

Dear Mr. Georgescu, Dear Mr. Ghetea and Dear Mr. Danila,

The SPI project on the Lending Databases (Mortgage Loan Servicing and Loss Given Default databases) has registered so far very limited progress. The attached status report outlines the actions undertaken so far by the project working group and the SPI Secretariat.

In view of the limited involvement of the working group in project activities, it is necessary to implement a “rescue” strategy, in order to have a more active engagement of local stakeholders, given the high importance of this project for the Romanian banking system.

In order to catalyze stronger involvement by the banking community and NBR in the design of possible industry-wide lending database solutions, the SPI Secretariat proposes the following measures:

1. **the RBA increases the number of banks represented in the project working group and diversifies the profile of the project team.** In this regard, it would be useful to have more banks involved in the project, which could support the awareness-raising on the importance of the project and could bring a new impetus to the project. Likewise, it would be important to achieve a balanced mix of experts with risk management, business development, legal, and IT background (proposed appointment letters attached);
2. **the NRB Supervision Department gets involved in the project.** The involvement of the NBR Supervision Department is justified by the relevance of the two databases for the application of the Basel II requirements and the future involvement of the NBR in analyzing and approving the banks methodologies (proposed appointment letter attached);
3. **the NBR and the RBA start together, with SPI Secretariat help, an awareness-raising campaign** on the importance of the two databases for the further development of the banking sector. This campaign would be important for getting the support of the banking community in implementing this initiative;
4. **the expanded project team prepares a concrete action plan for the project for the endorsement of the SPI Committee** in early May.

We would very much appreciate if you could support us in implementing the proposed project rescue plan. We are attaching a set of letters for your signature so that we can activate the rescue strategy without further delay.

Best regards,

Oana Nedelescu