and sensitisation sessions continue to be critical to the process and are ongoing. The JDIC recognizes that an overall, unified enterprise risk management programme consistent with sound corporate governance and international best practices is required to ensure that all risks facing the JDIC are identified and appropriately managed and align with the strategic objectives, risk appetite, decision making and resources. Against this background the ERM framework is owned and coordinated by the Executive Management Team (the ERM Committee), integrated into the managerial and formal reporting processes to the Audit Committee, Board of Directors, and embedded within the JDIC's operating culture.

1.3 Human Resource Capabilities and Strategies – Key members of staff possess the requisite knowledge, experience and skills to execute the Corporation's mandate. The Corporation's knowledge management culture ensures that capacity is sustained with continued focus on discrete initiatives to enhance the process for recruitment, training, retention and succession planning. The ongoing collaboration with other FSSN partners, deposit insurers and international agencies involved in the regulation and resolution of financial institutions creates a platform for, the exchange of expertise, ongoing training and development of team members.

1.4 Resolution Powers – The Corporation's mandate and powers are not limited to reimbursement of insured deposits (that is, payout to depositors consequent to liquidation). The Corporation may also act as receiver or liquidator of a member institution or of its holding company or subsidiary, which becomes insolvent¹⁸. In acting in such capacity the Corporation may arrange for the restructuring of a member institution, by way of, *inter alia*: purchase and assumption; mergers and acquisitions and open bank assistance transactions. These resolution options provide the Corporation with the suite of powers to protect depositors and participate in the resolution of distressed member institutions at a lesser cost than otherwise expected in a liquidation. During the latter part of FY2021/22 the Corporation conducted a Resolution, Payout and Crisis Preparedness and Management Staff Sensitization, Training and Simulation exercise to develop the JDIC'S capacity to act as receiver and liquidator and will continue to pursue initiatives to enhance the resolution framework for financial institutions and its capacity to carry out its roles and responsibilities in line with international best practice standards. Integral to these initiatives is work being conducted in collaboration with the other FSSN partners. This will strengthen the financial institutions resolution framework for the country and potentially lower the impact and costs of financial institutions' failures.

1.5 ICT Infrastructure – A robust and secure ICT infrastructure is in place which can support current and future business needs. The ICT infrastructure is reviewed on an ongoing basis to ensure that the technology remains relevant and effective. The Corporation also maintains a remote warm site that hosts its servers and serves as a backup system for business continuity purposes.

¹⁸ DIA Section 5(2)

1.6 Deposit Insurance Coverage Limit - In August 2020 the deposit insurance coverage limit was increased to \$1,200,000, up from \$600,000. At this limit the vast majority (97.3 percent) of deposit accounts in the system are fully covered. This level of coverage underscores JDIC's mandate of protecting the majority of retail depositors and is in line with the IADI best practice recommendation of fully insuring 90-95 percent of deposit accounts. The review of the scope of coverage takes into consideration product innovations by Member Institutions, product developments in other jurisdictions and general changes in product profile and registers. Consistent with international best practice, during the planning period the Corporation will take steps as is necessary to legislate the rules of coverage to clearly define what is covered and the respective ownership categories.

1.7 Depositor Reimbursement Systems – The Corporation has been advancing initiatives geared towards strengthening its capacity to make prompt and accurate payouts to depositors. The first phase of the development of the Payout Management Information System (PMIS) was completed in FY2020/21. The PMIS facilitates the automation of the processes to compute and disburse the insured deposits/potential liabilities of a non-viable member institution and provide other useful deposit liability data for resolution planning. During FY2021/2022, quarterly simulation exercises were conducted of varying scope using the PMIS to ensure that the application remains operational, improve usability and end-users' knowledge, as well as to identify any functional and non-functional defects. Additionally, the Corporation issued in 2014, for implementation Standard Recordkeeping Guidelines for all Policyholder's requiring Policyholders to implement procedures and systems to maintain and provide customer, account and other information data to the Corporation to facilitate payout processing. The focus during the planning period is to complete the phased PMIS enhancement activities leveraging existing technologies and collaborate with Policyholders to strengthen their level of compliance with the Corporation's Standard Recordkeeping Guidelines.

2. WEAKNESSES

2.1 Staff Recruitment and Retention – The process of attracting, selecting and retaining highly skilled staff to effectively carry out the functions required for the specialized nature of deposit insurance and financial system regulation and resolutions continues to be a vulnerability for the Corporation. Research shows that levels of emoluments are generally significantly below the market. During 2018, the review of the organizational model and

structure, job evaluation and reclassification/compensation exercise was completed and recommendations submitted to the Ministry for approval. In November 2021 the Ministry confirmed its approval of the reclassification/organizational structure; however, the Corporation continues to be impacted and restricted by the delays and awaits the new compensation package that aligns with this reclassification. The MoFPS has confirmed implementation date of April 2022 of the Compensation Review Project of the Public Sector Transformation Programme of GOJ. Additionally, an appropriate pension scheme arrangement to attract and retain staff is expected to be finalized in FY2021/22 for full implementation at the start of the planning period. These initiatives are intended to address the structural and normative impediments to staff engagement and retention however, will require an implementation timeline of no less than the medium term

2.2 Staffing and Other Resources in a Financial Crisis – The Corporation's business model is to operate with a core staff complement in normal times and outsource additional technical support staff with the required expertise, experience and competency levels, in a very short timeframe, to address crisis situations. This may create challenges. In addition to its core staff, the Corporation continues to develop its pool of external and outsourced resources, including continued interface with its overseas and multilateral partners in the areas of financial crisis and resolution management to have ready access to required technical support when the need arises.

2.3 Automated Policyholders' Risk Assessment System – The absence of a fully automated system to support the Corporation's Policyholders' Risk Assessment Framework (PRAF) impacts the robust and timely assessment of Policyholders' financial data. This impact will be more significant with the admission of credit unions to the DIS and the consequent increase in the number of Policyholders. The Corporation continues discussion with the BOJ with regard to the development of its rules to guide providing third party access such as the JDIC to its *Jamaica Financial Reporting Information Management System* (JAM-FIRMS). Concurrently, the Corporation is taking steps to identify a business analytics software to automate on-going data retrieval and risk assessment and monitoring of Policyholders. In the interim, further enhancements will be applied to the existing system and procedures to ensure the seamless admission of the credit union sector.

2.4 Financial Crisis Management and Resolution Preparedness – Given the relative stability in the financial system and resilience of Policyholders, the Corporation has not been required to resolve a Policyholder since its inception. The Corporation continues to conduct annual simulation and training exercises to test and enhance its payout and resolution policies, procedures and systems, including through collaborations with other members of the FSSN to build and enhance its capacity. For these purposes, the Corporation will continue to leverage the appropriate subject matter expertise. However, with the current global pandemic and its likely impact on the financial system, resolution management and preparedness have become more urgent and immediate and hence the need for joint simulations in collaboration with the other FSSN partners. With this in mind, during FY2021/22 the JDIC organized a multi-agency training and a limited scope simulation. The sessions were successfully delivered by the Toronto Centre to members of the crisis management teams of the BOJ, FSC, MOFPS and the JDIC. The simulation, *inter alia*, highlighted the need for more inter agency collaboration and coordination as well as more frequent multi-agency financial crisis training and simulations to be held of varying scope. The gaps identified will be addressed during the planning period. Similar training and other contingency planning and crisis preparedness and management initiatives will continue to be conducted at the agency and interagency levels with focus on developing staff skills and testing and enhancing operational readiness. Additionally, robust contingency plans will be required to navigate possible scenarios and address any uncertainties that materialize.

2.5 Public Education and Awareness – The Corporation has in place a comprehensive and sustained public education and awareness programme, consistent with the recommendations of the IADI/BCBS *Core Principle 10*. Additionally, there is a public education and awareness plan in place for the admission of credit unions to the DIS. However, the level of awareness of the DIS has not shown an increase over the last few years (remains at 48 percent in 2017, although awareness of the JDIC is at 81 percent). In an effort to maximise its reach and impact, work on revamping the public education and awareness programme commenced during FY2021/22. A national survey to measure the level of awareness is scheduled to be conducted during FY2021/22 with the expectation that there will be improvement in awareness, as well as increased confidence in the

banking system due to the DIS. Assessments are periodic and serve to adjust the programme as required.

2.6 Disaster Preparedness, Recovery and Business Continuity – With the advent of the COVID-19 pandemic, the importance of disaster preparedness, recovery and business continuity has become foremost for organizations. During FY2021/22, the Corporation continued the improvement of its Disaster Preparedness, Recovery and Business Continuity Plans (DPRBCP) which was made possible through the engagement of external consultants, with one focusing specifically on ICT; including the efficient operation of an external data centre to ensure continuity of core functions in the event of a disaster. A Disaster Preparedness, Recovery and Business Continuity Committee was also appointed and its terms of reference developed. Updating of the DPBCP will continue during the planning period and aspects of the plans simulated.

2.7 Electronic Records and Information Management System - The implementation of the manual Records and Information Management System (RIMS) recommended by GOJ and incorporating other best practice continues. The Corporation believes it will be more beneficial to have an Electronic Management System for security and efficient retrieval of the records and is working towards implementation during the planning period.

3. OPPORTUNITIES

3.1 Supportive Policy Directorate – The relevant authorities support the mandate of the Corporation. This remains critical as the Corporation seeks necessary reforms to strengthen its mandate and powers to proactively respond to the changes in its operating environment.

3.2 Domestic Economic Environment – Despite the COVID-19 pandemic Jamaica's financial system has remained largely resilient and robust. At the onset of the pandemic, the Bank of Jamaica implemented several measures to support the liquidity needs of the Policyholders and stands ready if further intervention is required. During the planning period, the Corporation will continue to monitor the performance of its Policyholders, finalize plans for the admission of the credit union sector to the Deposit Insurance Scheme (DIS) and build out its resolution capacity within the context of the current economic reality and with due consideration to the risks that may be introduced or heightened as a result.

3.3 Banking Regulation and Supervision – Jamaica continues the pursuit of several initiatives towards significantly reforming its financial sector under its economic reform programme. The FSSN partners' ongoing initiatives to put in place prudential standards and conduct robust supervision in line with international best practices will seek to *inter alia*, improve the regulatory and supervisory framework for the entire financial sector. The consequent resilience of the financial system supports the mandate of the Corporation for protecting depositors and contributing to financial system confidence and stability.

3.4 Principles Recommended by International Standard Setting Bodies – Subscription to the principles recommended by international standard setting bodies, namely the IADI Core Principles for Effective Deposit Insurance Systems and the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions (Key Attributes) and G20/OECD Principles of Corporate Governance serve as a benchmark against which the Corporation continues to assess and implement strategies to ensure it satisfies its public policy objectives and other performance standards. Key initiatives are being pursued by the Corporation and in some instances in collaboration with the other FSSN partners to better align the Corporation's operations with these international best practice standards. This includes the implementation of the SRR benchmarked against the FSB's Key Attributes.

3.5 Strategic Partnerships – Strong partnership through the Corporation's membership in the IADI and interactions with other standard setting bodies and multilateral agencies provide an opportunity for cross-border collaboration; synergistic enhancements to the deposit protection scheme; access to a pool of subject matter experts to hone the skills of staff and build institutional knowledge. The Corporation: is a signatory to an MOU among the members of the IADI Caribbean Regional Committee which serves to further strengthen regional collaboration, is an active member of IADI sub-committees that prepare research and guidance papers, provides technical support to other deposit insurance organizations (DIOs). The JDIC is also a member of the CARICOM working group which developed the regional "Policy on Deposit Insurance" that was finalized in CY2021, approved by COFAP and is to be submitted for member states for approval. This initiative also supports the draft CARICOM Financial Services Agreement, which *inter alia* encourages Member States to "adopt measures to ensure the protection of depositors' funds in a financial institution

within its territory¹⁹. The Corporation will continue to provide technical input in the next planned work stream of the Secretariat to draft a Deposit Insurance Model Law.

3.6 Policyholders' Business Environment – The increasing use of technology caused by the measures implemented to stem the spread of COVID-19, such as remote working and social distancing, has created the opportunity for growth of financial technology and e-commerce. Banks and other financial institutions continue to encourage less traffic inside and more use of online banking and cards at ATMs and points of sale. The increased use of financial technology could cause banks to change their operating models and move closer to digital transformation as customers now need secure and reliable payment solutions. During FY2021/22 the BOJ commenced testing of its Central Bank Digital Currency (CBDC) with a commercial bank and complete roll out is expected in CY2022. With the increased use of technology, more unbanked persons should be reached, also making it easier for the Government to make payments to individuals like pensioners. Additional development is that the Parliament has revised the National Identification and Registration Act, 2020 and it awaits passage by the Upper House of the Parliament. The object of the Bill is to provide for the promotion, establishment, and regulation of a National Identification System (NIDS) that will facilitate the voluntary enrollment of citizens in one comprehensive identification, verification and authentication system.

These developments provide the opportunity for increased financial inclusion as more individuals embrace the technological advancements. The JDIC will continue to monitor these developments and conduct research to determine what impact they might have on the achievement of its mandate of protecting depositors, especially the most vulnerable.

3.7 Collaboration with Financial System Safety Net Partners and Policyholders –The ongoing collaboration and information sharing with the JDIC, other FSSN Partners and Policyholders are provided for in several legislations. The JDIC's CEO is a member of the statutory FRC and the FSSC established pursuant to the BOJ Act. An FRC MOU has also been established

¹⁹ The development of a regional framework for Deposit Insurance was also included, as an important pillar to strengthen the financial stability framework in the Region, in the Community's macro-economic policy coordination work programme, which was approved by the Fourteenth Meeting of the Council for Finance and Planning (COFAP) (July 2012) and subsequently endorsed by the Thirty-third Meeting of the Conference of Heads of Government (July 2012).

to ensure consistency with its statutory mandate. The DIA and the BSA also expressly provides for the sharing of information and relationship with the BOJ in regard to Policyholders' data and performance. Several inter –agency initiatives are currently being pursued that provide an opportunity to enhance collaboration and build synergies among the officers of the respective FSSN agencies including technical working groups established to support the members of the FRC and FSSC. Current inter-agency initiatives that will continue into the planning period include the work towards the promulgation of the FIRA (legislation to establish a special resolution regime for financial institutions), the review and testing of the National Financial Crisis Preparedness and Management Plan and the development of a Centralized Data Collection Management and Dissemination System. The JDIC is also a member of the National Financial Inclusion Council and its technical working group for consumer protection and financial literacy.

To further strengthen the information sharing and collaboration with the BOJ, the Corporation is now making recommendation for amendments to the BSA and will look at updating the draft Service Level Agreement shared with the BOJ in 2016 and 2017.

3.8 Technological Innovation – Technological innovation provides an opportunity to improve the Corporation's business processes and strengthen the engagement with Policyholders and other stakeholders. Through a robust digital transformation process, the Corporation will improve its operational efficiency and provide increased value through the use of data to better understand customer and consumer needs. Against this background, the JDIC's ICT infrastructure is reviewed on an on-going basis to ensure that the technology remains relevant and effective in keeping with the advancements in the industry and meeting its business needs.

4. THREATS

4.1 Global and Regional Developments – Since early 2020 the COVID-19 pandemic has had an adverse impact on the global and regional macroeconomic landscape. While recovery has begun, the momentum has weakened and is expected to be slow, as the threat of new COVID-19 variants have increased uncertainty about the duration of the pandemic. While approximately 60 percent of the population in advanced economies are fully vaccinated, roughly 96 percent of the population in low-income countries remain

unvaccinated resulting in significant divergence in prospects for economic recovery. Uncertainties remain and economic activities are not expected to return to normal levels until health risks are abated.

In the Caribbean the financial system is highly interconnected with cross-border banking operations and continued expansion among institutions across the region. A number of Jamaica's financial conglomerates have controlling interest and operations in other Caribbean jurisdictions. As such, the Corporation continues to monitor the developments in Caribbean counterparts for any potential impact on Jamaica's financial system or the economy, cognizant that our Policyholders continue to seek out other markets for expansion and growth.

4.2 Domestic Market Developments –The COVID-19 pandemic continue to negatively impact the domestic economy. However, the Government has shifted its focus from response to recovery and has been gradually reopening the economy by relaxing the COVID-19 imposed restrictions. It is expected that over time as the easing of restrictions continue, the contraction in the economy will continue to slow and return to positive levels as the Government seek to balance lives and livelihood. Of note, the country has experienced increased inflation in 2021, as increases in international commodity prices and shipping costs have impacted local prices. Further, agricultural prices have increased with the passage of tropical storms in August. As a result, the BOJ increased the policy interest rate by 100 basis points to 1.50 percent per annum effective October 1, 2021. This decision was taken in order to limit the effects of shocks that could hinder the likelihood of annual inflation remaining within the inflation target of 4.0 percent to 6.0 percent.²⁰ Despite the ongoing COVID-19 challenges, the medium term macroeconomic outlook for Jamaica is positive.

The Corporation continues to intently monitor the developments in the environment and the performance of the DTIs in this regard. Additionally, the liquid holdings to treat with any potential resolution activities have been increased to ensure the Corporation is able to respond in a timely manner should this be necessary.

²⁰ Bank of Jamaica – Monetary Policy Discussion and Decision – September 2021

4.3 Policyholders' Business Environment – The ongoing impact of the pandemic has changed business dynamics with increasing use of fintech products as individuals observe the COVID-19 protocols, including staying at home and social distancing to prevent the rapid spread of the infection. The increased use of financial technology could cause banks to change their operating models and move closer to digital transformation as customers now need secure and reliable payment solutions. The increased use of technology brings with it cyber risks for financial gains which could increase bank default risk.

The BOJ has introduced the Fintech Regulatory Sandbox to provide a platform to encourage innovations in financial services, promote competition and financial inclusion. This provides the facility for participant to test innovative financial products, services and businesses in a live market environment, while ensuring safeguards are in place to manage risks²¹.

4.4 Policyholders' Compliance with JDIC's Information Needs – Policyholders may not maintain the requisite customer records and other information required by the Corporation accurately, or data may be missing or not sufficiently detailed. Additionally, the necessary procedures and systems to facilitate data transmission may not be implemented. These impediments may impact the Corporation's capacity to: provide depositors with prompt and accurate access to their insured deposit; and make critical decisions for resolution planning. Initiatives that are currently ongoing such as the *Policyholders' Record-keeping Guidelines* and the supporting Compliance Framework; enhancements to the Payout Management Information System (PMIS); legislative amendments to provide the JDIC with powers to access data prior to closure; and consideration to promulgate Regulations for record-keeping requirements will mitigate these threats.

4.5 Cyber Security Risk – The accelerating pace of technological change has been described as the most creative force and also one of the most destructive in the financial services ecosystem²². Cyber security risk is one of the top risks facing financial institutions, corporates and individuals. This occurs because of the rapidly evolving sophisticated and complex technologies, cross border data exchanges and increased use of data

²¹ http://www.BOJ.org.jm/uploads/news/bank_of_jamaica_fintech_regulatory_sandbox_guidelines__22_june_2020.pdf

²² <https://www.pwc.com/gx/en/industries/financial-services/publications/financial-services-technology-2020-and-beyond-embracing-disruption.html>

technology. Cognizant of this, the use of technology and its implications are not limited to financial institutions, as regulators and deposit insurers must seek to adopt a wide range of data gathering and analytical tools in order to monitor the industry more effectively and to predict potential problems before they occur. The JDIC will continue its ongoing review of its own internal data management and cyber security response infrastructure to ensure security issues are proactively identified and addressed. The JDIC will also leverage the GOJ National Cyber Security Strategy and mechanisms for addressing cyber security risks.

