BANCO DE ESPAÑA
Eurosistema

16.06.2026

Closing remarks*

25th anniversary of FOGAIN

Madrid

Soledad Núñez
Deputy Governor

* English translation from the original in Spanish

Good morning,

It is an honour to bring to a close this event marking the 25th anniversary of FOGAIN, the investor compensation scheme. Today we come together not only to celebrate a milestone in FOGAIN's history, but also to reflect on the vital role that guarantee mechanisms play in ensuring the stability of, and confidence in, the Spanish financial system.

FOGAIN was established 25 years ago in response to a fundamental imperative: to protect investors and strengthen the security of financial markets. From the outset, its mission has been clear: to provide a robust safeguard for those who put their trust in financial institutions, ensuring that their investments remain protected even in the most challenging times.

FOGAIN has evolved over the last quarter of a century, adapting to regulatory change, digitalisation and shifting market circumstances, while remaining steadfast in its commitment to protecting investors' interests and supporting a robust financial system.

Guarantee mechanisms such as FOGAIN and the Deposit Guarantee Scheme are key pillars of our financial system. They provide a safety net for small savers, thereby minimising the risk of losses in the event of an entity's failure. This protection is especially important in times of uncertainty, when confidence may be threatened by both external and internal factors.

Deposit and investment guarantee schemes not only protect people's savings and investments, but also reinforce the overall stability of the sector. While the financial sector entails risk by its very nature, these mechanisms provide a degree of certainty, thereby helping to maintain public confidence in the soundness and transparency of our financial institutions.

Trust is the cornerstone upon which the entire financial architecture is built. Without it, transactions, investments and savings would lose the foundation on which they depend. In an increasingly interconnected world, where change takes place at a dizzying pace, trust is a vital asset, capable of sustaining growth and innovation.

Investors and depositors need to know that their funds are protected. This certainty drives financial activity, fosters investment and allows the system to function in an efficient and stable manner.

Guarantee mechanisms act as a shield against uncertainty by discouraging excessive risk-taking and promoting responsible practices among financial institutions. Moreover, in times of crisis these funds help to prevent panic and restore calm among investors.

The role of FOGAIN and similar mechanisms sends a clear message: the financial system is equipped to cope in difficult times and safeguard investors' interests. Such protection not only prevents potential crises from spreading, but also allows for a faster and more orderly recovery.

The efficient functioning of the financial system depends on the confidence and stability that guarantee mechanisms provide. These protection schemes allow entities to operate with greater certainty and investors to plan for the long term, while providing a sound and reliable foundation for economic development.

The benefits extend beyond the financial sector and are felt throughout society. A stable financial system fosters growth, job creation and social well-being, making it a driver of progress for the country.

The importance attached to these guarantee mechanisms is illustrated by a recently approved EU legislative reform to strengthen the role of deposit guarantee schemes. In June 2025 a political agreement was reached to review the bank crisis management and deposit insurance framework. The reform seeks to broaden the scope of resolution, extend the use of resolution mechanisms to a larger number of banks and facilitate access to resolution funds through the involvement of deposit guarantee schemes. Under this new framework, to access external funds, such as the Single Resolution Fund, a failing bank's own investors and creditors must first absorb losses equivalent to at least 8% of the bank's total liabilities and own funds. The so-called "bridge the gap" mechanism allows deposit guarantee scheme funds to help meet this 8% minimum loss-sharing requirement when a deposit-funded bank does not have sufficient loss-absorbing capacity. This facilitates a smoother transfer of the bank's business and ensures an orderly market exit.

It also allows deposit guarantee scheme funds to be used for preventive or alternative measures. In other words, under the new framework deposit guarantee schemes are more than mere payout mechanisms for when a bank fails.

I would like to take this opportunity to acknowledge the work carried out by financial institutions to help create a secure and reliable environment, where protecting investors and depositors is a shared priority.

As we look to the future, we must be mindful of the new challenges that lie ahead. Digitalisation, the growing popularity of new forms of investment and regulatory change demand continuous adaptation. FOGAIN stands ready to meet these challenges, guided by its commitment to investor protection and financial stability.

We must continue to innovate, improve our processes and strengthen collaboration with all sector stakeholders. As we have seen, trust is not a fixed attribute; rather, it must be nurtured and renewed day after day.

On FOGAIN's 25th anniversary, I would like to express my deepest gratitude to all those who have contributed to its achievements. Your work has been instrumental in making us a benchmark for protection and trust.

I encourage you to continue your work with the same dedication and enthusiasm, because safeguarding financial stability and protecting investors are tasks that are never truly complete. Let us continue working together to build a strong, transparent and secure financial system, where confidence is the engine that drives us forward.

Thank you very much, and happy anniversary.