François-Louis Michaud – keynote speech
IADI 2026 Annual Conference: "Modernising Deposit Insurance to Strengthen the Financial Safety Net in the Digital Age"

Berlin, 29 October 2026

The deposit insurer of the (near) future



Dear Chair, dear members of the International Association of Deposit Insurers (IADI) Executive Council, colleagues from deposit insurers around the world, ladies and gentlemen, it is a pleasure to be with you today.

For more than two decades, your association has turned a simple promise into a global standard: that people can trust that their savings are safe. That promise has not changed. What has changed is the world in which we have to keep it.

We all know about a traditional bank run, how it still looked like when many of the deposit insurers assembled here today were founded: concerns and news travelled by word of mouth and newspaper, queues formed at bank branches, a run could take days, sometimes weeks, to unfold. Deposit insurers, if they existed, bank supervisors and ultimately central banks had time to react.

By contrast, in March 2023 in the US, we saw something very different. Depositors withdrew billions of dollars from a credit institution in a matter of hours, from their phones or computers. The run did not happen at the branch. It happened on a screen.

That episode made it very clear: the speed of financial services has changed. And the speed of authorities' response must be commensurate.

At the European Banking Authority, strengthening the financial safety net is core in what we do. I would like to cover three topics with you this afternoon. First, digitalisation: how it is reshaping banking, and what it demands of deposit insurers, from data, to payouts, to communication. Second, the development of crypto-assets, including their impact on depositors and deposit insurers, and more generally the need to ensure operational resilience. Third, the revised EU crisis management and deposit insurance framework (CMDI). I will of course speak from a European perspective, but I trust that the questions we face in Europe are questions that many of you also face in your respective jurisdictions.

1. Digitalisation in banking and deposit insurance

Let me start with digitalisation in banking. A bank branch is no longer where most customers meet their bank. Accounts are opened online in minutes. Payments are initiated remotely and, in the case of the EU, also instant - i.e. credit transfers are transacted within 10 seconds. Savings move at the touch of a button. Fintechs, non-bank payment institutions and e-money institutions sit between customers and banks. A growing share of the money they handle is placed in bank accounts on behalf of their clients.

This brings enormous benefits: lowers costs, greater competition and choice for customers, wider financial inclusion. But it changes three things that matter deeply to deposit insurers.

The first change is speed. With digital channels, money can move much more easily and swiftly. And social media can trigger and magnify these moves. As a result, the time between the first sign of stress and the moment a deposit insurer must act becomes very short.

A second change has to do with complexity. In the past, the context was rather simple: one depositor, one account, one bank. Today, the person to whom money really belongs may stand two or three steps away from the account holder. They may be the customers of a payment app, which holds their funds in a segregated account at a bank. That bank itself may rely on cloud providers and outsourced platforms to run its systems.

The third change is about expectations. A citizen who can transfer money across Europe in ten seconds will not easily understand why it should take a week to get their protected savings back. Nor will they accept a paper form or a cheque received by the post.

What does this mean for deposit insurers? I would highlight a few things.

Data is the foundation. To repay depositors within seven working days, as required by the EU Deposit Guarantee Schemes Directive, deposit insurers need to know who is eligible, how much is covered, and how to reach each depositor. They need a comprehensive overview of all deposits held by a given depositor, the so-called single customer view file (SCV file). This SCV file must be complete, accurate and available at short notice.

That is why EU regulation puts so much weight on information. Banks must hold at all times the data their deposit insurer needs to stress-test and to prepare a payout. When the deposit insurer asks, banks must deliver quickly. In the draft technical standards that the EBA has consulted on this summer (one of the 12 mandates we received under the DGSD3), we propose that deposit insurers set a deadline of no more than three working days, which can be shortened at national level, for banks to provide the requested information.

In addition, where depositors “are digital”, payouts should become digital by default. Deposit insurers around the world still use different methods to repay depositors, from cash to electronic transfers. The revised Directive makes credit transfers the default method for repayments, supporting traceability and the fight against money laundering, and adapting to the real practice of many depositors.

We can go further. Digital identification by the depositor towards the deposit insurer, instant payments and deposit insurers' secure online portals allow that most depositors are repaid in days rather than weeks, at lower cost and with fewer errors. Some deposit insurers in this room are already world leaders in this. We can learn from them – this is where the IADI helps.