4.6 Climate Change Risk - Climate change will adversely impact the economy, MIs and all financial institutions, financial stability, business continuity and restrict the growth of the DIF. The financial services industry must be proactive in ensuring that internal processes and policies are in place to mitigate the impact of climate change in order to safeguard their own viability and reduce vulnerability, as well as provide products and services to meet the challenges clients will face. Mindful of this, the Corporation will collaborate with the other FSSN partners and other key stakeholders in order to research, and highlight the main issues for consideration, and develop a coordinated strategy for addressing these issues. Additionally, the Corporation will include climate change risk in its governance procedures, in line with the existing financial corporate risk identification, controlling and reporting structures and best practice requirements. COP26 meetings have highlighted the climate change risk and the need for collaboration.

PLANNING ASSUMPTIONS

In preparing the Corporation's 4-year strategic plan, several key underlying assumptions were made taking into account the following: developments in the global and domestic economies; deposit insurance and other financial system best practice standards and evolving trends; developments in the Member Institutions' regulatory and operating environment; and the Corporation's operations during the prior period. The following are the key assumptions:

1. STATUTORY OBJECTS

The statutory objects of the Corporation will remain the management a scheme for the insurance of deposits or parts thereof against the risk of loss. The mandate and powers of the Corporation will be further expanded and strengthened to better align with the underlying public policy imperatives to protect depositors and contribute to financial system confidence and stability. The existing membership and coverage under the DIS will be expanded to include the credit union sector. Additionally, the role and powers of the JDIC will be enhanced with the passing of key legislation in particular JDIC's role in resolution management now specifically mandating acting as receiver/liquidator in the winding up of insolvent financial institutions, will be enhanced under Financial Institutions Resolution law now referred to as the FIRA. The proposed development and implementation of compensation schemes for the Non-DTI sector (insurance and securities), will also impact the Corporation's statutory obligations, mandate and powers, as it will be required to provide protection to other financial consumers.

2. LEGISLATIVE ENHANCEMENTS

The Corporation remains integral to the preservation of financial system confidence and stability, and the development of a more robust monitoring and resolution framework. Accordingly, legislative review will continue in order to strengthen and support its expanding role and operations, which will result in submissions for amendments to the DIA and the promulgation of relevant regulations. Additionally, there will be consequential amendments to the DIA to ensure consistency with the BSA, Credit Unions (Special Provisions) Bill, the draft Bill to be entitled the Financial Institutions Resolution Act (FIRA).

3. ENHANCED REGULATORY AND SUPERVISORY SYSTEM

Continued enhancement of the financial system regulatory framework will remain a priority for GOJ to bolster financial system soundness and public confidence. The GOJ has been pursuing several initiatives to improve the regulatory and supervisory framework for the financial sector consistent with its on-going economic reform programme. Key legislative reforms and guidance being proposed by the BOJ, FSC and the JDIC to strengthen the regulatory framework for DTIs and Non-DTIs, including clarifying respective mandates and roles, are expected to be passed and implemented.

4. DEPOSIT INSURANCE SCHEME (DIS) DESIGN - ALIGNMENT WITH PUBLIC POLICY IMPERATIVES

The ongoing review of the key design features of the DIS to align with emerging public policy imperatives, recommended standards and guidance issued by standard setting bodies namely the IADI, the FSB and the BCBS will remain critical to keep apace of the dynamic evolution in financial markets and digitization of financial services. Design features of the DIS include: the categories of membership; levels of coverage; funding (premium structure and fund management); and resolution tools and powers, to ensure that existing public policy objectives are achieved and new ones identified and effected.

5. MACRO-ECONOMIC OUTLOOK AND IMPACT ON POLICYHOLDERS FROM COVID-19 WILL CONTINUE INTO THE MEDIUM TERM

The Jamaican economy has started to recover, though slowly, from the impact of the COVID-19 pandemic. This macroeconomic improvement as well as expectations for continued improvement bode well for the Policyholders and the financial system stability, in general. For the June 2021 quarter, GDP increased by 14.2 per cent compared to the corresponding period in 2020, when the economy recorded an 18.4 per cent decline. Labour statistics indicate that employment has improved, with an unemployment rate of 8.5 per cent for July 2021 compared with 12.6 per cent for the same period in 2020. This improvement was generally in the direction of pre-COVID level when the unemployment rate was 7.3 per cent in January 2020. Inflation, however, has been increasing due to supply constraints locally and internationally due to the ongoing pandemic. The BOJ has sought to contain the rise, by increasing its policy rate to try and guide inflation within the target range of 4 and 6 per cent.

Notwithstanding the slow pace of recovery and the continued threat from the COVID-19 pandemic, if not contained, Jamaica is expected to continue to record improvements. Threats remain, however, as the performance of Jamaica's main trading partners can have spillover effects on Jamaica's economy, for example, inflation. Nevertheless, the Policyholders continue to adjust to the new normal with pandemic, and while profitability remains a concern, they continue to meet all prudential benchmarks. The BOJ and JDIC also remain relentless in closely monitoring the institutions as well as conducting stress tests and risk assessment, for any early warnings signs that there may be a threat to the Policyholders' viability.

6. INCREASED MEMBERSHIP IN THE DIS

The current membership of the DIS is eleven (11), consisting of 8 commercial banks, 2 building societies, and 1 merchant bank. With the imminent tabling of the CUSPA, membership in the DIS will increase early during the planning period. Presently there are twenty-five (25) credit unions, however this number is likely to decrease. The Corporation, in principle, reached an agreement with the Jamaica Cooperative Credit Union League (JCCUL) for the acceptance of the specific design features for the sector to the DIS, subject to the approval of the Minister of Finance. These design features include scope of coverage, coverage limit and the premium assessment rates.

7. RESOLUTION AND CRISIS PREPAREDNESS

Notwithstanding, the positive economic developments, robust regulatory framework, and resilience of MIs, the MIs remain vulnerable to certain risks. The Corporation will continue to strengthen its framework for: monitoring Member Institutions' risk to the DIF; and acting as deposit insurer, receiver and liquidator., This is to prepare for, and respond appropriately to, any changes in the performance of MIs and manage a financial crisis in collaboration with the BOJ, should this arise.

8. DEPOSIT INSURANCE FUND MANAGEMENT AND ADEQUACY

The Fund management objectives as stated in the DIA and the Corporation's Investment Policy will remain. These include the preservation of capital and the maintenance of adequate liquidity based on the assessed risk of the MIs and the Corporation's operating and capital expenditures. Changes in Fund management strategies will be determined by market conditions, Government policy, coverage and premium structures, as well as the respective timetables for expanded membership.

The Fund is forecasted to grow at an average annual rate of approximately 10.0 percent over the planning period. This projection was based on the expectation that yields on the Corporation's investment portfolio

would be lower than the current portfolio average over the review period; insurable deposits were estimated to grow by 13 per cent annually on, which translates to a similar growth in annual premium income; and no resolution expenses as MIs remain adequately capitalized and solvent. Additionally, the BOJ and the JDIC continue to be proactive, with intense and timely monitoring and assessing of the risks of the institutions. The latest DIF Adequacy Evaluation for FY2021/22 revealed that the lower limit of the target DIF reserve ratio²³ (8 per cent) is forecasted to be attained in FY2031/32, which is a year earlier than was forecasted the previous year and reflected the faster than projected growth in the Fund as the average yield on the portfolio remains higher than market. Consistent with international best practice, the Corporation will continue to pursue contingency funding options with the Bank of Jamaica and multi-lateral funding agencies, through the MoFPS. The Corporation will maintain its proactive readiness strategies to ensure its ability to deal with any resolution activities, should the need arise.

9. THE APPROPRIATE ORGANIZATION AND COMPENSATION STRUCTURE TO BUILD SUSTAINABLE HUMAN RESOURCE CAPACITY

With the increased membership profile and expanded role in resolution, the Corporation will engage additional staff and acquire other resources to conduct the on-going monitoring and risk assessment and the resolution and crisis management preparedness for Member Institutions to ensure their compliance with the DIA, and no risk to the Fund.

The COVID-19 pandemic has reset workforce assumptions with an immediate shift to remote work with focus on an agile planning approach that continually reshapes the workforce in response to changes in business and skill needs during the pandemic and beyond. Investment in digital solutions will strengthen the Corporation's business continuity initiatives allowing for increased convenience, efficiency and security enabling resilience and crisis preparedness.

Given the above, in order to recruit, retain and effectively plan for succession, approval of the Job Evaluation and Reclassification recommendations by the MoFPS was partially addressed during FY2021/22 and is anticipated to be completed in early 2022/23. These recommendations are consistent with the Corporation's strategy of Building Sustainable Human Resource Capacity. The achievement of this strategy also hinges on the acquisition of additional space, to appropriately accommodate the projected increase in the staff complement, arising from the increased membership profile and consistent with occupational health and safety standards.

²³ The range for the target DIF reserve ratio is 8 to 10 per cent.

ENVIRONMENTAL MANAGEMENT

INTRODUCTION

With the continuing impact of COVID-19 and the resulting pandemic, special attention must be given to the safety of staff and stakeholders, with the general sanitization of work areas and the operating environment. COVID-19 spreads primarily through respiratory droplets or contact with contaminated surfaces. Exposure can occur at home or in an area with local area transmission, at the office and while travelling to and from the office. The spread of COVID -19 started in FY 2019/20 and has continued in this financial year under review. A number of initiatives were put in place and these will continue during this year in order to maintain a safe working environment. The risk assessment for office related exposure to COVID-19 and any other disaster that will impact our safety will be undertaken and rigorously monitored. The initiatives include, but are not limited to the following:

- a. Sanitation stations and temperature checks
- b. Air-conditioning maintenance
- c. Adjusted work stations
- d. "Sneeze Screens" for each work area
- e. Maintaining a Work from Home Schedule
- f. Assistance with the work from home environment
- g. Social Distancing and the rotation of staff
- h. Daily monitoring and cleaning of regularly used areas
- i. Promoting wearing of masks and frequent hand-washing
- j. Regular updates to increase general awareness of COVID-19 and the monitoring of possible infection.

In addition to the COVID-19 management, the normal environment management continues and will be adjusted to accommodate the current environment and any other pandemic situation that may arise.

ENVIRONMENTAL MANAGEMENT SYSTEM

Environment Management is a systematic approach (EMS) that refers to the management of an organization's environmental programme in a comprehensive, systematic, planned and documented manner. It emphasises finding practical ways for cost savings while implementing measures to avoid or minimize environmental impacts; optimization of operations to reduce the quantity and quality of waste generated, including opportunities for recycling; and optimal water and energy use or energy and water consumption.

Environmental management continues to be a priority for the Corporation and seeks to adhere to environmental protection best practice standards. This will contribute to a sustainable environment and energy savings. There is a requirement for all stakeholders to be committed to protecting the environment by undertaking initiatives to promote greater environmental responsibility and the development of eco-efficient solutions.

EMS is beneficial to the Corporation, as it:

- a. Reduces environmental incidents
- b. Enables a more focussed, motivated and knowledgeable staff
- c. Promotes occupational health and safety
- d. Reduces waste
- e. Allows for lower expenses and
- f. Reduces the cost of work inputs

Given the forgoing, the Corporation's Board, Management and Staff are committed to exercising proper environmental and climate change management practices as an integral part of its operations and will develop strategies to minimise pollution in compliance with environmental protection regulations. The Corporation also has in place policies and procedures to eliminate waste and omissions, prevent pollution, maximise the efficiency and productivity of its resources and minimize practices that might adversely affect the enjoyment of the environment by current and future generations.

The Finance, Funds and Asset Management Department (FFAM) has been charged with the responsibility for coordinating environmental management activities and maintaining the established standards. To effectively monitor the system, FFAM will rely on the Administrative and

Property Units to collaborate with each staff member in the reporting on issues encountered during use of the facilities and to make recommendations in improving the environment. In addition, steps are taken to monitor safety and environmental conditions on a daily basis and efforts made to mitigate risk either internally or using external contractors. Procedures are also in place to ensure effective and timely communication of environmentally related information within the Corporation. There is also focus on environmental impact and the ways they can be minimized. The Corporation has taken the following actions in continuing the process of environmental management:

- Improved procurement practices to ensure that purchases meet the required standards with more efficient utilisation, reduced waste and are environmentally friendly;
- Effective planning for future growth to have an insight into environmental impact;
- Encourages the efficient use of electricity and water;
- Constant monitoring of air quality including quarterly maintenance of the air conditioning systems; periodic cleaning of the air conditioning ducts; the maintaining of plants in the building; installation of extractor systems in the photocopy and printer rooms and areas throughout the building for the removal of fumes and minute particles in the atmosphere;
- Implementation of steps to reduce paper usage which include: use of laptops in meetings, greater use of emails for internal and external communication, increased use of soft copy of documents and printing only where necessary, scanning of documents for later use, printing in draft and margin adjustments for page reduction and, double sided printing where appropriate, font adjustment to reduce the cost of printing, use of soft copies and copies on flash drives instead of hard copies for Annual Reports and other reporting;
- Provision of old newspapers and shredded paper to charity organisations for use in recycle projects;
- Liaising with regulatory and environmental agencies to ensure that all environmental standards are being maintained;
- Storage of chemicals for cleaning and janitorial services in secure and isolated areas;
- Efficient solid waste management. Garbage is removed from the building daily and stored in a central area and collection service is efficiently carried out twice weekly;

- Used plastic containers are stored and disposed of separately to plastic waste collectors;
- Water and electricity consumption are reviewed and recorded monthly and conservation measures pursued;
- Control of rodents with the maintenance of bait stations;
- Maintenance contracts are in place and machinery and equipment are serviced on a regular basis;
- Running the centralised air conditioning units at the optimum temperature level with the most convenient run times;
- Insulation of air-conditioned pipes and maintenance contract in place for quarterly servicing;
- The maintenance of the LED lighting infrastructure, which allows for more energy efficiency and longer usage of lighting fixtures.

In addition to maintaining the activities listed above, it is envisaged that over the planning period the following will be addressed, subject to any relocation plans:

- Additional energy conservation measures will be implemented to increase conservation and cost savings which include the conversion of the air conditioning system to an *inverter* type system. Inverter type systems are currently used in the canteen area and the server room;
- The Corporation will participate in the circular economy, which is an economic system aimed at eliminating waste, increasing efficiency at all levels with the continual use of resources and the re-cycling of left-overs.
- The use of more efficient duct cleaning systems
- The use of air purifiers for on-going purified and quality air for circulation;
- Conversion of the energy requirements utilising solar technology;
- More efficient use of printing, paper usage and utilities management;
- Review of air quality measures to ensure a good working environment;
- Travelling will be pooled where convenient and the promotion of technology in order to reduce travel.

CLIMATE CHANGE

Central banks and other supervisory authorities are now considering climate change as a risk to financial stability. Climate Change will create a series of new risks, impact of severe weather conditions, supply shortages, increased prices, and technology changes.

Forbes Magazine reported: "It's hard to ignore the increasing number of catastrophic, climate-related events affecting populations and geographies all over the world—from wildfires to increased hurricane activity to droughts to extreme winter storms," says Deloitte Global CEO Punit Renjen. "Leaders acknowledge the business imperative of climate change and increasingly understand it to be an existential threat that can have long-term impacts on their people and business operations."

A warming planet creates a wide range of risks for businesses, from disrupted supply chains to rising insurance costs to labour challenges. Climate change and extreme weather events such as hurricanes, floods and fires, for example, have a direct impact on 70% of all economic sectors worldwide.

Climate-related events are already affecting more than 1 in 4 organizations worldwide, according to Deloitte Global's report. Public sector, consumer and life sciences/healthcare industries are the most worried about the business impacts of climate change, with over 80% of executives in these sectors expressing apprehension about the planet's future.

According to the survey, here are the top five ways that climate change is already impacting (or threatening to impact) companies across the globe:

- a. **Operational impact:** Nearly 3 in 10 organizations are noticing the operational impacts of climate-related disasters, such as facilities damage and workforce disruption.
- b. **Scarcity/cost of resources:** Resources like food, water and energy are at risk due to both environmental and human causes, with the energy and consumer industries reporting the greatest impacts.
- c. **Regulatory/political uncertainty:** Rounding out the top three concerns, over a quarter of executives say they are wary about shifting regulatory and political environments. The banking and life sciences/healthcare industries overwhelmingly cited this as the issue impacting their sustainability efforts the most.

- d. **Increased insurance costs or lack of insurance availability:** Executives are very aware of how climate-related events have, in some cases, led to dramatic increases in insurance costs.
- e. **Reputational damage:** Environmental sustainability efforts are becoming core tenets of organizations' culture and brand identity."

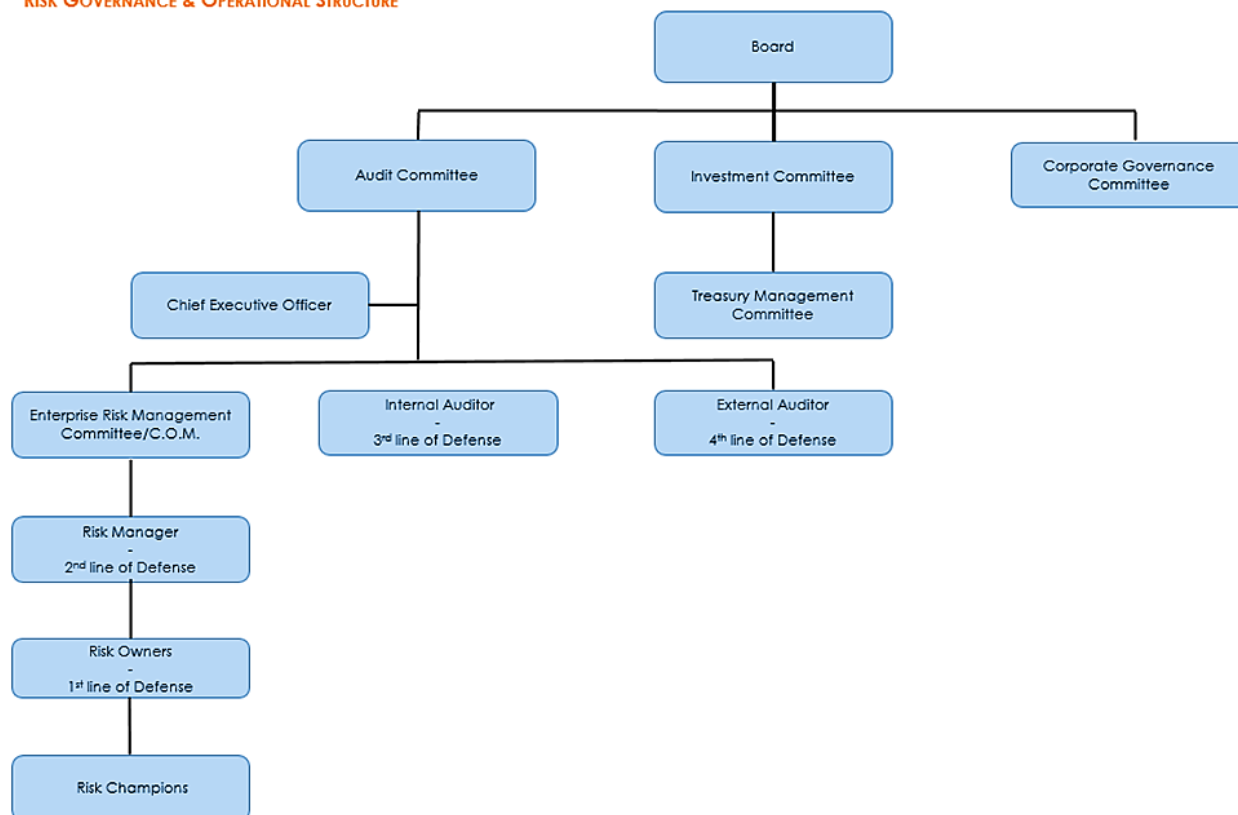
CONCLUSION

The Corporation will continue to monitor the enhancement to general environmental management and liaise with the MoFPS and other Government regulatory agencies such as: The National Environment and Planning Agency, Ministries responsible for Health and the Environment and other related agencies to gain greater awareness of the current environmental considerations and practices. The Corporation will also continue to manage the risks and make the necessary operational changes, review the policies and procedures periodically and enhanced measures put in place, where necessary. In addition, the Corporation will review the documentation and procedures relating to environmental management guidelines and for obtaining certification for the EMS.

