

Convergence Romania Financial Sector Modernization

Special Projects Initiative Public-Private Steering Committee



SPI Project on Ombudsman

Project Objective

To prepare a formal recommendation to the banking industry that a Bank Ombudsman be created in Romania, backed by evidence of benefits for banks and consumers in the experience of other countries. The second phase of the project entails the implementation phase – the establishment of the Bank Ombudsman.

Project Management Team

Project Owner (PO): Radu Negrea (RBA General Secretary, on behalf of RBA)

Project Manager (PM): Mirela Iovu (Director, OTP Bank Romania)

Deputy Project Manager (DPM): Alis Avramescu (Deputy Director, NBR).

Minutes

Seventh Meeting

June 15, 2007 – SPI Office

Attendees: Mirela Iovu, PM, OTP Bank Romania
Bogdan Stanica, member, NBR
Dorin Octavian Bortoi, replacing Catalina Clinci, member, Raiffeisen Bank
Oana Ciobanu, legal adviser, ING Romania, replacing Ioana Bosinceanu, member
SPI Secretariat: Ramona Bratu, SPI Director for Bank Products and Services

Agenda

1. Status of letter to the Mediation Council
2. Draft legal documents for establishing the Bank Mediator;
3. Terms of Reference of the Bank Mediator;
4. Possible support from the UK Principal Ombudsman;
5. Others.

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1. Status of letter to the Mediation Council

SPI Secretariat informed that the letter signed by Mr. Ghetea and by Mr. Florin Georgescu was sent to the Mediation Council and no answer has been yet received. SPI Secretariat will follow up with the member of the Mediation Council, Mrs. Anca Ciuca, on the matter.

2. Discussions on the draft legal documents for establishing the Bank Mediator

Participants agreed on the main clarifications and changes on the draft by laws, as follows:

- the definition of the mediator (as individual) to be provided in a separate article;
- the associates in the referred according to the Banking Law provisions;
- the composition of the Board to make reference to the observance of the proportionality between associates' representatives and third parties and of the incompatibility issues for public institutions' representatives;
- the Trust Council to be a supervisory body;
- the composition of the Trust Council to provide that the third parties should have the major voting rights;
- the rights and obligations of the associates to be revised according to the list provided in Box 2 of the SPI document;
- the Trust Council to be responsible for approving the organization chart and the personnel policy instead of the Board;
- the description in more details of the Board and Trust Council activities (including meeting frequency, remunerations for the Trust Council members, setting up of the meetings agenda, etc);
- the mediator to be contracted by the President of the Trust Council;
- to complete the Executive Secretary's responsibilities;
- to add a table with the composition of the Trust Council.

PM will revise accordingly the draft by laws by June 21, 2007.

3. Discussions on the Terms of Reference of the Bank Mediator

SPI Secretariat presented the structure of the document and the sources used for drafting the Terms of Reference.

Participants agreed to send their comments and suggestions until June 21, 2007, as follows:

- o PM – for chapters 1 and 2;

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- NBR representative – for chapters 3 and 4;
- ING Romania representative – for chapters 5 and 6;
- Raiffeisen Bank representatives for chapter 7.

SPI Secretariat will collect all the suggestions and changes and will finalize the Terms of Reference. A solution for facilitating the translation of these will be found with PM's support.

4. Possible support from the UK Principal Ombudsman

PM signed the letter prepared by SPI Secretariat through which Mr. Thomas Davis support is required in order to ensure the compliance of the Romanian Bank Mediator ToRs with European best standards and practice especially in view of its future application for FIN-NET membership. SPI Secretariat will forward the letter and the draft ToRs to the foreign expert.

5. **Detailed budget** - SPI Secretariat will ensure that BCR representative has all the documentation and data for preparing the detailed budget of the Romanian Bank Mediator, as a basis for setting the banks contributions.
6. **Next PWG meeting** - Final documents together with the SPI document will be discussed in the next PWG meeting. **Tentative date for next meeting – July 13, 2007.**