Deposit insurers' communication must meet depositors where they are. And deposit insurance only builds confidence in the safety of the financial system if people know that their deposits are protected. The revised EU Directive responds to this insight by adapting to digital channels the disclosure required of banks and deposit insurers. So, where a depositor uses internet banking, the EU Directive now requires banks to provide the required information on deposit protection electronically, unless the depositor asks for paper.

In the draft technical standards on depositor information that the EBA has been mandated to develop, and on which we have been consulting over the summer, we propose to simplify the information that depositors currently receive, in plain language, with the most important facts up front and more detail made available via a link to a website. We also propose giving banks more freedom to use their own visual identity when disclosing that information, because a rigid template that nobody reads protects nobody. Information that people see, understand and remember does.

Finally, a deposit insurer that relies on digital systems must be digitally resilient. The payout systems of deposit insurers, their data links with banks and their communication channels must work at all times. I will come back to operational resilience in a moment.

Let me sum up this first part. Digitalisation does not change what deposit insurers are for. It changes how fast, how precisely and how visibly they must deliver.

2. Crypto-assets, operational resilience

I will now briefly turn to crypto-assets and, more broadly, to operational resilience.

In recent years, we have seen an impressive growth of crypto-assets around the world and this may have affected how customers perceive them. The EBA has been focusing on asset-referenced tokens (ARTs), e-money tokens (EMTs) and other types of crypto-assets, as well as the provision of crypto-asset services in the EU, as the EU Markets in Crypto-Assets Regulation (MiCA) has given us new responsibilities in this area. Yet, as of 1 September 2026, around forty e-money tokens were issued under MiCA in the EU. Numbers are still modest, but we should prepare for possible larger volumes, already now.

Still, the boundaries between deposits and other assets are being blurred. An e-money token may look and feel like money in a bank account. But it is not a deposit. If citizens do not understand the difference between products, and how deposit insurance treats them, idiosyncratic failures may trigger wider crises of confidence within the financial sector. Deposit insurers and supervisors share a duty to make that information clear.

Moreover, these tokens are tied to banks. The EU Markets in Crypto Assets Regulation (MiCA) requires issuers to hold a large part of their reserves as deposits with credit institutions. This links the stability of a token to the banks that hold the reserves, and vice versa. In our response to the European Commission's review of MiCA last month, the EBA recommended a review and possible revision of the reserve requirements, including the minimum share held as deposits. We also flag the risks posed by multi-issuer schemes involving issuers outside the EU.

More broadly, in a digital financial system, operational resilience is paramount to financial stability. In the EU, the Digital Operational Resilience Act, or DORA, applies since January 2025. It requires financial institutions to manage information and communication technology risks, to report major incidents, to test their resilience, and to manage their dependence on technology providers.

DORA matters to EU deposit insurers in at least two ways. First, their member banks are covered by DORA. Their ability to produce on short notice the SCV file that I mentioned earlier depends on their ability to keep their systems resilient. Second, deposit insurers

may rely on the same cloud and technology providers as the banks they insure, for example in the collection and review of depositor information or in the development of their payout systems. The principles of DORA, such as mapping critical dependencies, testing recovery and planning the exit from a provider, are good practice for any deposit insurer, whether the law requires them or not.

This adds to the terms of the EBA Guidelines on Stress Testing, which since 2021 have been requiring EU deposit insurers to test the security of their IT systems.

3. The revised European crisis management and deposit insurance framework

Let me now move on to the revised EU framework for bank crisis management and deposit insurance in Europe (CMDI). As part of it, the revised Deposit Guarantee Schemes Directive (DGSD) and the revised Bank Recovery and Resolution Directive (BRRD) were published in April 2026. They need to be transposed by 11 May 2028, at which point they will become legally applicable.

The aim of the reform is to make the use of deposit guarantee scheme funds more effective in resolution, so that more failing banks, including small and medium-sized ones, can be resolved without public money and with depositors keeping access to their accounts. Under certain conditions, the contribution of a deposit insurer can now count towards the 8% loss-absorption threshold required before a resolution fund can be used. For transfer strategies, such as the sale of a business or a bridge bank, the least-cost test that constrained the contribution of deposit insurers to the expected losses in a liquidation scenario has been replaced by a cap based on the amount of covered deposits.

The reform also includes more than one hundred operational improvements that the EBA had recommended to the European Commission. I would like to highlight a few of them which are relevant in the context of digitalisation and deposit insurers.