INTEGRATING ENTERPRISE RISK MANAGEMENT WITH THE STRATEGIC OBJECTIVES

The JDIC is committed to maintaining a robust and integrated enterprise risk management programme consistent with sound corporate governance and international best practices to ensure that all risks facing the JDIC are identified, appropriately managed and aligned with the strategic objectives, risk appetite, decision making and resources. Against this background the ERM framework is owned and coordinated by the Executive Management Team, integrated into the managerial and formal reporting processes and embedded within the JDIC's culture. During FY2021/22, all key initiatives towards the implementation of the Corporation's ERM Framework and Policy were completed including the Risk Governance and Operational Structure as depicted below:

RISK GOVERNANCE & OPERATIONAL STRUCTURE



During Q3 of FY2021/2022, the Corporation conducted its annual risk validation exercise which was facilitated by the Risk Manager.²⁴ The validation exercise sought to inform the current risk profile of the Corporation (refer below) and identify and prioritise the key initiatives to be undertaken during the planning period to mitigate or manage risks. The exercise also confirmed that the Corporation's risk appetite remains as low for strategic, reputational, financial (market, liquidity, credit) and compliance risks and a low to moderate appetite for operational risks.

JDIC RISKS MAP

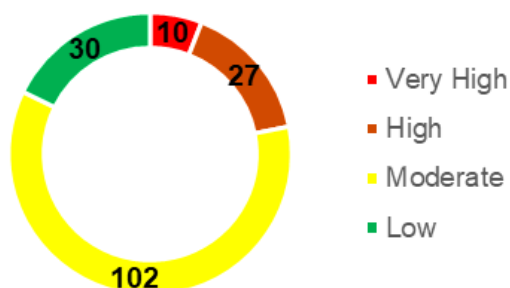
L I K E L I H O O D	IMPACT					
		INSIGNIFICANT	LOW	MODERATE	HIGH	SIGNIFICANT
	VERY LIKELY	Low Risk	Moderate Risk	High Risk	Very High Risk	Very High
	HIGHLY LIKELY	Low Risk	Moderate Risk	High Risk	Very High Risk	Very High Risk
	LIKELY	Low Risk	Moderate Risk	Moderate Risk	High Risk	High Risk
	UNLIKELY	Low Risk	Low Risk	Moderate Risk	Low Risk	Moderate Risk
	VERY UNLIKELY	Low Risk	Low Risk	Low Risk	Low Risk	Low Risk

²⁴ Risk Owners supported by Risk Champions maintain risk registers for their respective functional areas. Risks are monitored and assessed and all registers are reviewed and updated on an ongoing basis during the financial year and presented to the Risk Manager, the Risk Management Committee and the Audit Committee.

The Corporation's risk profile as at 30 September 2021 had a total of 169 risks identified across the ten functional areas of the Corporation. Ten risks were rated as Very High and 27 were rated as High. These risks were validated by the management team in risk validation sessions on October 29, 2021 and November 5, 2021. The validation sessions provided a forum where directors and managers challenged each other on their individual department/unit's risk ratings. These challenges helped to ensure that the risk ratings are fair.

The IRIR Department had the highest number of Very High risks with a total of four, followed by the HRA with two. The IRIR Department also had the highest number of High risks with eight, followed by Corporate Secretariat Unit with a total of four, MRA Department and Corporate Communications Unit with three each. See Figures 2 and 3 along with Table C below for graphical and tabular depictions of JDIC's risk profile. See Table C for an actual listing of the risks that were rated Very High and High as at 30 September 2021.

Figure 2: JDIC's Risk Profile as at 30 September 2021



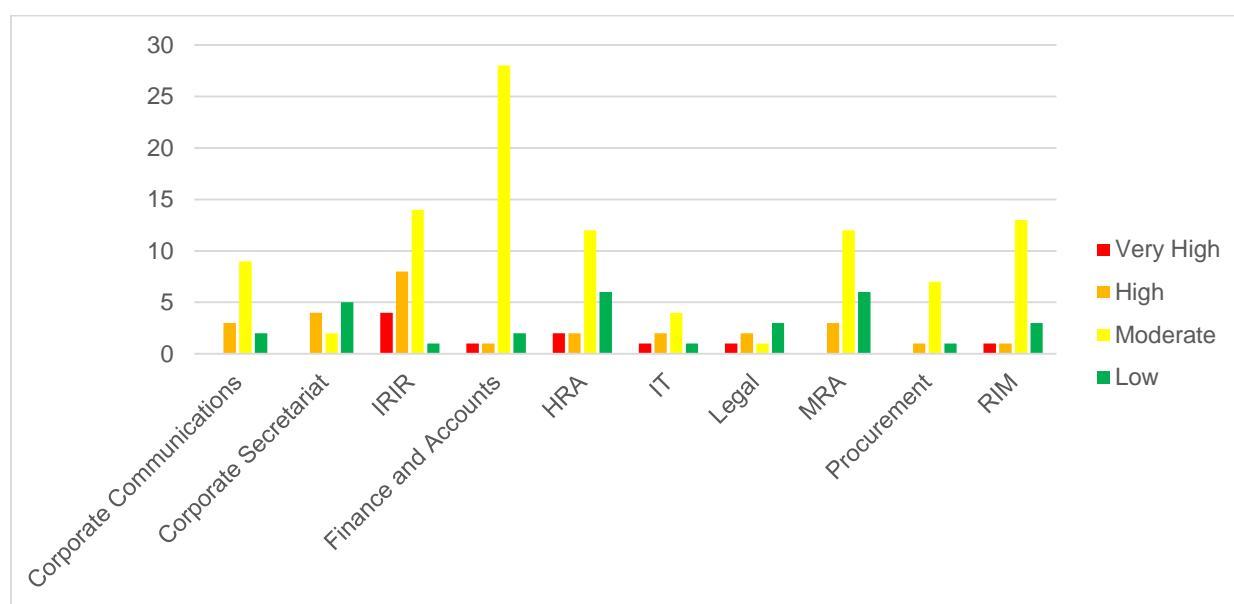
Summary of Risks Assessed by Department/Unit as at 30 September 2021

Table C: Risk Profile by Department/Unit

Ref	Department/Unit	Number of Risks Assessed	Current Residual Risks			
			Very High	High	Moderate	Low
1	Corporate Communications	14	0	3	9	2
2	Corporate Secretariat	11	0	4	2	5
3	IRIR	27	4	8	14	1
4	Finance and Accounts	32	1	1	28	2
5	HRA	22	2	2	12	6
6	ICT	8	1	2	4	1
7	Legal	7	1	2	1	3
8	MRA	21	0	3	12	6
9	Procurement	9	0	1	7	1
10	RIM	18	1	1	13	3
	Totals	169	10	27	102	30

Summary of Risks Assessed by Department/Unit as at 30 September 2021

Figure 3: Number of low to very high risks per Department/Unit



Detailed Listing of Very High Risks by Department

Department/Sub-Department/Team being assessed	Process	Process Objectives	Key Barriers Affecting Objectives (What could go wrong)	Impact Score (Low (1) to Significant (5))	Likelihood of the risk materializing (Very unlikely (1) to Very Likely (5))	Current Residual Risk	Target Residual Risk (should be at least Moderate or Low)	Planned risk response description/control (s) that will be implemented to meet Target Residual Risk
Resolution Preparedness & Crisis Management	Manage the resolution process – JDIC's role acting as receiver and/or liquidator.	Ensure operational readiness to participate in the resolution of a non-viable financial institution; reimburse depositors; and manage a crisis in a timely manner and with the least exposure to the DIF and contribute to financial system stability	Legal and operating framework for conducting financial institutions/DTIs resolvability assessments, recovery and resolution planning may not be developed and adequately implemented by Supervisor of Banks/BOJ, JDIC and Policyholders.	5 - Significant	4 - Highly Likely	Very High	Low	The BOJ to implement the framework for resolvability assessments, recovery and resolution plans. JDIC staff to be trained/ develop competencies to provide inputs, review and /or draft/conduct resolvability assessments, recovery and resolution plans.
Resolution Preparedness & Crisis Management	Develop and implement policies, procedures and systems	Ensure operational readiness to participate in the resolution of a non-viable financial institution; reimburse depositors; and manage a crisis in a timely manner and with the least exposure to the DIF and contribute to financial system stability	Corporation may not be able to attract and retain staff with requisite experience and skill set as the compensation package is not competitive with market.	5 - Significant	4 - Highly Likely	Very High	Moderate	Obtain approval and implement the Job Re-classification and Evaluation Exercise to adequately attract and retain staff with requisite experience and skill. Recruit and train staff and continue to develop existing staff competencies over the medium term.



FINAL CORPORATE PLAN, OPERATING & CAPITAL BUDGETS FY2022/2023 - FY2025/2026

Department/Sub-Department/Team being assessed	Process	Process Objectives	Key Barriers Affecting Objectives (What could go wrong)	Impact Score (Low (1) to Significant (5))	Likelihood of the risk materializing (Very unlikely (1) to Very Likely (5))	Current Residual Risk	Target Residual Risk (should be at least Moderate or Low)	Planned risk response description/control (s) that will be implemented to meet Target Residual Risk
Crisis Period Only: Resolution Planning & Execution (in collaboration with other FSSN)	Manage the recoveries and claims process	Minimize exposure to the DIF	The JDIC may not be able to recover amounts paid from the DIF to insured depositors (i.e. subrogation) from the assets of the failed DTI in liquidation. JDIC does not have priority of claims and ranks pari passu with all unsecured creditors.	5 - Significant	5 - Very Likely	Very High	Moderate	Promulgation of legislation to provide the JDIC with priority of claims. Drafting, passing and implementation of the: (1) FIRA Bill and supporting regulations; (2) Amendments to the BSA and DIA to align with the FIRA.



FINAL CORPORATE PLAN, OPERATING & CAPITAL BUDGETS FY2022/2023 - FY2025/2026

Department/Sub-Department/Team being assessed	Process	Process Objectives	Key Barriers Affecting Objectives (What could go wrong)	Impact Score (Low (1) to Significant (5))	Likelihood of the risk materializing (Very unlikely (1) to Very Likely (5))	Current Residual Risk	Target Residual Risk (should be at least Moderate or Low)	Planned risk response description/control (s) that will be implemented to meet Target Residual Risk
Crisis Period Only: Resolution Planning & Execution (in collaboration with other FSSN)	Manage resolution process - JDIC's role acting as Receiver and/or liquidator	Minimize exposure to the DIF	Rules may not be developed and tested where JDIC is appointed receiver or liquidator	4 - Very High	4 - Highly Likely	Very High	Moderate	<p>1. An SME (PWC) has been engaged to provide technical input to finalize rules for JDIC to act as receiver and liquidator, train staff and conduct simulation exercises guided by existing legislation for winding up companies in alignment with governing legislation and the FIRA.</p> <p>2. Drafting, passing and implementation of the: (i) FIRA Bill and supporting regulations; (ii) Amendments to the BSA and DIA to align with the FIRA.</p>



FINAL CORPORATE PLAN, OPERATING & CAPITAL BUDGETS FY2022/2023 - FY2025/2026

Department/Sub-Department/Team being assessed	Process	Process Objectives	Key Barriers Affecting Objectives (What could go wrong)	Impact Score (Low (1) to Significant (5))	Likelihood of the risk materializing (Very unlikely (1) to Very Likely (5))	Current Residual Risk	Target Residual Risk (should be at least Moderate or Low)	Planned risk response description/control (s) that will be implemented to meet Target Residual Risk
Legal	Crisis Management (legal support)	To ensure the operation of the appropriate legal function during times of resolution or payout.	The Corporation may be legally exposed because incorrect procedures are followed during a crisis.	5 - Significant	4 - Highly Likely	Very High	Low	Legal to work along with the Crisis Management Committee to assist in the timely updating of the procedural and operational plans, and to plan for the training of staff members. Additionally, Legal with the assistance of IRIR to attain or draft a bundle of legal documentation needed during crisis periods.

Department/Sub-Department/Team being assessed	Process	Process Objectives	Key Barriers Affecting Objectives (What could go wrong)	Impact Score (Low (1) to Significant (5))	Likelihood of the risk materializing (Very unlikely (1) to Very Likely (5))	Current Residual Risk	Target Residual Risk (should be at least Moderate or Low)	Planned risk response description/control (s) that will be implemented to meet Target Residual Risk
Human Resource and Administration	Strategic - Building Sustainable Human Resource Capacity	To ensure an adequate knowledge management organizational model where competent technical human capital is employed and retained as JDIC's most important asset.	Monetary and non-monetary benefits may lead to challenges in the available professional pool of technically competent persons.	5 - Significant	4 - Highly Likely	Very High	Low	Obtain approval and quickly implement organizational review, job evaluation and reclassification recommendation to better align functions with the expertise required. Implement commensurate and competitive rewards and recognition policies. 2 This target has not been achieved as at this update, Sept 30, 2021. Engagement issues remain and retention rate increasing. Board of Directors has written to Minister outlining urgency of matter for JDIC and requesting a meeting to discuss options to alleviate engagement and retention issues.

Department/Sub-Department/Team being assessed	Process	Process Objectives	Key Barriers Affecting Objectives (What could go wrong)	Impact Score (Low (1) to Significant (5))	Likelihood of the risk materializing (Very unlikely (1) to Very Likely (5))	Current Residual Risk	Target Residual Risk (should be at least Moderate or Low)	Planned risk response description/control (s) that will be implemented to meet Target Residual Risk
Human Resource and Administration	Salaries and Benefits	To ensure staff are adequately rewarded and motivated.	Salaries approved by the MOFPS may not always be competitive and contemplate the circumstances specific to the JDIC	5 - Significant	4 - Highly Likely	Very High	Low	The Board of Directors were engaged to advance the approval of the Job Re-Classification and Evaluation recommendation. The Board of Directors is in dialogue with MOFPS to review and obtain approval of unique JDIC circumstances.
ICT	Procurement of ICT Assets	To ensure ICT initiatives are implemented as planned and ICT systems failure is remedied promptly	Since the COVID -19 pandemic the length in time for JDIC to receive ICT assets from vendors have increased. This delay can impact the timelines of initiatives and projects.	5 - Significant	4 - Highly Likely	Very High	Low	Since the COVID-19 pandemic, the ICT department has been working alongside the Procurement Officer to get the necessary quotations and other related documents in the fastest time possible. This is to reduce the duration of the procurement process. Vendors will then be engaged for the requisite ICT asset in a timely manner.

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Records Management	Training	To ensure training is provided to owners/custodians	The relevant training may not be available to owners/custodians	4 - Very High	4 - Highly Likely	Very High	Low	Continue quarterly training program for all records owners and custodians as soon as the RIM Policies and Procedures manual is approved by COM. 2. Engage alternate training from JARD in the interim.
Finance and Accounts	Sale of Securities	Sale of securities to increase liquidity.	Securities may be sold at unfavourable prices during crisis periods consequent to market conditions.	5 - Significant	5 - Very Likely	Very High	Low	1. Enhance liquidity management to include adequate contingency funding arrangements that negates the need to sell the security; 2. Finalize contingency funding arrangements with the BOJ 3. Enter into contingency funding arrangements with multi-lateral lending agencies.



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Resolution Preparedness & Crisis Management	Develop and implement policies, procedures and systems	Ensure operational readiness to participate in the resolution of a non-viable financial institution; reimburse depositors; and manage a crisis in a timely manner and with the least exposure to the DIF and contribute to financial system stability	Staff may not be properly trained, exposed to or not aware of the policies, procedures and systems and their respective roles in a crisis.	5 - Significant	3 - Likely	High	Moderate	Ongoing robust staff training and development and simulation exercises. Implementation of more attractive compensation packages and staff benefits to attract and retain trained staff. Utilize outsourced SMEs to develop staff competencies and develop relationships that will allow for engagements to provide support to limited core staff in executing functions in resolution.

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Resolution Preparedness & Crisis Management	Develop and implement policies, procedures and systems	Ensure operational readiness to participate in the resolution of a non-viable financial institution; reimburse depositors; and manage a crisis in a timely manner and with the least exposure to the DIF and contribute to financial system stability	FSSN partners may not participate in the development and testing of policies, procedures and systems relating to inter-agency resolution and crisis management activities	5 - Significant	3 - Likely	High	Low	An FRC TWG has been established to update and operationalize the National Financial Crisis Preparedness and Management Plan (NFCMP, the Plan). Crisis Training and Simulation Exercise held in May 2021, post Report prepared detailing action items to be addressed by all FSSN agencies to enhance operational readiness. Recommended that the BOJ be assigned and assume the lead agency to ensure the ongoing review and testing of crisis readiness by all FSSN agencies.
Resolution Preparedness & Crisis Management	Develop and implement policies, procedures and systems	Ensure operational readiness to participate in the resolution of a non-viable financial institution; reimburse depositors; and manage a crisis in a timely manner and with the least exposure to the DIF and contribute to financial system stability.	Policies and procedures to ensure confidentiality, integrity and security of Policyholder data (including customer data) may not be robust and/or not developed and/or not implemented and/or not complied with.	5 - Significant	3 - Likely	High	Moderate	SME is being engaged to update the ICT Security Policies and Procedures for the Corporation and will include nuances relating to Policyholder data. This will include user sensitization and training of policies and procedures.



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Resolution Preparedness & Crisis Management	Develop and implement policies, procedures and systems	Ensure operational readiness to participate in the resolution of a non-viable financial institution; reimburse depositors; and manage a crisis in a timely manner and with the least exposure to the DIF and contribute to financial system stability	The current outsourced ICT support staff may not fully support the IRIR initiatives relating to resolution activities that are ICT based.	5 - Significant	3 - Likely	High	Moderate	1. Outsourcing of SMEs to address gaps in staffing resources particularly relating to finalizing the phased implementation of the Policyholder Recordkeeping Guidelines and Compliance Framework. 2. ICT Strategy to be developed to include resource needs assessment and implementation Plan.
Crisis Period Only: Resolution Planning & Execution (in collaboration with other FSSN)	Plan and execute resolution activities of a failed Policyholder –Payout and Non-Payout	Contribute to maintaining financial system stability; provide insured depositors with access to funds within 14 days and minimize exposure to the DIF	Depositor and other Policyholder data may not be accessible within stipulated timeline and format and may not be current and/or accurate.	5 - Significant	3 - Likely	High	Moderate	Amendments to the DIA and BSA to provide JDIC with the power to access Policyholders' data prior to a closure. Full Implementation of JDIC's Record Keeping Guidelines and Compliance Framework Record keeping requirements to be promulgated as regulations to include ongoing testing of Policyholders' level of compliance.



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Crisis Period Only: Resolution Planning & Execution (in collaboration with other FSSN)	Plan and execute resolution - Payout and Non-Payout: procuring additional resources required for resolution activities	Contribute to maintaining financial system stability; provide insured depositors with access to funds within 14 days and minimize exposure to The DIF	JDIC may not be informed of the non-viability of a DTI in a timely manner that provides for sufficient time to recruit and train additional staff and procure additional resources with requisite expertise to carry out resolution and payout management activities in a crisis	5 - Significant	3 - Likely	High	Moderate	1. Development of MOU/SLA with BOJ to enhance information sharing and collaboration in crises. 2. Ensure pool of SMEs and other service providers are maintained current. 3. Establish relationships agreements where possible. 4. Legislative amendment to exempt JDIC from procurement procedures when executing transactions relating to resolution.
Crisis Period Only: Resolution Planning & Execution (in collaboration with other FSSN)	Plan and execute resolution - Payout: Reimburse depositors of a non-viable	Contribute to maintaining financial system stability; provide insured depositors with access to funds within 14 days and minimize exposure to the DIF	JDIC may not be able to establish arrangements with a transferee bank to conduct IDPT in a timely manner.	5 - Significant	3 - Likely	High	Moderate	Establish pre-emptory arrangements with at least one Policyholder. Conduct research and implement other payment disbursement options e.g. direct bank deposit.



