



SPI Monthly Activity Report November 2007 (www.spi-romania.eu)

Project Highlights:	<i>1 Project Working Group meeting</i>	<i>(Monthly New Item)</i>
Finalized projects:	<i>Rural Lending, IFRS Provisioning, Stress Testing, Consumer Financial Education, MiFID Implementation,</i>	
Well advancing projects:	<i>Lending Databases, Bank Guarantees</i>	
Regulatory-making process:	<i>Law on Safety, Electronic processing of debit instruments, AML Law</i>	
Institutional development:	<i>Credit Positive Information Sharing, Ombudsman</i>	

SPI Project Working Groups Activities

Finalized projects (analytically)

- **Rural Lending:** The SPI project solutions have been shared with the banking community on the occasion of the second edition of the conference “Raiffeisen – Cerealexpert”, held on November 29, 2007. The SPI Secretariat is waiting for a feedback from the Ministry of Agriculture in order to organize a follow up meeting on the project implementation steps.
- **IFRS Provisioning:** The impact assessment study on IFRS provisioning has been finalized, showing the system-wide estimated tax impact from the application of the proposed regulation. The RIA findings have been validated by NBR PWG members and will be submitted to the SPI Committee for endorsement. The SPI Committee will submit the impact assessment to MEF in order to enable it to make a decision on the fiscal treatment applicable to bank provisions.
- **Consumer Education:** The SPI Secretariat has visited the Italian Banking Association Patti Chiari in order to learn on the international best practices in the area of consumer financial education. Based on the visit to Patti Chiari, three additional SPI projects have been proposed to be undertaken in 2008, in order to strengthen consumer financial education in Romania. The visit memo has been shared with the PWG. The SPI Secretariat will continue to gather relevant international experience on the matter in order to improve the effectiveness of the proposed financial education measures for 2008.
- **MiFID Implementation:** The NSC has provided the banks with solutions for overcoming some of the impediments perceived in MiFID implementation, thus marking the achievement of the project objective.
- **Stress Testing:** NBR is currently cooperating with banks in designing a questionnaire to be used in the forthcoming system-wide stress testing exercise, following the discussions held between banks and the NBR on the occasion of the round table organized at the RBA on October 19, 2007.

Well advancing projects

- **Lending databases:** In accordance with the SPI Committee decision, RBA has revamped the project management team (new Project Owner and Project Manager). The SPI Secretariat sent to the new project management team the main project documents and has asked for a project working group meeting to take place in early December. The revamped project working group is expected to push forward this important initiative for the banking system.
- **Law on bank guarantees:** The project working group is expecting input from the NBR Legal Department and MEF on the draft legislative proposal referring to banks’ letters of guarantee. Upon endorsement by NBR and MEF, the SPI Committee will send to MoJ and to Parliament the amendment proposals.

Regulatory-making process

- **Amendment of law on goods safeguard AML law and law on cheques, drafts and promissory notes:** The SPI Secretariat followed up with relevant competent authorities on the status of the enactment of the law proposals, which are still undergoing an internal review.

Institutional development

- **Credit positive information sharing:** The SPI Secretariat has supported the PWG bank members in submitting their views on the new ASPDP draft decision. The discussions will continue in order to strike a balance between personal data protection needs and efficient and informative credit information systems.
- **Ombudsman:** RBA has registered the “Bank Mediator” trade mark to OSIM, in preparation of the institution establishment in early 2008.

Other Developments

- **SPI 2008 Pipeline:** The SPI Secretariat has held discussions with RBA Board members and MEF representatives in order to prepare the short list of projects to be undertaken in 2008, in accordance with the stakeholders’ priorities and options. MEF representative proposed new additional projects to be undertaken in 2008. The SPI Secretariat will prepare, for the SPI Committee endorsement, the final list of 2008 SPI projects.
- **RIA Knowledge Transfer and Capacity Building Program Bulgaria:** The SPI Director for Bank Products and Services Ramona Bratu participated as a trainer in the RIA Knowledge Transfer and Capacity Building Program provided by Convergence to Bulgarian financial sector regulatory authorities. The Bulgarian RIA initiative is replicating the successful Romanian program which promoted the concept of “better regulation” and the impact assessment tools and methodologies among national regulatory agencies.

Highlights of expected December activities

- The SPI project on lending databases PWG meeting will provide a boost in the project activities;
- SPI Secretariat to participate in the CitiFT Financial Education Summit, aimed at strengthening the understanding of the best international practices in the area of financial education;
- SPI Committee meeting to take place on December 20, 2007. The main items on the agenda are discussions on the 2008 SPI Projects and on the 2008 administrative arrangements.

December 17, 2007

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