The first one is client funds. Money that payment institutions, e-money institutions and investment firms hold for their clients in segregated bank accounts is now explicitly protected, per identified client, up to 100,000 euros, and is never aggregated with a

client's own deposits at that bank. This is a response to customers' growing use of non-bank payment institutions and e-money institutions.

DGSs can use their funds to prevent the failure of a credit institution, or to support the transfer of deposits of a failed bank. These measures are other ways of protecting depositors to complement the payout function. CMDI further harmonises when and how deposit insurers may intervene, ensuring even more that preventive measures do not lead to non-viable banks being kept in the market, and that those measures maintain the access of covered depositors to their funds.

Cross-border cooperation is a third improvement. The revised framework increases flexibility, allowing the home deposit insurer to repay directly depositors at branches in another Member State, under certain conditions, if this provides better protection to those depositors.

To make all this work, the EU legislators has mandated the EBA to develop twelve technical standards and guidelines, covering most aspects of the functioning of a deposit insurer, such as information exchange, funding, cross-border cooperation with other DGSs, or interventions different to payouts (eleven under the revised DGSD and one under the revised BRRD). This is particularly relevant and timely, in the context of the global review of the management of banking crisis in the EU and the "upgraded" role of deposit insurers in it. We will be developing these mandates with national deposit insurers from across the EU in the next twelve to thirty-six months.

I am pleased to say that we did not wait for the ink to dry. We began preparatory work while negotiations were still under way. Last July, only three months after publication, we launched public consultations on the first four mandates, which closed just a few days ago. Let me say a word about each.

There is, first, the technical standards on depositor information. As I mentioned, we propose a simpler, clearer information sheet, more flexibility for banks on design, and clear communication with depositors at complex moments. For example, when deposits

become unavailable, or when banks merge or change the deposit insurer to which they are adhered.

Then, there is the information exchange between credit institutions, deposit insurers and their designated authorities, and the EBA. Building on existing processes, we propose in a separate technical standard a minimum list of data that banks must provide to deposit insurers for stress testing and payout preparation, and a slightly amended harmonised reporting by deposit insurers to the EBA. The EBA would then publish this information. Transparency on how deposit insurers are funded and how they intervene builds trust in the whole system.

Another mandate is about client funds placed by financial institutions with banks. This is perhaps the most technically demanding. Paying out client funds involves many parties: the failed bank, the financial institution holding the account, its clients and the deposit insurer. Our draft standards set out how client-level data should flow to the deposit insurer, while respecting data protection and competition requirements. They set out when repayment should go to the account holder for the benefit of each client and for the prevention of contagion risks, and when the client should, for a better protection, be compensated directly instead of through the account holder.

Lastly, we have been asked to develop guidelines on the investment by deposit insurers of available financial means. Deposit insurer funds must be immediately usable. A payout must happen within seven working days, and a resolution may need funds within hours. Our draft guidelines therefore focus on diversification, investment in low-risk assets and liquidity management, while respecting the variety of practices across Member States.

A common thread runs through all four. We have built on existing good practice among European deposit insurers, and we have tried to be proportionate. Our aim is not to add burden. It is to make sure that, on the day it matters, every European deposit insurer can deliver.

Closing: the deposit insurer of the (near) future

Ladies and gentlemen, let me close by drawing all these topics together. What will the modern deposit insurer look like? I believe it will be defined by five qualities.

It will be fast, which means the ability to repay depositors within a few days, because the information on depositors is ready before the crisis comes and the funds of deposit insurers are there.

It will be digital, which means it will make use of instant payments, communicate through the channels people actually use rather than via letter, and use new technologies wisely and accountably. It will be digital, I say, but it should not leave anyone behind, and deposit insurers should consider backup processes for those less familiar with technology.

It will be resilient, that is to say it will be able to keep working when systems fail, when attackers strike, or when a key provider goes down.

It will be integrated, i.e. it will not only be a payer of deposits, but a partner in crisis management, working closely with supervisors, resolution authorities and other stakeholders.

And it will be trusted, as it will be transparent about its funds and its interventions, and clear on this with citizens.

None of us can get there alone. The risks we face, from digital bank runs to cyber-attacks, do not stop at borders. Neither should our cooperation. The EBA is committed to working with all of you, through this Association and beyond, to share what we learn as the European Union implements its revised framework.

The promise at the heart of deposit insurance is simple, and it is old. Keeping it in a digital world is neither. But I have no doubt that, together, we can.

Thank you for your attention.