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Crisis Period Only: Resolution Planning & Execution (in collaboration with other FSSN)	Plan and execute resolution - Payout: Reimburse depositors of a non-viable	Contribute to maintaining financial system stability; provide insured depositors with access to funds within 14 days and minimize exposure to The DIF	JDIC may not have capacity to generate large volume of cheques and may not have arrangement with a supplier.	5 - Significant	3 - Likely	High	Moderate	Establish a list of reputable service providers who offer cheque printing services and commence discussions. Establish pre-emptory arrangements with service providers for cheque printing services.
Corporate Communications	Crisis Communication	To ensure effective communication among all stakeholders during a financial crisis.	There may be a trust deficit amongst stakeholders.	5 - Significant	3 - Likely	High	Low	Conduct annual crisis communication simulations and bolster public education and awareness campaign to broaden reach.
Corporate Communications	Crisis Communication	To ensure effective communication among all stakeholders during a financial crisis.	There may be delays in the dissemination of critical deposit insurance information to depositors and the general public.	5 - Significant	3 - Likely	High	Low	Explore engagement of a call centre to be activated when there is a crisis. Develop Darksite to be made available during a crisis (contains information on crisis) Conduct crisis communication training and crisis simulation. Roll out public education and awareness programme.

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Corporate Communications	Policyholder Training	Training of Policyholders' staff to facilitate correct dissemination of DIS information to their customers.	Member institutions may not be providing correct DI information to depositors.	4 - Very High	3 - Likely	High	Low	The Policyholders' Training programme is ongoing. An Online training programme is to be developed to complement the existing face to face interaction.
Corporate Secretariat	Preparation and Delivery of Board Papers	To inform proper Board decisions and good corporate governance.	Board documents may not be delivered within the stipulated timeframe of seven(7) days prior to Board meetings to facilitate informed decisions.	3 - High	4 - Highly Likely	High	Low	Departments will proactively communicate with Corporate Secretariat Unit as to documents that will be available for Board meetings. Additionally, reports prepared by departments will be shared with the Board prior to scheduled board meetings to provide the Board with up to date and relevant information.
Corporate Secretariat	Policy Review and Approval	Oversight and operational efficiency	Failure and/or delay of Management in reviewing and approving policies within the time stipulated.	3 - High	4 - Highly Likely	High	Low	The Corporate Secretariat Unit will annually review the policies under its ambit. While HODs are to ensure that their respective policies are reviewed in accordance with the time period indicated in same.

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Corporate Secretariat	Internal Audit Liaison	Identification and Management of Risks	The Corporation may not implement audit recommendations on a timely basis.	5 - Significant	3 - Likely	High	Low	The Corporate Secretariat Unit will remind the various units of the Action Items emanating from the Internal Audit Reports.
Corporate Secretariat	Internal Audit Liaison	Identification and Management of Risks	Untimely responses from Management to queries posited by the Internal Auditors.	4 - Very High	3 - Likely	High	Low	The Corporate Secretariat Unit may suggest to the HRA Manager that the Performance Targets of HODs include timely response to internal audit matters.
Legal	Contract Drafting and Execution	To engage the requisite services or goods for the Corporation to fulfill its objectives and mandate, while protecting the legal interests of the Corporation.	There may be untimely finalization and execution of Contracts.	5 - Significant	3 - Likely	High	Low	Periodic reminders on the expiration of Contracts will be sent to the relevant Contract Owners.

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Legal	Contract Drafting and Execution	To engage the requisite services or goods for the Corporation to fulfill its objectives and mandate, while protecting the legal interests of the Corporation.	Insufficient and/or unclear instructions given to the Legal Unit for the preparation of contracts, example: scope of work; deliverables; methodology; and so forth.	4 - Very High	3 - Likely	High	Low	The Procurement Unit has prepared a list of details to be provided once a procurement requisition is being made, this includes details needed for the drafting of contracts. Procurement/Contract Requisitions with insufficient information will be returned to Contract Owners for more fulsome instructions.
Human Resource and Administration	Staff Welfare	To minimize staff turnover while improving retention rate	There may be high staff turnover due to inadequate staff welfare programmes	4 - Very High	3 - Likely	High	Low	Improve staff welfare programme to include staff pension plan.

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Human Resource and Administration	Staff Welfare	To assist employees to improve physical and mental health.	1) Employees may experience negative physical and mental health heightened stress levels and depression during normal times. 2) Employees may experience heightened stress levels and depression due to the impact of COVID -19 pandemic.	4 - Very High	3 - Likely	High	Low	1. Establish new ways of working with restrictions as a result of the COVID-19 pandemic. 2. Identify gaps/pressure points and allocate resources or re-prioritize as appropriate to mitigate the impact on physical and mental health 3. Allow access to counselling through JDIC's Employee Assistance Programme in response to stress, anxiety or depression.
ICT	Secure ICT Systems	Ensure transmission of Critical Data going to and from the Corporation is securely passed on and not put into the wrong hands.	Staff may not be aware of and/or comply with ICT Security Policies and Procedures. As such, important files belonging to the Corporation and stakeholders may be endangered by the latest malware and will possibly be lost forever, and confidentiality breached.	5 - Significant	3 - Likely	High	Low	The ICT Security Policies and Cyber Security Policy will be updated and staff trained. An SME has been engaged and has begun collaborating with the JDIC in order to update policies and procedures.



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ICT	Anti-Malware/Virus protection	Installation of anti-malware /virus protection, which are software program designed to prevent, detect and remove malicious software (malware) on IT systems, as well as individual computing devices. This protects the Corporation's operations and mitigate against downtime.	Important files on computers/servers belonging to the Corporation/stakeholders may be damaged by various new malware and viruses especially now since we are transitioning to a new digital age.	5 - Significant	3 - Likely	High	Low	Make users aware of the risks and educate them on the latest viruses and ways to mitigate them.
Records Management	Disaster Recovery and Business Continuity	Identify, list and secure vital records	Records may be damaged from fire.	5 - Significant	3 - Likely	High	Low	1. Purchase-additional fireproof cabinets for vital records. 2. Implement electronic -RIM Program and digitize all records



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MRA	Fund Adequacy	The Fund is adequate to meet liquidity needs including capital and operating expenditures	Market conditions may be unfavourable to realizations of securities in crisis periods	5 - Significant	3 - Likely	High	Low	1. Reassess the liquidity requirement based on Fund Adequacy review against: a. What is currently happening in the market and wider economy, consistent with developments such as COVID-19, and b. Policyholders' and connected companies' performance and advise the COM and FFAM in a timely manner. 2. Finalize MOU with the BOJ to access contingency funding if needed.
MRA	Deposit Survey: Analysis of deposits	Analyze the deposits of Potential Member Institutions (Credit Unions)	Institutions may not submit requested deposit data	5 - Significant	3 - Likely	High	Low	Continue to build relationships and use moral suasion in preparation for their admission to the DIS



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MRA	Development Report: Monitoring of Policyholders	The key performance indicators of Policyholders are reviewed and implications are identified early.	Current BOJ specific data may not be shared in a timely manner.	5 - Significant	3 - Likely	High	Low	1. Implement and share JDIC schedule with BOJ for expected receipt of specific data. 2. Continue collaboration with BOJ to ensure specific data are received in a timely manner. 3. Implement an appropriate business intelligence software that can interact with BOJ's JAM-FIRMS platform to access Policyholder data in a more timely manner.

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Procurement	Procurement Planning	Acquisition of goods and services	Inability to acquire good/services in the required timeline as the procurement was not planned for which may impede another procurement activity	4 - Very High	3 - Likely	High	Low	Comprehensive research to be conducted to determine if the JDIC in its current state can facilitate the implementation of an acquisition. If not, determine what is lacking and will need to be in place to facilitate the implementation. Upon implementation, will there be any form of ongoing service/good that is required to maintain efficiency of the need acquisition
Finance and Accounts	Monthly Management Accounts	Timely preparation of monthly management accounts in accordance with IFRS standards	Accounts may not be prepared on time or prepared incorrectly	4 - Very High	3 - Likely	High	Low	Increased cross training and obtain additional staff as approved by the Staff Establishment.

BUSINESS STRATEGIES

The JDIC's business strategies are ascertained following a review of the Corporation's objects and its operating environment; a SWOT analysis; the planning assumptions; and an assessment of the strategic and operational risks, all which determines the Corporation's strategic focus for the 4-year period. The review indicated that the business strategies pursued during the last planning period remained valid and therefore will continue to be pursued during FY2022/23 – FY2025/26.

The business strategies are: **Leveraging Information and Communication Technology for Operational Efficiency; Proactive Readiness and Resolution Management; Strong Partnerships; Building Sustainable Human Resource Capacity; and Public Education and Awareness.** These business strategies support the Corporation's principal objects, Vision, Mission and are themselves supported by the Core Values. The strategies are effected through the key initiatives for the planning period, such that the Corporation achieves its mandate.

Leveraging Information and Communication Technology for Operational Efficiency continues to take pre-eminence based on a review of the Corporation's outlook for strengthening operational efficiency in a context of the increasing use of information technology for the provision of services, and for data management and protection. This is designed to allow the Corporation to effectively achieve its objectives in collaboration with its Policyholders, FSSN partners and stakeholders, as digitization of their own operations accelerates and even more so with the ongoing impact of the COVID-19 pandemic. In particular, also are the expectations of depositors who more and more demand that the channels through which they do business and carry on their lives and businesses also digitize.

The following are some of the significant considerations advising the key initiatives to support the business strategies:

- The public policy objectives as determined by the Corporation's statutory objects and emerging public policy imperatives driven by developments and trends in: the international and domestic economies; the operating environment of Policyholders; and financial system regulatory enhancements which fuel the expectations and impact behaviours of users and providers of financial services in Jamaica;

- Policyholders' rapid business innovations driven by enhanced technology, particularly in the development of new products and delivery channels with BigTech, FinTech and Artificial Intelligence; and increasing competitiveness;
- Policyholders' operating environment and performance given the increasing global economic and market volatility;
- The Corporation's operations benchmarked against international best practice standards, including the *IADI Core Principles for Effective Deposit Insurance Systems (Core Principles)*, the *FSB Key Attributes of Effective Resolution Regimes for Financial Institutions (Key Attributes)* and the *BCBS Core Principles*;
- The enhancement of the crisis management and resolution framework for financial institutions in Jamaica (the FIRA), as a critical component for financial stability and minimization of costs of financial crises;
- Enhanced collaboration and cooperation among FSSN partners and regional and international counterparts in relation to financial system stability; financial system regulation; and crisis management and planning;
- Initiatives under the Corporation's public education and awareness programme and the Financial Inclusion Strategy for the country;
- Development of the Corporation's human resource capacity under a discrete strategy for ensuring sustainability in the long term;
- Strengthening the Corporation's infrastructure capacity, including ICT, disaster recovery and business continuity for operational efficiency.

The key initiatives that will support the business strategies will also align with, and contribute to, the achievement of respective national reforms consistent with the Jamaica's Vision 2030 agenda and the declared intentions of Government to maintain fiscal discipline, management and accountability. Within the context of the impact of the COVID-19 pandemic and the resulting global recession, the JDIC and other members of the FSSN continue to build out their crisis preparedness and resolution management framework and communication plans, as well as to enhance the regulatory framework for financial institutions; recognizing that there are additional risks which must be monitored. Initiatives geared towards financial sector reform and strengthening the prudential frameworks for financial institutions continue.

1. LEVERAGING INFORMATION AND COMMUNICATION TECHNOLOGY FOR OPERATIONAL EFFICIENCY

The impact of the COVID-19 pandemic on economies has significantly increased the demand for information and communication technologies (ICT) globally; with organizations, including the banking and financial sectors, imploring customers to increase their use of digital platforms to transact business. Many organizations have also shifted to telework and online conferencing to ensure business continuity. This unprecedented use of ICT exposes both providers and users to increased risks. Consequently, the Corporation continues to strengthen its ICT infrastructure to ensure greater efficiencies, both in terms of its Policyholders business environment and its own operations.

Speed, flexibility, cost efficiency, reduced risk, cyber security and operational simplification must be characteristics that define the business operating platform. The Policyholder environment and business models and products are quickly responding to these expectations. The need for efficiency in Government services must also respond in like fashion. The Corporation's unique mandate for depositor protection and financial system stability consequently requires that it also securely hinges its operational efficiency and cost management processes through leveraging information and communication technology to the greatest extent possible through a process of strategic digital transformation of the organization over the planning period into the medium term and longer term. It is in this vein, that one of the key initiatives that will characterize the leveraging of ICT for operational efficiency will be the development of a formal ICT governance strategy with the commensurate policies, practices and procedures. ICT Governance is a formal framework that provides a structure to ensure that ICT investments support business objectives and provides a structure for aligning ICT strategies with business strategies. In 2016 Cabinet approved the ICT Governance Framework for Public Bodies, which involves the development of the ICT Transformation Process for the Government. The Corporation will assess this new ICT Governance Framework and develop its Digital Transformation Strategy Plan to support the overall strategic plan, by aligning the organisation objectives, digital possibilities and enablers, to maximise customer and stakeholder value.

Key Initiatives supporting this strategy include: Several strategic initiatives have already commenced to take advantage of technology to improve the Corporation's business processes and operational efficiency in the following areas: security of its information assets and records

management; Policyholder monitoring and risk assessment and resolution and payout management; investment and treasury management, and optimizing office administration through improvement in the HR processes and records and information management systems. As the focus increases here the Corporation will continue to engage a dedicated business analyst in year one of the planning period who will have the responsibility to appropriately assess, determine and articulate the business needs based on business processes. This will begin the process of the build out of the required hardware platforms and software.

2. PROACTIVE READINESS AND RESOLUTION MANAGEMENT

As a member of Jamaica's FSSN, the Corporation continues to have a critical role in protecting depositors and contributing to financial system soundness and stability. In a rapidly changing economic and Policyholder business environment, the Corporation must maintain its operations in a state of perpetual readiness to carry out its statutory roles as deposit insurer, receiver and liquidator for its member institutions and its holding companies and subsidiaries. The Corporation continuously addresses its capacity to monitor Policyholder risk, effectively resolve a Policyholder (including acting as receiver and liquidator) and/or promptly provide depositors with access to their insured deposits in the event that a Policyholder becomes non-viable. As such the Corporation continues to work closely with FSSN partners; sharing information and through the FRC participates in multi-agency financial crisis preparedness and management training and simulation exercises.

The *FSB Key Attributes* set out the core elements necessary for an effective resolution regime and implementation should allow authorities to resolve financial institutions in an orderly manner without (or with minimum and recoverable) taxpayers' exposure to loss from solvency support, while maintaining continuity of their vital economic functions. These standards require that effective resolution management of financial institutions should have as its primary objectives: reducing the cost of bank resolutions for stakeholders not at fault; and where possible transfer risk to those who have the ability to bear it and remove obligations from the public purse. The enhancement of the resolution framework for financial institutions in Jamaica in line with the international best practice standards is one of the targets under the GOJ economic reforms and continues to be a key initiative during the planning period.

Key initiatives supporting this strategy include In collaboration with the FSSN partners, finalizing the work to enhance the resolution framework through the promulgation of the FIRA which includes provisions for a special insolvency regime for financial institutions; promulgating regulations for the Corporation to act as receiver or liquidator and building the internal capacity of staff to do so; continued implementation of guidelines for standard record-keeping requirements for all JDIC Policyholders and the supporting compliance framework with a view of implanting necessary regulations to support this purpose. Additionally, there is the BOJ transition to Consolidated Risk Based Supervision; and updating the Corporation's Policyholder risk assessment framework with considerations for admission of the credit unions to the DIS. The Corporation will also continue its collaboration with the FSSN partners towards the proposed establishment of compensation schemes for the non DTI sector.

3. STRONG PARTNERSHIPS

With the overarching objectives for financial stability, strong partnerships among key stakeholders allow for: the timely sharing of relevant information and expertise; cross institutional learning; strengthening of institutional capacity; effective collaboration, coordination and robust decision making prior to and in crisis periods; and post crisis assessments for holistic system enhancement among other benefits. In this vein, the Corporation continues to strengthen partnerships with the FSSN, Policyholders, the IADI and its members, and regional and multilateral bodies. This provides for cooperation and information sharing on the regulation of conglomerated institutions, interconnected financial entities, cross border supervision and resolution, as well as the sharing of expertise.

The Corporation works closely with the other FSSN partners and relies on them for mission critical information, in particular the BOJ given its role as Supervisor of Banks and its mandate for financial system stability. In addition to operational meetings held from time to time among these agencies, there are the FRC and FSSC which provide statutory platforms for information sharing and collaboration.

The Corporation will continue its membership with the IADI as a key medium to keep abreast of developments in the international financial system and deposit insurance best practices, as well as having access to the largest potential pool of subject matter expertise and training. Working relations with other relevant international organizations will continue to be forged as required.

Collaboration with Policyholders will continue to ensure a mutually beneficial relationship which enables the dissemination of vital information to depositors and the most effective interface with Policyholders in times of financial crisis.

Key initiatives supporting this strategy include: Continuing to providing technical support to FRC and FSSC working groups, to include coordination and collaboration on selected interagency activities in a financial crisis; participating in the implementation of initiatives to address the recommendations arising from the Financial Sector Assessment Programmes conducted in 2018; developing supporting documentation for the NFCMP and participating in FSSN multi-agency crisis simulations; continued participation in the technical work of the IADI and the CARICOM TWG to develop a Deposit Insurance Framework for member states.

4. BUILDING SUSTAINABLE HUMAN RESOURCE CAPACITY

The JDIC's human resources are the primary value creating assets of the JDIC. Therefore, this strategy, although equally as important as the others, must also be given urgent importance.

Integral to achieving the Corporation's overarching objectives for depositor confidence, and financial system stability, is operating a knowledge and talent management organizational model, where technical expertise of the human capital is the most important asset. The model should therefore recognize and promote sustainable human resource capacity through the implementation of knowledge and talent management, recruitment, retention and succession policies and practices. This supports the assurance of the proactive readiness of the JDIC to achieve its overarching objectives.

The operating structures, compensation and reward systems should be designed to incentivize this outcome. The organization benefits where expert knowledge can be used to readily create and modify strategies to achieve the public policy objectives in a rapidly changing complex environment with dynamic labour markets. Knowledge management continues to be challenging for businesses like the Corporation. This results from a high turnover rate that compromises the maximization of value of these entities. The current residual risk is high for the Corporation in the management of its human capital. The objective during the planning period is to reduce this risk. The reasons for the risk in this area are both external and internal. Compensation of key staff is still substantially below the market and has remained so for a sustained period as they are subject to public sector imposed constraints. Benefits which tend to engender company loyalty and

incentives for long term employment are currently not available. The organization structure first implemented in 1998, does not sufficiently support the retention of the human capital required for the Corporation under this strategy. In this environment, the recruitment of expert staff is not possible and those trained in the requisite skills and expertise (and those in training), quickly seek better employment opportunities locally and overseas. Wider aspects of the economic and social environment juxtaposed with the rapidly changing nature of employment markets also contribute to this risk.

The limited skilled and experienced staff must consequently undertake wider spans of responsibilities, unduly and unfairly increasing pressure for delivery impacting job satisfaction and effectiveness. This potentially exposes the Corporation to less than optimal performance.

In examining the issues for ensuring sustainable human resource capacity, consideration has been given to the challenges from a structural perspective. The career path and ability of knowledge workers to actualize over the long term will be taken into account and supported by the structures.

Key initiatives supporting this strategy include: The organizational modelling and structure review, job evaluations and classifications system for implementation, consistent with and supportive of knowledge management in the JDIC. The review commenced in FY2017/18 and takes into account emerging best standards applicable to employment strategies for staff in the Corporation's business sector and the need for responsiveness to required changes for effective human resource management in dynamic knowledge based employment markets. This initiative should better align the structure with the expertise required, capacity for continued development, competitive rewards and recognition and succession policies. The Corporation finalized the organizational modeling and review, job evaluation and reclassification exercise and submitted a report and recommendations to the MoFPS in August 2018 for approval and immediate implementation. In October 2021 the MoFPS confirmed its approval of the organizational structure and the commensurate compensation package is anticipated for implementation at the start of the planning period, as per the Government's timetable for its Public Sector Transformation and Modernisation (PSTM) Programme.

Other initiatives to support this strategy include Implementation of the pension scheme; strengthening of the human resource policies, guidelines and procedures framework, including review of its performance management system; and continued staff training and development in

core functional areas to build expertise. In support of the human resource capacity strategy the Corporation will also seek to secure more appropriate office accommodation during the planning period.

5. PUBLIC EDUCATION AND AWARENESS

Public awareness is one of the IADI *Core Principles for Effective Deposit Insurance Systems*. The principle *inter alia* states that an informed public makes better choices when accessing financial services and have more confidence in periods of financial system distress. Ensuring that the public is educated as to the protections and limitations of deposit insurance, as well as the regulation of the financial system also comes under the rubric of consumer protection, financial literacy and financial inclusion. This continues to be a key pre-emptive strategy of the Corporation for maintaining depositor confidence and financial system stability.

Since establishment, the Corporation has recognized public education and awareness as a key business strategy. In disseminating information on the DIS and regulation of the financial system, the Corporation partners with the other members of the FSSN, mainly through coordinated public forums. This collaboration has been strengthened through recognition by JDIC that its public education mandate is adjunct to a strategy for financial inclusion and therefore the JDIC's membership on the National Financial Inclusion Strategy (NFIS) Committee and the NFIS Consumer Protection and Financial Literacy Capability working group.

Being the first point of contact with depositors, Policyholders remain critical to the dissemination of deposit insurance information. The Corporation offers training through workshops for the staff of Policyholders (this will include credit unions on admission to the DIS) to ensure accuracy in the information being shared with customers and other members of the public. The public education programme also focuses on students of primary and secondary schools facilitated through presentations and various competitions.

The Corporation's advertising campaign continues to be an effective strategy to disseminate key deposit insurance messages using the print and electronic media, including digital media which will be enhanced during the planning period. Presentations are also made to private and public sector organizations.

An overhauling of the public education programme commenced in FY2021/22 and will continue during the planning period. This is in an effort to increase awareness level which a survey conducted in FY2017/18 indicated was at 47 percent, albeit consistent with awareness levels in other jurisdictions where there have been no financial crises. Public awareness surveys are conducted periodically to test the effectiveness of the programme, and the next survey will be conducted during the last quarter of FY2021/22; as well as at least two (2) others during the planning period.

Key initiatives supporting this strategy include: Along with an enhanced framework for public education and awareness that meets the needs and expectations of financial consumers will be: the schools' programme to include publishing of a financial education book (hard and electronic) for primary schools; development of an online training programme for Policyholders; continued collaboration through public forums with FSSN partners and other key stakeholders, including work with NFIS Consumer Protection and Financial Capability working group to formulate appropriate initiatives to reach the target audience.

PART B

(Satisfaction of Item 6 of the First Schedule of the PBMA)

TABLES 1 AND 2

TABULAR FORM OF BUSINESS STRATEGIES/KEY INITIATIVES AND KPIs

FY2022/23 – FY2025/26 (TABLE 1)

AND

CORPORATE SCORECARD FY2022/23 (TABLE 2)



TABLE 1

CORPORATE PLAN FY2022/23-FY2025/26

BUSINESS STRATEGIES AND KEY INITIATIVES

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1. Proactive Readiness and Resolution Management								
1.1 Finalize the Phased Implementation of Standard Recordkeeping Guidelines and Compliance Framework for Policyholders	IRIR, GCCSC	ICT Unit, Legal Unit		Q1-Q4				<ul style="list-style-type: none"> Finalize procurement of an ICT Firm to provide technical inputs to complete all outstanding implementation activities Revise the Recordkeeping Guidelines and Compliance Framework Deliver sensitization sessions on the revised draft Recordkeeping Guidelines and Compliance Framework to all Member Institutions. Agree schedule to commence the pilot exercises with selected Member Institutions to test data transmission activities as outlined in the Compliance Framework.
					Q1-Q4			<ul style="list-style-type: none"> Conduct pilot exercises with selected Member Institutions to test data transmission activities as outlined in the Compliance Framework (timelines to be agreed with Member Institutions and will thereafter become a part of the department's routine/ ongoing activities). Make final revisions to the Recordkeeping Guidelines and Compliance Framework to incorporate feedback from sensitization sessions and pilot (To incorporate frequency of compliance testing and required exemptions for Policyholders based on their size and implication i.e. principle of proportionality). Submit the Recordkeeping Guidelines and Compliance Framework to Member Institutions for implementation. Agree schedule and conduct one initial Compliance testing with all Policyholders (may continue into Year 3) and implement ongoing / routine schedule thereafter. Discuss and agree with BOJ the feasibility of incorporating compliance assessments within the scope of the supervisory onsite examinations or JDIC commissioned assessments to augment the Compliance Framework.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.1 Finalize the Phased Implementation of Standard Recordkeeping Guidelines and Compliance Framework for Policyholders (Cont'd)	IRIR, GCCSC	ICT Unit, Legal Unit, Credit Unions and other Stakeholders (BOJ, JBA, JCCUL)				Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Continue ongoing Member Institutions testing of Compliance Framework based on schedule agreed with Member Institutions. Deliver sensitization sessions on the Recordkeeping Guidelines and Compliance Framework to credit unions (contingent on the passing of the CUSPA). Develop schedule and commence the pilot exercises with selected Credit Unions to test data transmission activities as outlined in the Compliance Framework. Issue consultation paper to promulgate Regulations for Policyholders' Recordkeeping Requirements and Compliance Framework. Submit recommendations to the MOFPS to inform the drafting of Regulations
1.2 Engage Member Institutions, Professional Intermediaries, Nominees and Trustees to Increase Awareness on the Recordkeeping and Disclosure Requirements for Separate Deposit Insurance Coverage for Beneficiaries	IRIR	Corporate Communications Unit, ICT Unit, Legal Unit, Policyholders and Professional Intermediaries			Q1-Q4			<ul style="list-style-type: none"> Draft guidelines for professional intermediaries acting as trustees and nominees to comply with their obligations for disclosure and recordkeeping requirements pursuant to the Regulations (include simple and clear specifications for data format) and issue for implementation. Review and update as necessary public education initiatives for targeted stakeholders to increase awareness about the disclosure and record keeping obligations regarding trust and nominee accounts.
						Q2-Q4		<ul style="list-style-type: none"> Conduct research and make recommendations on the feasibility of implementing an appropriate compliance framework for professional intermediaries. Determine implementation strategy and make proposals to ensure adequacy of the legal and operating framework for implementation. Dispatch the compliance framework for implementation.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	

1.3 Test Contingency Planning and Crisis Preparedness								
1.3.1 Create a Contingency Plan and Crisis Management Shared Database	IRIR	IRIR Department, ICT Unit, RIM Unit		Q2-Q3				<ul style="list-style-type: none"> Review and update list of the compendium of the policies, procedures and pre- drafted contingency planning and crisis management document to be maintained in the database (The compendium of documents is currently maintained on the network shared drive by the IRIR Department) Document the business needs and functionalities of the shared database Identify and procure the shared database Develop a crisis management database maintenance, use and access internal guidance and protocols taking into consideration the RIM Policies and Procedures Commence ongoing update/ maintaining of current documents/data in the database
1.3.2 Conduct Agency Specific Contingency Planning and Financial Crisis Management Simulations	IRIR	All Departments		Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Develop simulation and training material including the simulation plan Conduct the simulation and training Prepare simulation report

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.3.3 Conduct Multi-Agency Financial Crisis Simulations with Other FSSN Partners - BOJ; FSC and MoFPS	IRIR	All Departments, BOJ, FSC and MoFPS		Q1-Q2		Q1-Q2		<ul style="list-style-type: none"> Participate in FRC led activities to plan and execute a multi-agency simulation. (Subject to the FRC schedule) Participate in the multi- agency simulation Develop action plan to address gaps identified during the simulation with regard to the JDIC's mandate Provide technical input based on FRC Inter agency action plans and schedules to address gaps identified during the simulation.
1.3.4 Conduct Crisis Communication Simulation Activities - (Refer IRIR Departmental Plan)	GCCSC	All Departments		Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Engage consultant to plan training and simulation activities. (May include access to a call centre and training of the call centre staff). Assist in developing simulation scenarios and simulation plan and conduct simulation. Prepare simulation report - document findings and proposed action plan. Update of the Crisis Communication Manual as required to address gaps identified.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.3.5 Simulate FRC Inter-Agency Financial Crisis Communication Plan	GCCSC	All Departments and FRC Crisis Communication Team		Q1-Q4				<ul style="list-style-type: none"> In collaboration with the BOJ (lead agency) and other members of the FRC Crisis Communication Team (CCT), contribute to drafting of the TOR to engage consultant to conduct a crisis communication training and simulation for submission to the FRC for approval. Work with the CCT to finalize TOR and engage Consultant and assist with the build out of the crisis scenarios and simulation exercises.
					Q1-Q2			<ul style="list-style-type: none"> In collaboration with the CCT assist with the execution of and participate in crisis communication training and simulation exercise
					Q3-Q4			<ul style="list-style-type: none"> Address gaps identified in the simulation exercise and work with CCT to update of FRC Interagency Crisis Communication Plan. Update JDIC's Crisis Communication Manual as required.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	

1.4 Strengthen the Resolution Management Framework and Resolution Readiness								
1.4.1 Make Proposals for Legislative Amendments and the Drafting of Rules to Ensure the Corporation has the Necessary Powers to Act and Operationalise its Role in Resolution	IRIR, GCCSC	MRA, Legal Unit, Corporate Communications Unit, BOJ, FSC, FRC, MoFPS, SME, Member Institutions		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Finalize and submit to the MOFPS proposals for amendments to the DIA and promulgation of rules for respective provisions. (Based on the MOFPS and the legislature agenda, as well as some initiatives may require prior stakeholder consultations). Follow through on the legislative process. Conduct consultations with stakeholders as necessary. Operationalize the Regulations.
1.4.2 Continue to Develop Internal Resolution Policies, Processes and Pre Drafted Legal Documents, Notices and Other Material and Compile a "Resolution Toolkit"	IRIR; GCCSC	MRA, Legal Unit, Corporate Communications Unit, BOJ, FSC, MoFPS, SME, Member Institutions		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Draft resolution policies, procedures, legal and other documents based on work plan Submit policies, procedures and documentation for requisite internal inputs and approvals (Legal Unit, COM, Board) and stakeholder consultations if required.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2024/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.4.3 Provide Technical Input in Collaboration with the MoFPS, BOJ and the FSC to Table and Implement the Financial Institution Resolution Act	IRIR, GCCSC	IRIR, MRA, GCCSC, BOJ, FSC, MoFPS		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Conduct research, provide technical input and participate in other FRC inter-agency activities during all the enactment stages of the FIRA including making proposals for consequential amendments to the DIA. Develop implementation plan to execute JDIC' role and functions pursuant to the FIRA
						Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Conduct the activities to implement JDIC' role and functions pursuant to the FIRA Provide technical input for the preparation of drafting instructions for the supporting regulations and implementation of the FIRA consistent with the FRC TWG work plan.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.4.4 Develop Guidelines on the Relationship Between the JDIC in its Role as Receiver, Liquidator, and Resolution Administrator and the Bank of Jamaica as the Resolution Authority Under the FIRA	IRIR, GCCSC	MRA, GCCSC, BOJ, FSC, MoFPS		Q1-Q4				<ul style="list-style-type: none"> Continue research and finalize the development of the JDIC's internal organizational structures for trustee/liquidations and resolution administrations.
					Q1-Q4	Q1-Q4		<ul style="list-style-type: none"> Draft internal guidelines and other appropriate policies, procedures and operating memoranda where necessary, to guide the JDIC's relationship with the BOJ/resolution authority and other potential resolution actors appointed as such specific to the DIC's roles as receiver and trustee/ liquidator (as per section 5 (2)(c) and resolution administrator (FIRA). Review and update internal guidelines, other appropriate policies, procedures and operating memoranda, and internal organizational structures for liquidations and resolution administrations to ensure consistency with the FIRA.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.5 Credit Union Admission to the Deposit Insurance Scheme	MRA	FFAM; IRIR; GCCSC; ICT; MOFPS, BOJ; Credit Unions; Jamaica Cooperative Credit Union League; and the Registrar of Cooperative Societies.		Q1-Q4				<ul style="list-style-type: none"> Review the CUSPA to treat with any nuances in relation to the DIA and recommend proposals, as necessary; Continue to build-out the risk assessment framework for credit unions consistent with the proposed supervisory assessment standard; Review the appropriateness of the initial proposed target fund reserve ratio for the sector vis-à-vis the potential risk of the sector; Research regarding the nuances of the structure of the sector to inform the Corporation's understanding the operations of the credit union sector; Prepare for the admission of credit unions to the DIS, consistent with the BOJ licensing process.
					Q1-Q4			<ul style="list-style-type: none"> Make any further amendments to the JDIC PRAF, as necessary, regarding the risk assessment process for the sector.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.5.1 Accounting for the Admission of Credit Unions (Refer to MRA Departmental Plan)	FFAM	COM; MRA; IRIR		Q1-Q4				<ul style="list-style-type: none"> Review and update the Accounting and Payroll Manual to accommodate the admission of credit unions to the DIS. Obtain approval and open a separate Bank Account Prepare chart of accounts, open General Ledger Accounts and restructure format to accommodate the processing for the additional requirements.
1.5.2 Legislative Amendments to the DIA in Keeping with the Admission of Credit Unions to the Deposit Insurance Schemes (DIS)	GCCSC	MRA, IRIR, FFAM, MoFPS		Q1-Q4				<ul style="list-style-type: none"> Review the DIA with a view to submitting a proposal of consequential amendments to the DIA to the MoFPS. Submit a Proposal of consequential amendments to the DIA upon the promulgation of the CUSPA to the MoFPS. See necessary legislative reform through to implementation.
1.5.3 Review and Update Internal Policies, Procedures and Systems to Include Credit Unions	GCCSC	MRA, IRIR, FFAM, MoFPS		Q1-Q4				<ul style="list-style-type: none"> Assist in the development and preparation of internal policies and procedures documentation, to ensure proper monitoring of credit unions in accordance with the DIA. Assist in the preparation and development of internal policies and procedures documentation for the establishment of a compliance framework, inclusive of Credit Unions. Assist in the preparation and development of internal record keeping, resolution and pay-out policies and procedures to address the unique corporate structure of credit unions.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	

1.6 Update the Monitoring and Risk Assessment Policies and Procedures	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; Credit Unions; Jamaica Cooperative Credit Union League; Department of Cooperatives and Friendly Societies (DCFS); IADI		Q1-Q4				<ul style="list-style-type: none"> Collaborate with the BOJ to determine the risk profile of the credit union sector and develop reporting schedule (frequency and types of reports) and assessment standard for credit unions, and update the PRAF with consequential amendments; Collaborate and establish with the JCCUL specific information sharing schedule and continue the monitoring and risk assessment of credit unions, as well as conduct sensitization sessions with JCCUL staff and their credit union members; Continue formal monitoring and reporting on key financial indicators and overall position of individual credit unions and the credit union sub-sector; Continue to update/develop policy and procedure documents, as appropriate; Review and update the Membership and Admission Policy to treat with monitoring of expanded delivery channels by Member Institutions.
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TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.6 Update the Monitoring and Risk Assessment Policies and Procedures (Cont'd)	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; Credit Unions; Jamaica Cooperative Credit Union League (subject to the JCCUL's role once the Regulations is enacted) and the MOFPS; IADI			Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Collaborate with BOJ and credit unions with regard to admission, development and monitoring of the sector. Update and develop policies and procedures from on-going research.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.7 Implementation of Member Institutions' Business Intelligence Software (MIBIS)	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; Member Institutions		Q1-Q4				<ul style="list-style-type: none"> Document the data requirements for the JDIC to determine the need for a business intelligence (BI) software; If it is determined that there is a need for a BI software, the BA will conduct market research to determine the most feasible BI software that is capable of interfacing with the BOJ JAM-FIRMS; Finalize with the BOJ, all the data requirements necessary for the JDIC to access the BOJ FSD portal.
					Q1-Q4			<ul style="list-style-type: none"> Prepare a TOR request for proposal for the procurement of the recommended BI software. Procure the BI software.
						Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> User acceptance of risk assessment software and full implementation. Prepare post implementation and reassessment report.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.8 Compensation Schemes	MRA	FFAM; IRIR; GCCSC; FSC; MoFPS; BOJ; CARTAC/IMF; IADI (FSCS)		Q1-Q4				<ul style="list-style-type: none"> Review the previous documents on the topic, the 2005 diagnostic report and the 2009 consultancy paper recommendations, "Proposal for Establishing Compensation Schemes for the Non-Deposit Taking Financial Sector in Jamaica". Continue to collaborate with the FSC to address the weaknesses identified in the 2009 Recommendation, by the MoFPS and other stakeholders.
					Q1-Q4			<ul style="list-style-type: none"> Develop the Terms of Reference and scope of work to convert the JDIC to an integrated protection agency to further strengthen investor depositor and investor compensation across all financial sectors. Conduct Research to identify potential subject matter expert(s) (SME) to assist the Corporation with the design features for the development and implementation of an integrated protection scheme; and Develop the Terms of Reference to engage a SME to assist the JDIC in the build out an integrated protection scheme, in keeping with existing regulations and pending pieces of legislation and financial systems development.
						Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Continue research and work and collaboration for the implementation of an integrated protection scheme, including the name change of the JDIC to reflect any expanded mandate.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.8.1 Implementation of Compensation Schemes for Non-Deposit Taking Institutions (DTIs) - Operational Processes	FFAM	ICT; COM; MRA; IRIR				Q1-Q4		<ul style="list-style-type: none"> Identify and draft procedures for the financial operational processes. Identify and get approval for investment strategies. Prepare operating environment for the investment and management of the investment funds.
							Q1-Q4	<ul style="list-style-type: none"> Review operating environment for the investment and management of the investment funds.
1.8.2 Accounting for Compensation Schemes	FFAM	COM; MRA; IRIR				Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Review and update the Accounting and Payroll Manual to accommodate the establishment of compensation schemes Obtain approval and open Bank Accounts Open General Ledger Accounts to accommodate the processing for the separate and additional requirements.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.9 Deposit Insurance Fund Adequacy Evaluation (DIFAE)	MRA	FFAM; IRIR; GCCSC		Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Conduct the Deposit Insurance Fund Adequacy Review internally; Present findings and recommendations to COM and Board
1.10 Review of the Coverage Limit and The Scope of Coverage	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; Member Institutions; Ministry of Finance		Q1-Q4				<ul style="list-style-type: none"> Develop survey instrument to ascertain the suite of product offerings by DTIs, the credit unions and other IADI jurisdictions; Conduct survey of the suite of the product offerings.
					Q1-Q4			<ul style="list-style-type: none"> Collate findings on the scope of coverage survey and prepare analytical document; Present recommendations to the COM, and Board, where applicable. Conduct comprehensive review of the coverage rules for further amendments to the Coverage Rules Handbook, if necessary, in collaboration with the Corporate Communications unit to ensure clarity and fulsome understanding by depositors.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.10 Review of the Coverage Limit and the Scope of Coverage (Cont'd)	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; IADI; Member Institutions; MoFPS				Q1-Q4		<ul style="list-style-type: none"> Prepare background information for the Legal unit to draft Regulation to include the Rules of Coverage, should it be necessary. Notify Member Institutions and other relevant stakeholders of any changes in the scope of coverage and the implementation timeframe. Participate in public education campaign with Corporate Communications unit
							Q1-Q4	<ul style="list-style-type: none"> Conduct review of the coverage limit having due regard to any significant changes in market conditions; Obtain Board sign-off, if necessary, on any change regarding the findings and recommendations on the existing coverage limit; Prepare the necessary Ministerial Order, if a change to the coverage limit is recommended.

TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.11 Review of the Premium Assessment Rate	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; Member Institutions; MoFPS			Q1-Q4			<ul style="list-style-type: none"> Conduct review of the appropriateness of the premium assessment rate having due regard to the adequacy of the Fund, the strength of the financial system and the developments in the macro economy. Obtain COM and Board sign-off on any change based on the findings and recommendations of the premium assessment rate review.
						Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Prepare the necessary Ministerial Order, if a change to the assessment rate is recommended. Notify Member Institutions and other relevant stakeholders of changes, if any, to the assessment rate and implementation timeframe. Operationalize and implement any change made to the premium assessment rate, should this be necessary.



TABLE 1								
CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.12 Examine the Feasibility of a Framework for Differential Premium Rates	MRA	FFAM; IRIR; GCCSC; ICT; BOJ; FSC; Member Institutions				Q1-Q4		<ul style="list-style-type: none"> Update FY2014/15 research regarding the implementation of DPS for existing MIs as well as the continued monitoring of the credit union sector to determine the practicality of implementing such a system for the sector. Present findings and recommendations to COM, and Board, if necessary.
1.13 Update the Deposit Insurance Fund Contingency Funding Plan for Resolution	FFAM	COM; MRA; IRIR		Q1-Q4				<ul style="list-style-type: none"> Continue collaboration with the Minister/MoFPS/PIOJ and relevant Government Agencies to clarify prevailing GOJ policy as it impacts lending terms and conditions for obtaining loans from Regional and Multi-Lateral Lending Agencies. Obtain funding information, terms and conditions from other potential lending sources. Update the CFP to align with the Corporation's resolution funding obligations under the DIA and the FIRA.

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.14 Development of ICT Bank Closing Process	FFAM	ICT; GCCSC; IRIR; FFAM		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Conduct an assessment of JDIC's ICT infrastructure, policies and procedures to ensure it supports the current resolution processes and prepare gap analysis Research and review resolution documentation from other Deposit Insurers. Make recommendations to address gaps Develop ICT policies and procedures to support resolution and commence implementation
1.15 Accounting Policies, Procedures and Systems for the Management of the Resolution Fund to be Established Under the FIRA	FFAM	COM; MRA; IRIR			Q1-Q4			<ul style="list-style-type: none"> Review and update the Accounting and Payroll Manual and the Treasury Management Manual to account for the management of the Resolution Fund consistent with the FIRA and for the Corporation to act as Receiver and Liquidator. Obtain approval and open a separate Bank Account. Open General Ledger Accounts and restructure format to accommodate the processing for the additional requirements.

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.16 Administration								
1.16.1 Rental of Additional Office Accommodation/Revise and Refurbish Office Layout	FFAM;	COM; Procurement Committee; Board		Q1-Q4				<ul style="list-style-type: none"> • Prepare Request for Proposal (RFP) • Contract the services of an Office Design Specialist and/or Interior Decorator to assess layout and office space requirements • Agree on design and finalise refurbishing • Contract the services of a Contractor and/or Furniture & Systems Supplier. • Agree space requirements, design specification and location. • Implement and finalise refurbishing requirements.
1.16.2 Purchase Acquisition Office of Accommodation	FFAM	COM; Procurement Committee; Board				Q2-Q4		<ul style="list-style-type: none"> • Obtain approval of the MOFPS and the Public Investment Management Secretariat (PIMSEC) for the acquisition of office accommodation. • Purchase of office accommodation.
							Q1-Q4	<ul style="list-style-type: none"> • Prepare RFP • Contract the services of Technical Consultants to advise on the office accommodation, office design, refurbishing and interior Design • Agree on design and finalise refurbishing • Contract the services of a Contractor and/or Furniture & Systems Supplier. • Agree space requirements, design specification and location. • Finalise acquisition and refurbishing.

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.16.3 Conversion of Energy System - Solar Energy	FFAM	FFAM, COM; Procurement Committee; Board		Q1-Q3				<ul style="list-style-type: none"> Procurement of technical support to conduct assessment. Obtain approval for the procurement for the supply and installation of solar energy system. Commence installation of the solar energy system.
					Q1-Q4			<ul style="list-style-type: none"> Finalise the installation of solar energy system. Commission the solar energy system into operation
1.16.4 Conversion of Air Conditioning Units	FFAM	COM; Procurement Committee; Board		Q1-Q4				<ul style="list-style-type: none"> Implementation and installation of energy efficient units.

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
1.16.5 Environmental Management	FFAM	FFAM, COM; Procurement Committee; Board		Q2-Q4				<ul style="list-style-type: none"> Engage a Subject Matter Expert to assess the JDIC environment and assist in reviewing the JS ISO 14001:2015 and JS ISO 14005:2019 – EMS Guidelines to determine the requirements and develop an appropriate Action Plan for implementation.
					Q3-Q4	Q3-Q4	Q3-Q4	<ul style="list-style-type: none"> Implement the approved EMS Action Plan on a phased basis.
1.17 Promulgate Legislation to Access Policyholder Records at all Times	GCCSC	CEO, IRIR, MRA, ICT, BOJ, MoFPS, Policyholders, and other stakeholders		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Review applicable legislation with regards to the storage of policyholder information and ensure compliance through the drafting of internal policies and procedures. Draft and prepare the relevant cooperation agreements and legal documentation needed for the administration of the expanded power to access policyholders' information.

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1.18 Establishment and Implementation of Data Protection Framework	GCCSC	All Departments		Q1-Q4				<ul style="list-style-type: none"> Engage Data Protection/ Privacy Consultant to provide the services needed to resolve those gaps identified in the JDIC's processing of data and to establish and implement a Data Protection Framework. Execute activities for the fixing of gaps identified. Execute activities for the development and establishment of the Data Protection Framework as guided by the Consultant. Revise internal policies and procedures in accordance with the Data Protection Act to ensure compliance with the Act. Draft Data Protection Policy for review and approval by the Committee of Management. In collaboration with the Consultant make a presentation to the Committee of Management on the Data Protection Framework, inclusive of the Data Protection Policy. In collaboration with the Consultant make a presentation to the Board of Directors on the Data Protection Framework, inclusive of the Data Protection Policy. Coordinate staff training/sensitization sessions on the Data Protection Act and in-house framework.

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1.19 Conduct Media Communication Training and Simulation	GCCSC	All Departments			Q2-Q4		Q2-Q4	<ul style="list-style-type: none"> • Prepare procurement documentation to engage a Consultant to conduct the media training and simulation exercise. • Manage the process for the Consultant to: build-out the training material; conduct staff training and simulation; prepare training/simulation report; document findings and proposed action plan. • Update the Communications Manual to address gaps identified, as required.

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
2 Strong Partnerships								
2.1 Deliver Regional Training/Seminar for IADI Members and CARICOM Member States	IRIR	All Departments, IADI, Presenters				Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Obtain approval of IADI Secretariat to host knowledge event. Finalize logistical arrangements for location. Finalize theme and identify presenters. Issue invitation. Host IADI knowledge event.
2.2 Collaborate with the CARICOM Secretariat and Member Countries to Develop a CARICOM Deposit Insurance Model Law	IRIR, GCCSC	MRA		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Provide technical input and support consistent with the CARICOM Secretariat and TWG to draft a deposit insurance model law for member states.
2.3 Implementation of Service Level Agreements for Information Sharing with the Central Bank and the Financial Services Commission	MRA, GCCSC	CEO; FFAM; IRIR; GCCSC; ICT; BOJ; FSC		Q1-Q4				<ul style="list-style-type: none"> Review and resubmit the draft Service Level Agreement with the BOJ, to COM for approval. Resubmit the Service Level Agreement to the BOJ for their input.
					Q1-Q4			<ul style="list-style-type: none"> Operationalize the Service Level Agreement with the BOJ Draft SLA and share with FSC
						Q1-Q4		<ul style="list-style-type: none"> Operationalize the Service Level Agreement with the FSC

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
2.4 Strengthen Member Institutions (MIs) Engagement	MRA	CEO; FFAM; IRIR; GCCSC; ICT; Member Institutions		Q1-Q4				<ul style="list-style-type: none"> Continue to work with the Corporate Communications Unit to finalize the updating and revamping of the JDIC website.
					Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Provide inputs to Corporate Communications unit with regard to the preparation for the meetings with CEOs of MIs and their respective operations and compliance officers and counterparty relationship managers of the other FSSN Partners.
2.41. Strengthen Member Institutions/Strategic Partners Engagement	GCCSC	All Departments, Member Institutions, Stakeholders			Q1-Q2		Q1-Q2	<ul style="list-style-type: none"> Issue invitation letters to member institutions to attend and participate in Policyholders' Fora. Prepare power point presentations and evaluation questionnaire for hosting of Fora. Prepare Evaluation Report on Fora for the COM and sharing with Policyholders. Design survey instrument to gauge Policyholders/strategic partners' confidence in and awareness of the JDIC and the DIS.

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2.5 Establishment of Compensation/Guarantee Schemes for the Non-Deposit Taking Sector (Collaboration with FSC and BOJ)	GCCSC	MRA; FFAM; IRIR; FSC; MoFPS; BOJ; IADI		Q1-Q4				<ul style="list-style-type: none"> Participate in the review and revision of the 2010 consultancy paper recommendations, "Proposal for Establishing Compensation Schemes for the Non-Deposit Taking Financial Sector in Jamaica".
					Q1-Q3	Q1-Q3		<ul style="list-style-type: none"> Conduct research into the legislative provisions of other deposit insurers internationally, with a view to proposing amendments to the DIA to provide for necessary powers and functions to establish, manage, and carry out a pay-out from a compensation scheme for the non-deposit taking financial institutions. Prepare and submit to the MoFPS, a Proposal for amendments to the DIA to provide the Corporation with the enabling provisions to establish and manage a compensation scheme for non-deposit taking financial institutions. Follow through on legislative process for the promulgation of the amendments to the DIA.

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3 Leveraging Information and Communication Technology for Strengthening Operational Efficiency								
3.1 Maintain the Payout Management Information System	IRIR	PMIS Team, ICT Staff, ICT FIRM/PMIS Programmer, Business Analyst		Q1-Q4				<ul style="list-style-type: none"> Conduct system maintenance and enhancement activities based on work plan agreed in FY 2021/2022 with input from software developer and business analyst (will include UAT and deployment activities) Develop PMIS Medium Term Strategic Development and Implementation Plan Deliver annual PMIS end user training activities to staff Commission independent technical system audit.
					Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Conduct system maintenance and enhancement activities based on work plan agreed in FY 2021/2022 with input from software developer and business analyst (will include UAT and deployment activities) Develop PMIS Medium Term Strategic Development and Implementation Plan Deliver annual PMIS end user training activities to staff Commission independent technical system audit.

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3.2 Implement Range of Deposit Insurance Payment Disbursement Methods	IRIR	ICT Unit, Business Analyst, ICT Firm/PMIS Programmer Accounts Unit, Legal Unit		Q1-Q4				<ul style="list-style-type: none"> Draft business process and functional requirements Assess the capabilities of the PMIS and Accounting Software to support direct bank transfer Procure ICT Firm to develop and implement electronic bank transfer system may include PMIS software development (contingent on the compatibility of the features of the PMIS and Accounting Software).
					Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Develop and implement electronic bank transfer system - may include PMIS software development contingent on the compatibility of the features of the PMIS and Accounting Software). Commence research to identify the use of other payment disbursement options and make recommendations for implementation. Develop implementation plan

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
3.3 Develop the Resolution Database Module of the Member Institutions' Business Intelligence Software – MIBIS (Refer MRA and ICT Initiatives)	IRIR	MRA, ICT, FFAM, Legal, BOJ		Q1-Q4				<ul style="list-style-type: none"> Finalize the Business Case with the input of the Business Analyst Document information system requirements
					Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Conduct the procurement process (based on the Business Case) to procure software or engage software firm (include development of the resolution database) Develop and/or procure and implement the information system. Build out the resolution database module of the MBIS

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3.4 Assess JDIC's Compliance with The IADI Core Principles for Effective Deposit Insurance Systems	RIR	All Departments, Policyholders, FSSNP and IADI			Q2-Q4			• Submit request to IADI to conduct SATAP.
						Q1-Q4		<ul style="list-style-type: none"> Finalize planning, schedule and scope of the assessment with all stakeholders and IADI consultants Conduct assessment activities. Present final assessment report and action plan to COM, Board and FSSNP partners.
3.5 Strengthen Research Capabilities (In collaboration with Human Resource and Administration Unit)	RIR	RIR, MRA, Legal, HR			Q1-Q4	Q1-Q4		<ul style="list-style-type: none"> Identify and establish relationship with a selected educational institution to conduct, publish and present research paper jointly with JDIC Officers Agree research topic, prepare outline and draft paper Publish research paper (Journals and/or publications of international organizations) and/or Submit paper for acceptance and presentation at selected conferences – IADI, FSI, BIS, FDIC research Conference

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3.6 Implementation of Investment Software	FFAM			Q1-Q4				<ul style="list-style-type: none"> Identify investment software (s) and assess for needs requirement. Contact Accounting software provider to assess compatibility for integration with general ledger and address gaps if possible. Obtain approval for acquiring software. Update general ledger with new accounts. Update accounting manual and payroll manual. Provide training to staff and update job descriptions.

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3.7 Accounting								
3.7.1 Review and Update the Accounting Software and System Reports	FFAM	COM; ICT		Q2-Q4				<ul style="list-style-type: none"> Assess current MS Dynamics software and upgrading requirements. Contact Accounting software provider to identify appropriate upgrades. Procure upgrades for the MS Dynamics software. Determine module for the MS Dynamics that can benefit the Corporation's operations. Expand General Ledger Chart of Accounts to accommodate the management of different funds.
					Q1-Q2			<ul style="list-style-type: none"> Create and map new general ledger accounts Update accounting manual and payroll manual Provide training to staff

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3.7.2 Reengineering Accounting Processes- Automation	FFAM	COM; ICT		Q1-Q4				<ul style="list-style-type: none"> Identify relevant training/re-tooling needs as required. 	
					Q1-Q4			<ul style="list-style-type: none"> Identify system changes available and obtain approval. Implement system changes as required. 	
3.8 Records and Information Management	FFAM	COM; All Staff		Q1-Q4				<ul style="list-style-type: none"> Complete outstanding manual implementation activities; Engage firm to scan vital records; Implement additional physical storage options for paper-based records. 	
						Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Procure electronic records and information system; Commence the implementation of electronic records and information system; Organize electronic records, based on the Subject Classification Scheme; Review and update the requirements specification to inform the procurement of an electronic records and Information system. 	

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3.9 Develop Library Policy and Procedures Manual	FFAM	COM; HRA; Records and Information Officer; All Staff		Q1-Q4				<ul style="list-style-type: none"> Develop a Library Policies and Procedures Manual. Re-establish physical library subject to rental/purchase of additional office space
					Q1-Q4	Q1-Q4		<ul style="list-style-type: none"> Implement a digital library.
3.10 Review, Update and Simulate ICT Infrastructure, Disaster Preparedness, Recovery and Business Continuity Management Plans	FFAM	All Staff; COM, HRA Unit		Q1-Q4				<ul style="list-style-type: none"> Implement the updated DPRBCM Plans according to the Implementation Plan. Update ICT Business Continuity infrastructure configuration based on updated Business Continuity Plan. Review contractual agreement with eGov. Conduct ICT Business Continuity training. Simulate and test Business Continuity and recovery procedures.
					Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Review and update of DPRBCM Plans as agreed. Identify gaps and provide necessary steps to remediate. Conduct ICT Business Continuity training. Simulate and test Business Continuity and recovery procedures.

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3.11 ICT Governance	FFAM	Internal Auditor; All Staff,		Q1-Q4				<ul style="list-style-type: none"> Engage consultant to develop a Digital Transformation Strategic Plan. Implement approved recommendations for existing and new initiatives and follow approved road map. Update KPIs as necessary. Update Digital Transformation Strategic plan as part of the annual corporate planning exercise. Keep abreast of changes in the ICT Governance framework
3.12 ICT Security Posture Assurance	FFAM	Internal Auditor; All Staff,		Q1-Q4				<ul style="list-style-type: none"> Implement the Updated ICT Security Policy according to the Implementation Plan. Review ICT Security Assessment findings and implement approved changes. Procure approved services for ICT security remediation. Upgrade of the ICT security infrastructure. Continue ICT security training at all levels.

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3.13 ICT Security Posture Assurance (Cont'd)	FFAM	Internal Auditor; All Staff,			Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Conduct ICT audit. Review ICT audit findings and develop remediation action plan Conduct annual Vulnerability testing Implement approved recommendations.
3.14 Classification and Securing of Information Assets and Customer Data	FFAM	All Staff, COM, Legal		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Engage consultant to assist in the development and implementation of electronic RIM Policy and Procedure; Commence electronic implementation activities Identify appropriate software and leverage any existing tools Participate in the Development of a data protection framework
3.15 Upgrade Level of Resilience and Monitoring of Infrastructure	FFAM	FFAM; All Staff; COM		Q1-Q3				<ul style="list-style-type: none"> Obtain management approval for infrastructure and infrastructural management upgrades; Procurement of upgrades for infrastructure and infrastructural management Implement upgrades to infrastructure and infrastructural management. Continue to review systems and procedures to reduces risks of business outage.

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3.16 Enterprise-Wide Adoption of Collaboration Tools Programme	FFAM	All Staff, COM, Procurement		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Upgrade from Microsoft 365 basic to premium subject to approval; Develop and execute on a strategy for adoption including orientation, training, monitoring and support.
4. Building Sustainable Human Resource Capacity								
4.1 Human Resource Management Information System	FFAM	COM; HRA, ICT		Q1-Q4				<ul style="list-style-type: none"> Procurement of Human Resource Management Information System (HRMIS) Implement HRMIS Software
					Q1-Q4			<ul style="list-style-type: none"> Continue training of users and sensitise staff on the changes and usage of the HRMIS software to include Time & Attendance Management, Succession Planning, Training and Development and Performance Management.

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4.2 Organizational Structure	FFAM	COM; All Staff		Q1-Q4				<ul style="list-style-type: none"> Sensitize employees on the recommendation of the JDIC/Ministry; Issue confirmation letters and Job Descriptions for all positions in line with approval received from MOFPS; Adjust staff positions accordingly.
4.3 Strengthening of the Human Resource Policies, Guidelines and Procedures Framework	FFAM	COM; All Staff		Q1-Q4				<ul style="list-style-type: none"> Finalise the reviewing of Human Resource Policies and Procedures Manual; Continue training and sensitization of staff in the provision and application of the Manual.
4.4 Performance Management and Development	FFAM	COM; All Staff		Q1-Q4				<ul style="list-style-type: none"> Complete the review which commenced in FY2021/2022 of the Corporation's operations and determine the staff performance appraisal needs. Update where necessary, the appraisal documentation in place - Mid-Year Employee Performance and Assessment Form and Employee Performance Management and Development Form; Obtain COM's approval for revision. Implement modified performance management process, train and sensitise staff in the use of the revised forms.

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4.5 Employee Welfare – Continue Implementation of JDIC Staff Pension Scheme	FFAM	COM; All Staff; Trustees		Q1-Q4				<ul style="list-style-type: none"> Enrollment of eligible staff to the Pension Scheme and continue sensitizing sessions; Facilitate training of Trustees with the required timelines Facilitate the Trustees making the required reporting and information sharing with Members on the operations and details of the Pension Plan.
4.6 Workplace Wellness and Employee Engagement								
4.6.1 Childcare Allowance for Employees with Children	FFAM	COM; Board of Directors; All Staff		Q1-Q3				<ul style="list-style-type: none"> Develop a Childcare Benefit Policy for COM and Board of Director's approval; Implement approved childcare benefits program for eligible employees; Sensitize employees on the Policy benefits.
4.6.2 Optimizing Mental Health during the COVID-19 Pandemic and Beyond	FFAM	COM; All Staff;		Q1-Q4				<ul style="list-style-type: none"> Continue evaluation of Employee Assistance Program to determine effectiveness in resolving employees' personal problems that may be adversely affecting their performance at work; Sensitize employees on standard operation procedures and accessing benefit.

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4.6.3 Improve Health Care Plan and COVID-19 Testing	FFAM	COM; All Staff		Q1-Q4	Q1-Q4			<ul style="list-style-type: none"> Develop and Implement approved Wellness Policy; Continue providing supplemental health insurance; Continue to sponsoring COVID-19 Test on demand; Engage physical fitness coach/launch Corporate Gym Membership Program cost per employee will be capped; Invite medical professionals to conduct health awareness seminars for all staff; Host Annual Wellness Fair.
4.7 Business Continuity Amid Covid-19 Pandemic	FFAM	COM; All Staff		Q1-Q4				<ul style="list-style-type: none"> Implement the Remote Working Policy subject to COM and Board of Directors' review and approval. Sensitize employees on standard operational procedures and expectations.

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CORPORATE PLAN FY2022/23 - FY2025/26								
BUSINESS STRATEGIES Key Initiatives	Department(s)		Impact on Strategies	Implementation Time Frame Projection				Key Performance Indicators (KPIs)
	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
5. Public Education and Awareness								
5.1 Social Media Usage and Digital Advertising	GCCSC	All Departments		Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Continue the development and execution of a strategic digital media advertising campaign to increase the Corporation's visibility among key stakeholders. Conduct survey to evaluate effectiveness of the digital media campaign.
5.2 Develop New Radio, Television and Billboard (Mobile and Stationary) Advertisements	GCCSC	All Departments			Q1-Q4		Q1-Q4	<ul style="list-style-type: none"> Develop TOR to engage firm for the design/development of new radio, television and billboard advertisements. Submit ad design/content to COM for approval. Finalize radio, television and billboard ads.
5.3 Design Corporate Website (Darksite)	GCCSC	All Departments		Q1-Q4				<ul style="list-style-type: none"> Engage Consultant/IT firm to execute website design Obtain COM sign off for the new website aesthetics and content Launch website (internally)
5.4 Develop Content for Feature, Time Signals and Programme Sponsorships	GCCSC	All Departments, FSSN		Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Engage firm/production company to produce the Deposit Insurance in a Minute feature Determine DI topics for inclusion in series, programme schedule and submit to COM for approval Promote and air radio and television programme

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	

5.5 Schools Programme								
5.5.1 Distribute Book on 'Financial Systems' for Primary Schools	GCCSC	All Departments, MOEYI, FSSN Partners		Q1-Q4				<ul style="list-style-type: none"> Print and publish financial education book for primary schools Distribute the financial education book to primary schools island wide and promote same Engage SME to develop animated version of financial literacy book Launch animated book
					Q1-Q4			<ul style="list-style-type: none"> Conduct survey to evaluate effectiveness of the financial education book in schools
						Q1-Q4		<ul style="list-style-type: none"> Seek the approval of the MOEYI to include the book in the primary schools

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5.5.2 Promote Financial Education in Secondary and Tertiary Institutions	GCCSC	All Departments, Secondary Schools, Colleges and Universities, JIFS,		Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Launch a logo and other competitions for secondary and tertiary students Promote the competition on social media platforms and in the print media Host awards function and announce winners Continue to make DI presentations to secondary schools/other educational institutions
5.6 Financial Literacy Week	GCCSC	All Departments, BOJ, FSC, JSE, CAC, MoFPS		Q1-Q4				<ul style="list-style-type: none"> Identify target audiences, messages, suitable locations/ platforms and make all the necessary arrangements to host fora; develop database and issue invitations to attendees Develop advertisements to promote week of activities in print, electronic and social media Host event and prepare evaluation reports for submission to COM

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5.7 Conduct Policyholders Training and Develop Complementary Online Programme	GCCSC	All Departments, Policyholders		Q3-Q4				<ul style="list-style-type: none"> Prepare TOR to procure services of a consultant/SME to develop training material for online training programme Present training material to COM for approval Draft new/update existing Policyholders training manual Liaise with consultant/ICT to acquire software to facilitate the build-out of the online training platform Conduct in-house test of training programme to identify any errors/gaps, address issues where necessary and prepare a report on findings for COM review/approval
					Q1-Q4	Q1-Q4		<ul style="list-style-type: none"> Upload training material to training platform Inform Policyholders of online training programme and conduct tutorials with their respective training Departments Develop online questionnaire to assess the effectiveness of the programme
				Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Review all training material and update as necessary Make arrangements to host Policyholders' Training Seminar (at least 2 annually), including invitation letters and engaging Facilitator Prepare detailed report on training seminar including feedback from evaluation forms completed by attendees and submit Report to COM

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
5.8 Host Public and Stakeholders Fora to Engage Member Institutions, Professional Intermediaries, Nominees and Trustees to Increase Awareness on the Rules for Separate Deposit Insurance Coverage for Beneficiaries	GCCSC	All Departments, BOJ, FSC, JSE		Q1 - Q3	Q1 - Q3	Q1 - Q3	Q1 - Q3	<ul style="list-style-type: none"> Identify suitable locations/ platforms, messages, theme and make all the necessary arrangements to host fora; develop/update database Develop advertisements to promote fora in print, electronic and social media Host Fora and prepare evaluation reports for submission to COM
5.9 Admission of Credit Unions to the Deposit Insurance Scheme	GCCSC	All Departments, JCCUL, BOJ, Credit Unions				Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Engage SME to design advertising campaign for credit unions Implement advertising campaign to include press briefing, production/airing of radio and television ads, placement of print ads and on social media Update website to include background information, the institutions covered, coverage limit and other FAQs and answers. Update brochures and other DIS literature and disseminate to credit union members/staff Conduct DIS training for credit union staff island wide Host Public Fora/ Townhall meetings targeting credit union members Continue staff training for credit union Employees

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	

5.10 Increase Public Awareness and Transparency of JDIC'S Role in Resolution (in Collaboration With The IRIR Department)	GCCSC	All Departments		Q1-Q4				<ul style="list-style-type: none"> Assist with preparation/review of draft documents to be included in the public education material, presentations, media publications and website to increase awareness of JDIC's role in resolution. Coordinate the stakeholder sensitization sessions on resolution and JDIC's role in resolution, including Policyholders' Fora
5.11 Rebrand Corporation - Implementation of Compensation Schemes for the Non-Deposit Taking Sector – (Refer IRIR & MRA'S Departmental Plans)	GCCSC	All Departments, FSC, BOJ, MoFPS				Q1-Q4	Q1-Q4	<ul style="list-style-type: none"> Develop plan for rebranding of the Corporation Develop/ implement public education strategy for Compensation Schemes – Insurance Industry and other sectors (as per admission timetable). Develop training manual for staff of Insurance Companies and other Sectors (as per admission timetable). Develop new/modify existing messages for print and electronic media.

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	

5.12 Conduct Public Education and Awareness Survey	GCCSC	All Departments			Q2-Q4			<ul style="list-style-type: none"> Engage the services of survey house to conduct national public awareness survey of the JDIC and the DIS, including measuring stakeholder confidence. Work with survey house to draft and finalize questionnaire and obtain COM sign off. Present findings by survey house to the COM and Board of Directors, highlighting improvements / gaps in programme. Amend public education programme as required and implement.
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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
5.13 Twenty-Fifth Anniversary Initiatives								
5.13.1 Host Financial Symposium, Fair and Outside Broadcast	GCCSC	All Departments, FSSN Partners and Policyholders		Q1-Q4				<ul style="list-style-type: none"> Develop TOR to procure services of Events Planner to assist with the planning and execution of the activities Determine themes and content for presentations, list of potential speakers, and stakeholders to be invited, and media for outside broadcast and action accordingly Identify possible venues and conduct site visits Procure 25th anniversary promotional items
					Q1-Q3			<ul style="list-style-type: none"> Continue to work with Event Planner to finalize logistics and host events

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
5.13.2 Publish Newspaper Supplement	GCCSC	All Departments, FSSN Partners and Policyholders		Q1-Q4	Q1-Q2			<ul style="list-style-type: none"> Determine information to be included in supplement and compile, (including messages from FSSN partners, the Minister, BAJ, etc.) Book space in newspapers and procure services of graphic artist to layout and design Supplement Publish Supplement
5.13.3 Host Church Service	GCCSC	All Departments			Q1-Q2			<ul style="list-style-type: none"> Contact church(es) and follow up with letter to confirm commitment Procure venue/service providers for after-church brunch
5.13.4 Primary and Secondary Students' Video Competition	GCCSC	All Departments, Social Media Manager			Q1-Q3			<ul style="list-style-type: none"> Identify theme, prizes, panel of judges and establish virtual competition rules Promote competition and invite participants to submit entries Evaluate entries (to include public voting) and select top 3 entrants

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	Action By:	Support From:		2022- 2023	2023- 2024	2024- 2025	2025- 2026	
5.14 Community Interaction – Rural Road Tour	GCCSC	MRA, IRIR, FFAM, Policyholders, Other Stakeholder groups					Q2-Q4	<ul style="list-style-type: none"> Develop plan for selecting communities/locations/platforms/events. Make contact with community groups, Member Institutions or other Interest groups and make necessary arrangements for tour. Publicize tour utilizing various media. Host tours/community events and prepare evaluation reports for submission to COM



TABLE 2
CORPORATE SCORECARD
FY2022/23

TABLE 2 – CORPORATE SCORECARD FY2022/2023

	BUSINESS STRATEGIES Key Initiatives	Budget Reference Page	Implementation Timeframe	Key Performance Indicators
1.	PROACTIVE READINESS & RESOLUTION MANAGEMENT			
1.1	Finalize the Phased Implementation of Standard Recordkeeping Guidelines and Compliance Framework for Policyholders		Q1-Q4	<ul style="list-style-type: none"> Finalize procurement of an ICT Firm to provide technical inputs to complete all outstanding implementation activities Revise the Recordkeeping Guidelines and Compliance Framework Deliver sensitization sessions on the revised draft Recordkeeping Guidelines and Compliance Framework to all Member Institutions. Agree schedule to commence the pilot exercises with selected Member Institutions to test data transmission activities as outlined in the Compliance Framework.
1.2	Test Contingency Planning and Crisis Preparedness			
	1.2.1 Create a Contingency Plan and Crisis Management Shared Database		Q2 - Q3	<ul style="list-style-type: none"> Review and update list of the compendium of the policies, procedures and pre-drafted contingency planning and crisis management document to be maintained in the database (The compendium of documents is currently maintained on the network shared drive by the IRIR Department) Document the business needs and functionalities of the shared database Identify and procure the shared database Develop a crisis management database maintenance, use and access internal guidance and protocols taking into consideration the RIM Policies and Procedures Commence ongoing update/ maintaining of current documents/data in the database
	1.2.2 Conduct Agency Specific Contingency Planning and Financial Crisis Management Simulations		Q1-Q2	<ul style="list-style-type: none"> Develop simulation and training material including the simulation plan Conduct the simulation and training Prepare simulation report
	1.2.3 Conduct Multi-Agency Financial Crisis Simulations with Other FSSN Partners - BOJ; FSC and MOFPS		Q1-Q4	<ul style="list-style-type: none"> Participate in FRC led activities to plan and execute a multi-agency simulation. (Subject to the FRC schedule) Participate in the multi- agency simulation Develop action plan to address gaps identified during the simulation with regard to the JDIC's mandate Provide technical input based on FRC Inter agency action plans and schedules to address gaps identified during the simulation.

	1.2.4 Conduct Crisis Communication Simulation Activities - (Refer IRIR Departmental Plan)		Q1-Q4	<ul style="list-style-type: none"> Engage consultant to plan training and simulation activities. (May include access to a call centre and training of the call centre staff). Assist in developing simulation scenarios and simulation plan and conduct simulation. Prepare simulation report - document findings and proposed action plan. Update of the Crisis Communication Manual as required to address gaps identified.
	1.2.5 Simulate FRC Inter-Agency Financial Crisis Communication Plan		Q1-Q4	<ul style="list-style-type: none"> In collaboration with the BOJ (lead agency) and other members of the FRC Crisis Communication Team (CCT), contribute to drafting of the TOR to engage consultant to conduct a crisis communication training and simulation for submission to the FRC for approval. Work with the CCT to finalize TOR and engage Consultant and assist with the build out of the crisis scenarios and simulation exercises.
1.3	Strengthen the Resolution Management Framework	211		
	1.3.1 Make Proposals for Legislative Amendments and the Drafting of Rules to Ensure the Corporation has the Necessary Powers to Act and Operationalise its Role in Resolution		Q1-Q4	<ul style="list-style-type: none"> Finalize and submit to the MOFPS proposals for amendments to the DIA and promulgation of rules for respective provisions. (Based on the MOFPS and the legislature agenda, as well as some initiatives may require prior stakeholder consultations). Follow through on the legislative process. Conduct consultations with stakeholders as necessary. Operationalize the Regulations.
	1.3.2 Continue to Develop Internal Resolution Policies, Processes and Pre Drafted Legal Documents, Notices and Other Material and Compile a "Resolution Toolkit"		Q1-Q4	<ul style="list-style-type: none"> Draft resolution policies, procedures, legal and other documents based on work plan Submit policies, procedures and documentation for requisite internal inputs and approvals (Legal Unit, COM, Board) and stakeholder consultations if required.
	1.3.3 Provide Technical Input in Collaboration with the MoFPS, BOJ and the FSC to Table and Implement the Financial Institution Resolution Act		Q1-Q4	<ul style="list-style-type: none"> Conduct research, provide technical input and participate in other FRC inter-agency activities during all the enactment stages of the FIRA including making proposals for consequential amendments to the DIA. Develop implementation plan to execute JDIC' role and functions pursuant to the FIRA

	1.3.4 Develop Guidelines on the Relationship Between the JDIC in its Role as Receiver, Liquidator, and Resolution Administrator and the Bank of Jamaica as the Resolution Authority Under the FIRA		Q1-Q4	<ul style="list-style-type: none"> Continue research and finalize the development of the JDIC's internal organizational structures for trustee/liquidations and resolution administrations.
1.4	Credit Union Admission to the Deposit Insurance Scheme	211	Q1-Q4	<ul style="list-style-type: none"> Review the CUSPA to treat with any nuances in relation to the DIA and recommend proposals, as necessary; Continue to build-out the risk assessment framework for credit unions consistent with the proposed supervisory assessment standard; Review the appropriateness of the initial proposed target fund reserve ratio for the sector vis-à-vis the potential risk of the sector; Research regarding the nuances of the structure of the sector to inform the Corporation's understanding the operations of the credit union sector; Prepare for the admission of credit unions to the DIS, consistent with the BOJ licensing process.
	1.4.1 Accounting for the Admission of Credit Unions (Refer to MRA Departmental Plan)		Q1-Q4	<ul style="list-style-type: none"> Review and update the Accounting and Payroll Manual to accommodate the admission of credit unions to the DIS. Obtain approval and open a separate Bank Account Prepare chart of accounts, open General Ledger Accounts and restructure format to accommodate the processing for the additional requirements.
	1.4.2 Legislative Amendments to the DIA in Keeping with the Admission of Credit Unions to the Deposit Insurance Schemes (DIS)		Q1-Q4	<ul style="list-style-type: none"> Review the DIA with a view to submitting a proposal of consequential amendments to the DIA to the MoFPS. Submit a Proposal of consequential amendments to the DIA upon the promulgation of the CUSPA, to the MoFPS. See necessary legislative reform through to implementation.
	1.4.3 Review and Update Internal Policies, Procedures and Systems to Include Credit Unions			<ul style="list-style-type: none"> Assist in the development and preparation of internal policies and procedures documentation, to ensure proper monitoring of credit unions in accordance with the DIA. Assist in the preparation and development of internal policies and procedures documentation for the establishment of a compliance framework, inclusive of Credit Unions. Assist in the preparation and development of internal record keeping, resolution and pay-out policies and procedures to address the unique corporate structure of credit unions.

1.5	Update the Monitoring and Risk Assessment Policies and Procedures	-	Q1-Q4	<ul style="list-style-type: none"> Collaborate with the BOJ to determine the risk profile of the credit union sector and develop reporting schedule (frequency and types of reports) and assessment standard for credit unions, and update the PRAF with consequential amendments; Collaborate and establish with the JCCUL specific information sharing schedule and continue the monitoring and risk assessment of credit unions, as well as conduct sensitization sessions with JCCUL staff and their credit union members; Continue formal monitoring and reporting on key financial indicators and overall position of individual credit unions and the credit union sub-sector; Continue to update/develop policy and procedure documents, as appropriate; Review and update the Membership and Admission Policy to treat with monitoring of expanded delivery channels by Member Institutions.
1.6	Implementation of Member Institutions' Business Intelligence Software (MIBIS)	219	Q1-Q4	<ul style="list-style-type: none"> Document the data requirements for the JDIC to determine the need for a business intelligence (BI) software; If it is determined that there is a need for a BI software, the BA will conduct market research to determine the most feasible BI software that is capable of interfacing with the BOJ JAM-FIRMS; Finalize with the BOJ, all the data requirements necessary for the JDIC to access the BOJ FSD portal.
1.7	Compensation Schemes		Q1-Q4	<ul style="list-style-type: none"> Review the previous documents on the topic, the 2005 diagnostic report and the 2009 consultancy paper recommendations, "Proposal for Establishing Compensation Schemes for the Non-Deposit Taking Financial Sector in Jamaica". Continue to collaborate with the FSC to address the weaknesses identified in the 2009 Recommendation, by the MoFPS and other stakeholders.
1.8	Deposit Insurance Fund Adequacy Evaluation (DIFAE)		Q1-Q4	<ul style="list-style-type: none"> Conduct the Deposit Insurance Fund Adequacy Review internally; Present findings and recommendations to COM and Board
1.9	Review of the Coverage Limit and The Scope of Coverage		Q1 - Q4	<ul style="list-style-type: none"> Develop survey instrument to ascertain the suite of product offerings by DTIs, the credit unions and other IADI jurisdictions; Conduct survey of the suite of the product offerings.

1.10	Update the Deposit Insurance Fund Contingency Funding Plan for Resolution		Q1- Q4	<ul style="list-style-type: none"> Continue collaboration with the Minister/MoFPS/PIOJ and relevant Government Agencies to clarify prevailing GOJ policy as it impacts lending terms and conditions for obtaining loans from Regional and Multi-Lateral Lending Agencies. Obtain funding information, terms and conditions from other potential lending sources. Update the CFP to align with the Corporation's resolution funding obligations under the DIA and the FIRA.
1.11	Development of ICT Bank Closing Process		Q1- Q4	<ul style="list-style-type: none"> Conduct an assessment of JDIC's ICT infrastructure, policies and procedures to ensure it supports the current resolution processes and prepare gap analysis Research and review resolution documentation from other Deposit Insurers. Make recommendations to address gaps Develop ICT policies and procedures to support resolution and commence implementation
1.12	Administration			
	1.12.1 Rental of Additional Office Accommodation/Revise and Refurbish Office Layout	211	Q1- Q4	<ul style="list-style-type: none"> Prepare Request for Proposal (RFP) Contract the services of an Office Design Specialist and/or Interior Decorator to assess layout and office space requirements Agree on design and finalise refurbishing Contract the services of a Contractor and/or Furniture & Systems Supplier. Agree space requirements, design specification and location. Implement and finalise refurbishing requirements.
	1.12.1 Conversion of Energy System – Solar Energy		Q1- Q3	<ul style="list-style-type: none"> Procurement of technical support to conduct assessment. Obtain approval for the procurement for the supply and installation of solar energy system. Commence installation of the solar energy system.
	1.12.2 Conversion of Air Conditioning Units		Q1- Q4	<ul style="list-style-type: none"> Implementation and installation of energy efficient units.
	1.12.3 Environmental Management		Q2- Q4	<ul style="list-style-type: none"> Engage a Subject Matter Expert to assess the JDIC environment and assist in reviewing the JS ISO 14001:2015 and JS ISO 14005:2019 – EMS Guidelines to determine the requirements and develop an appropriate Action Plan for implementation.

	1.12.4 Promulgate Legislation to Access Policyholder Records at all Times		Q1- Q4	<ul style="list-style-type: none"> Review applicable legislation with regards to the storage of policyholder information and ensure compliance through the drafting of internal policies and procedures. Draft and prepare the relevant cooperation agreements and legal documentation needed for the administration of the expanded power to access policyholders' information
	1.12.5 Establishment and Implementation of Data Protection Framework		Q1- Q4	<ul style="list-style-type: none"> Engage Data Protection/ Privacy Consultant to provide the services needed to resolve those gaps identified in the JDIC's processing of data and to establish and implement a Data Protection Framework. Execute activities for the fixing of gaps identified. Execute activities for the development and establishment of the Data Protection Framework as guided by the Consultant. Revise internal policies and procedures in accordance with the Data Protection Act to ensure compliance with the Act. Draft Data Protection Policy for review and approval by the Committee of Management. In collaboration with the Consultant make a presentation to the Committee of Management on the Data Protection Framework, inclusive of the Data Protection Policy. In collaboration with the Consultant make a presentation to the Board of Directors on the Data Protection Framework, inclusive of the Data Protection Policy. Coordinate staff training/sensitization sessions on the Data Protection Act and in-house framework.
2	STRONG PARTNERSHIPS			
2.1	Collaborate with the CARICOM Secretariat and Member Countries to Develop a CARICOM Deposit Insurance Model Law		Q1-Q4	<ul style="list-style-type: none"> Provide technical input and support consistent with the CARICOM Secretariat and TWG to draft a deposit insurance model law for member states.
2.2	Implementation of Service Level Agreements for Information Sharing with the Central Bank and the Financial Services Commission		Q1-Q4	<ul style="list-style-type: none"> Review and resubmit the draft Service Level Agreement with the BOJ, to COM for approval. Resubmit the Service Level Agreement to the BOJ for their input.
2.3	Strengthen Member Institutions (MIs) Engagement		Q1-Q4	<ul style="list-style-type: none"> Continue to work with the Corporate Communications Unit to finalize the updating and revamping of the JDIC website.

2.4	Establishment of Compensation/Guarantee Schemes for the Non-Deposit Taking Sector (Collaboration with FSC and BOJ)		Q1-Q4	<ul style="list-style-type: none"> Participate in the review and revision of the 2010 consultancy paper recommendations, "Proposal for Establishing Compensation Schemes for the Non-Deposit Taking Financial Sector in Jamaica".
3	LEVERAGING INFORMATION AND COMMUNICATION TECHNOLOGY FOR OPERATIONAL EFFICIENCY			
3.1	Maintain the Payout Management Information System	211	Q1-Q4	<ul style="list-style-type: none"> Conduct system maintenance and enhancement activities based on work plan agreed in FY 2021/2022 with input from software developer and business analyst (will include UAT and deployment activities) Develop PMIS Medium Term Strategic Development and Implementation Plan Deliver annual PMIS end user training activities to staff Commission independent technical system audit
3.2	Implement Range of Deposit Insurance Payment Disbursement Methods		Q1-Q4	<ul style="list-style-type: none"> Draft business process and functional requirements Assess the capabilities of the PMIS and Accounting Software to support direct bank transfer Procure ICT Firm to develop and implement electronic bank transfer system may include PMIS software development (contingent on the compatibility of the features of the PMIS and Accounting Software).
3.3	Develop the Resolution Database Module of the Member Institutions' Business Intelligence Software – MIBIS (Refer MRA and ICT Initiatives		Q1-Q4	<ul style="list-style-type: none"> Finalize the Business Case with the input of the Business Analyst Document information system requirements
3.4	Implementation of Investment Software		Q1-Q4	<ul style="list-style-type: none"> Identify investment software (s) and assess for needs requirement. Contact Accounting software provider to assess compatibility for integration with general ledger and address gaps if possible. Obtain approval for acquiring software. Update general ledger with new accounts. Update accounting manual and payroll manual. Provide training to staff and update job descriptions.
	3.4.1 Review and Update the Accounting Software and System Reports		Q2- Q4	<ul style="list-style-type: none"> Assess current MS Dynamics software and upgrading requirements. Contact Accounting software provider to identify appropriate upgrades. Procure upgrades for the MS Dynamics software. Determine module for the MS Dynamics that can benefit the Corporation's operations. Expand General Ledger Chart of Accounts to accommodate the management of different funds.

	3.4.2 Reengineering Accounting Processes - Automation		Q1- Q4	<ul style="list-style-type: none"> Identify relevant training/re-tooling needs as required.
3.5	Records and Information Management		Q1- Q4	<ul style="list-style-type: none"> Complete outstanding manual implementation activities; Engage firm to scan vital records; Implement additional physical storage options for paper-based records.
3.6	Develop a Library Policies and Procedures		Q1-Q4	<ul style="list-style-type: none"> Develop a Library Policies and Procedures Manual. Re-establish physical library subject to rental/purchase of additional office space
3.7	Review, Update and Simulate ICT Infrastructure, Disaster Preparedness, Recovery and Business Continuity Management Plans	220	Q1-Q4	<ul style="list-style-type: none"> Review and update of ICT Business Continuity Plan. Update ICT Business Continuity infrastructure configuration. Conduct ICT Business Continuity training. Conduct ICT Business Simulation. Simulate and test Business Continuity and recovery procedures.
3.8	ICT Governance - Develop a Digital Transformation Strategic Plan		Q1-Q4	<ul style="list-style-type: none"> Engage consultant to develop a Digital Transformation Strategic Plan. Implement approved recommendations for existing and new initiatives and follow approved road map. Update KPIs as necessary. Update Digital Transformation Strategic plan as part of the annual corporate planning exercise. Keep abreast of changes in the ICT Governance framework
3.9	ICT Security Posture Assurance - Implement the Updated ICT Security Policy		Q1-Q4	<ul style="list-style-type: none"> Implement the Updated ICT Security Policy according to the Implementation Plan. Review ICT Security Assessment findings and implement approved changes. Procure approved services for ICT security remediation. Upgrade of the ICT security infrastructure. Continue ICT security training at all levels
3.10	Classification and Securing of Information Assets and Customer Data		Q1-Q4	<ul style="list-style-type: none"> Engage consultant to assist in the development and implementation of electronic RIM Policy and Procedure; Commence electronic implementation activities Identify appropriate software and leverage any existing tools Participate in the Development of a data protection framework
3.11	Upgrade Level of Resilience and Monitoring of Infrastructure		Q1-Q3	<ul style="list-style-type: none"> Obtain management approval for infrastructure and infrastructural management upgrades; Procurement of upgrades for infrastructure and infrastructural management Implement upgrades to infrastructure and infrastructural management. Continue to review systems and procedures to reduces risks of business outage.

3.12	Enterprise-Wide Adoption of Collaboration Tools Programme		Q1-Q4	<ul style="list-style-type: none"> Upgrade from Microsoft 365 basic to premium subject to approval; Develop and execute on a strategy for adoption including orientation, training, monitoring and support.
4	BUILDING SUSTAINABLE HUMAN RESOURCE CAPACITY	211		
4.1	Human Resource Management Information System		Q1-Q4	<ul style="list-style-type: none"> Procurement of Human Resource Management Information System (HRMIS) Implement HRMIS Software
4.2	Implement New Organizational Structure		Q1-Q4	<ul style="list-style-type: none"> Sensitize employees on the recommendation of the JDIC/Ministry; Issue confirmation letters and Job Descriptions for all positions in line with approval received from MOFPS; Adjust staff positions accordingly.
4.3	Strengthening of the Human Resource Policies, Guidelines and Procedures Framework		Q1-Q4	<ul style="list-style-type: none"> Finalise the reviewing of Human Resource Policies and Procedures Manual; Continue training and sensitization of staff in the provision and application of the Manual.
4.4	Performance Management and Development		Q1-Q4	<ul style="list-style-type: none"> Complete the review which commenced in FY2021/2022 of the Corporation's operations and determine the staff performance appraisal needs. Update where necessary, the appraisal documentation in place - Mid-Year Employee Performance and Assessment Form and Employee Performance Management and Development Form; Obtain COM's approval for revision. Implement modified performance management process, train and sensitise staff in the use of the revised forms.
4.5	Employee Welfare – Continue Implementation of JDIC Staff Pension Scheme		Q1-Q4	<ul style="list-style-type: none"> Enrollment of eligible staff to the Pension Scheme and continue sensitizing sessions. Facilitate training of Trustees with the required timelines. Facilitate the Trustees making the required reporting and information sharing with Members on the operations and details of the Pension Plan.
4.6	Develop Childcare Benefit Policy		Q1-Q3	<ul style="list-style-type: none"> Develop a Childcare Benefit Policy for COM and Board of Director's approval. Implement approved childcare benefits program for eligible employees. Sensitize employees on the Policy benefits.

4.7	Optimizing Mental health during the COVID-19 Pandemic and Beyond		Q1-Q4	<ul style="list-style-type: none"> Continue evaluation of Employee Assistance Program to determine effectiveness in resolving employees' personal problems that may be adversely affecting their performance at work; Sensitize employees on standard operation procedures and accessing benefit.
4.8	Improve Health Care Plan and COVID-19 Testing		Q1-Q4	<ul style="list-style-type: none"> Develop and Implement approved Wellness Policy; Continue providing supplemental health insurance; Continue to sponsoring COVID-19 Test on demand; Engage physical fitness coach/launch Corporate Gym Membership Program cost per employee will be capped; Invite medical professionals to conduct health awareness seminars for all staff; Host Annual Wellness Fair.
4.9	Business Continuity Amid Covid-19 Pandemic – Implement Remote Working Policy		Q1-Q4	<ul style="list-style-type: none"> Implement the Remote Working Policy subject to COM and Board of Directors' review and approval. Sensitize employees on standard operational procedures and expectations.
5	PUBLIC EDUCATION & AWARENESS	199-200		
5.1	Social Media Usage and Digital Advertising		Q1-Q4	<ul style="list-style-type: none"> Continue the development and execution of a strategic digital media advertising campaign to increase the Corporation's visibility among key stakeholders. Conduct survey to evaluate effectiveness of the digital media campaign.
5.2	Develop New Radio, Television and Billboard (Mobile and Stationary) Advertisements		Q1-Q4	<ul style="list-style-type: none"> Develop TOR to engage firm for the design/development of new radio, television and billboard advertisements. Submit ad design/content to COM for approval. Finalize radio, television and billboard ads.
5.3	Design Corporate Website (Darksite)		Q1-Q4	<ul style="list-style-type: none"> Engage Consultant/IT firm to execute website design Obtain COM sign off for the new website aesthetics and content Launch website (internally)
5.4	Develop Content for Feature, Time Signals and Programme Sponsorships		Q1-Q4	<ul style="list-style-type: none"> Engage firm/production company to produce the Deposit Insurance in a Minute feature Determine DI topics for inclusion in series, programme schedule and submit to COM for approval Promote and air radio and television programme

5.5	Schools' Programme			
	5.5.1 Distribute Book on 'Financial Systems' for Primary Schools		Q1-Q4	<ul style="list-style-type: none"> • Print and publish financial education book for primary schools • Distribute the financial education book to primary schools island wide and promote same • Engage SME to develop animated version of financial literacy book • Launch animated book
	5.5.2 Promote Financial Education in Secondary and Tertiary Institutions		Q1-Q4	<ul style="list-style-type: none"> • Launch a logo and other competitions for secondary and tertiary students • Promote the competition on social media platforms and in the print media • Host awards function and announce winners • Continue to make DI presentations to secondary schools/other educational institutions
5.6	Host a Financial Literacy Week		Q1-Q4	<ul style="list-style-type: none"> • Identify target audiences, messages, suitable locations/ platforms and make all the necessary arrangements to host fora; develop database and issue invitations to attendees • Develop advertisements to promote week of activities in print, electronic and social media • Host event and prepare evaluation reports for submission to COM
5.7	Conduct Policyholders Training and Develop Complementary Online Programme		Q3-Q4	<ul style="list-style-type: none"> • Prepare TOR to procure services of a consultant/SME to develop training material for online training programme • Present training material to COM for approval • Draft new/update existing Policyholders training manual • Liaise with consultant/ICT to acquire software to facilitate the build-out of the online training platform • Conduct in-house test of training programme to identify any errors/gaps, address issues where necessary and prepare a report on findings for COM review/approval
			Q1-Q4	<ul style="list-style-type: none"> • Review all training material and update as necessary • Make arrangements to host Policyholders' Training Seminar (at least 2 annually), including invitation letters and engaging Facilitator • Prepare detailed report on training seminar including feedback from evaluation forms completed by attendees and submit Report to COM
5.8	Host Public and Stakeholders Fora to Engage Member Institutions, Professional Intermediaries, Nominees and Trustees to Increase Awareness on the Rules for Separate Deposit Insurance Coverage for Beneficiaries		Q1-Q3	<ul style="list-style-type: none"> • Identify suitable locations/ platforms, messages, theme and make all the necessary arrangements to host fora; develop/update database • Develop advertisements to promote fora in print, electronic and social media • Host Fora and prepare evaluation reports for submission to COM

5.9	Increase Public Awareness and Transparency of JDIC'S Role in Resolution (in Collaboration With The IRIR Department)		Q-Q4	<ul style="list-style-type: none"> Assist with preparation/review of draft documents to be included in the public education material, presentations, media publications and website to increase awareness of JDIC's role in resolution. Coordinate the stakeholder sensitization sessions on resolution and JDIC's role in resolution, including Policyholders' Fora
5.10	Host Financial Symposium, Fair and Outside Broadcast		Q1-Q4	<ul style="list-style-type: none"> Develop TOR to procure services of Events Planner to assist with the planning and execution of the activities Determine themes and content for presentations, list of potential speakers, and stakeholders to be invited, and media for outside broadcast and action accordingly Identify possible venues and conduct site visits Procure 25th anniversary promotional items

PART C

(Satisfaction of Items 7, 8, 9, 10, 11 & 12 of the First Schedule of the PBMA)

Item 7

A statement of the principles adopted in determining the annual dividend or surplus, together with an estimate of the amount or proportion of annual after tax earnings (from both capital and revenue sources) and is intended to be distributed to the government.

Item 8

The kind of information to be submitted to the responsible Minister by the public body during the course of the financial year, including the information to be included in each half-yearly report

Item 9

The procedures to be followed before the public body or any of its affiliates subscribe for, purchase or otherwise acquire shares in any company or other organization.

Item 10

Any activity for which the board of directors seeks compensation, such as agency fees, from the Government (whether or not the Government has agreed to provide such compensation)

Item 11

Such other information as is agreed by the responsible Minister and the board of directors

Item 12

An estimate of the current commercial value of the Government's investment in the public body and its affiliates and a statement of the manner in which that value was assessed.

INFORMATION REQUIRED UNDER THE FIRST SCHEDULE OF THE PUBLIC BODIES MANAGEMENT AND ACCOUNTABILITY ACT

Public Bodies Management and Accountability Act

Section 7

First Schedule

Items 7, 8, 9, 10, 11 and 12

Item 7

A statement of the principles adopted in determining the annual dividend or surplus, together with an estimate of the amount or proportion of annual after tax earnings (from both capital and revenue sources) and is intended to be distributed to the government.

A Deposit Insurance Fund is established pursuant to Section 17 of the Deposit Insurance Act. Under this provision payment into the Fund consist of premiums paid by financial institutions which are JDIC Policyholders; advances made by Government; the proceeds of investments made out of the Fund; amounts that might be borrowed by the Corporation and amounts that might be realized from the liquidation of the assets of Policyholders.

This section also provides what can be charged to the Fund. This includes payments to depositors, repayment of principal and interest on amounts borrowed by the Corporation for the purposes of the Fund, any other payments legally due to a policyholder or third party arising from the administration of the Fund and payments of expenses incurred by the Corporation in the exercise of its functions under the Deposit Insurance Act.

The Corporation is therefore not obliged to transmit any of its funds to the Government except where it may have previously received advances from the Government.

The annual surpluses of the Corporation are derived from interest payments that accrue to investments of the Fund.

Item 8

The kind of information to be submitted to the responsible Minister by the public body during the course of the financial year, including the information to be included in each half-yearly report.

Under Section 6 of the Deposit Insurance Act the Corporation is obliged to furnish to the Minister of Finance and Planning, such operating plans and forecasts, returns, accounts and other information as the Minister may require with respect to the property and activities of the Corporation and to afford to the Minister facilities for verifying such information in such manner and at such times as he may reasonably require.

No such requirement has been made of JDIC to date.

Under Section 10(1) and 10(4) of the Deposit Insurance Act the audited accounts of the Corporation must be sent to the Minister.

Under section 11 of the Deposit Insurance Act the Corporation shall within three months of the end of each financial year provide the Minister with a report dealing generally with the activities of the Corporation during the preceding financial year. The Corporation provides this information in the form of its Annual Reports.

Under section 23 of the Public Bodies Management and Accountability Act the JDIC is required to submit Quarterly and Half Year Reports to the Minister of Finance and Planning. The Corporation is in compliance with this requirement.

Item 9

The procedures to be followed before the public body or any of its affiliates subscribe for, purchase, or otherwise acquire shares in any company or other organization.

The Corporation has no power to acquire the shares of any company or other organization.

Item 10

Any activity for which the Board of Directors seek compensation, such as agency fees, from the Government (whether or not the Government has agreed to provide such compensation).

This is not ordinarily the case for the Corporation and to date no such agency fees have been sought by any member of the Board of Directors.

Item 11

Such other information as is agreed by the responsible Minister and the Board of Directors.

At this time the Minister has not required any information of the Corporation other than is required as provided at item 8 of the Schedule.

Item 12

An estimate of the current commercial value of the Government's investment in the public body and its affiliates and a statement of the manner in which that value was assessed.

On the establishment of the Corporation, pursuant to Section 9(1) of the Deposit Insurance Act the Government subscribed one million Jamaican dollars as the authorized capital of the Corporation. Under section 9(2) the Minister may after consultation with the Corporation, from time to time by order subject to negative resolution, increase the amount of the authorized capital of the Corporation. To date no such order has been made.