



**Seventh SPI Committee Meeting
March 12, 2008
Decisions and Follow-up Actions**

Subjects	Decisions	Main Follow-Up Actions
1. 2007 Main Achievements		
SPI – Romania Achievements in 2007	SPI Committee praised the SPI-Romania achievements in 2007 and decided that MEF, RBA, RBI and SPI Secretariat shall act in order to ensure a better capitalization and implementation of the projects' findings.	<ul style="list-style-type: none"> - Issuance by the end of March 2008, at the Ministry of Economy and Finance initiative, of the emergency ordinances, in order to modify the laws on debit instruments; - MEF will decide on the modification of the Fiscal Code concerning the tax treatment of provisions calculated according to IFRS; - RBI will organize an event in order to present the results and recommendation of the World Bank mission, concerning consumer financial protection and education, as well as SPI-RBI implication in this field; - In case the owners of Roland Berger study will agree, the synthetic document shall be distributed to the banking community, with the RBA support
2. 2008 SPI Program		
Proposed 2008 Program	SPI Committee analyzed the full list of proposed projects and approved SPI list of projects for 2008, as presented in the attached table.	SPI Romania will finalize the activity program after clarifications with the Ministry of Economy and Finance and with the Romanian Banking Association and will present it to the SPI Committee.
3. Rules and principles of corporate governance in SPI Romania		
MoU between RBI – Convergence Program - RBA	Following the decision on the SPI Romania's transfer to RBI, SPI Committee considers that a MoU between RBA, RBI and Convergence Program is not necessary.	
SPI Romania Governance and Organizational Structure of SPI Romania	SPI Committee appreciates that SPI Romania needs to function under the RBI internal organization and functioning rules.	RBI shall clarify in the shortest term the SPI Romania role within its organizational structure and shall ensure the harmonization and the support of the 2008 SPI Romania activities. In this aspect, RBI will prepare an internal Memorandum including the necessary information, by the end of March.
SPI Romania 2008 budget	SPI Committee asks the Romanian Banking Institute to ensure full logistical, administrative and financial support in order to sustain the good progress of SPI activity.	



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1. 2007 main achievements

SPI Committee praised the SPI-Romania achievements in 2007 and decided some actions in order to ensure a better capitalization and implementation of the projects' findings, as it follows:

1. Expansion of positive information sharing by the banks to the Credit Bureau – SPI Romania contributed through this project to the achievement of 83% of the retail market reporting positive information;
2. Electronic processing of debit instruments –the amendment proposals to Laws 58/1934 and 59/1934 allowing the electronic processing of debit instruments received ECB endorsement. Due to changes in the Ministry of Justice management, the procedure for signing the law amendment proposals by the involved authorities shall be retaken. Ministry of Economy and Finance representatives estimate that these law amendments shall be promoted through emergency ordinances by the end of March 2008.
3. The modification of Law 656/2002 on anti-money laundering – The law amendment is at the Ministry of Justice for endorsement and enactment;
4. Amendment of Law 333/2003 on Goods and Values Safeguard and Persons Protection – the project law enactment is in progress in the Ministry of Internal Affairs;
5. Bank Ombudsman – Romanian Banking Association is going to establish the institution based on the by laws documents prepared by the SPI Romania;
6. Rural Lending - the document package including legal proposals is within the Ministry of Agriculture and Rural Development for their analysis and decision;
7. Loan loss provisioning under IFRS – After analyzing and validating the impact assessment (prepared within the project) on the state budget of the deductibility provisions deductibility calculated according to IFRS, the Ministry of Economy and Finance shall decide on the Fiscal Code modifications.
8. Stress test techniques on credit exposure – The National Bank of Romania and the SPI Secretariat prepared a study regarding the best stress test practices, presented to banks at a round table organized by the Romanian Banking Association.
9. Financial consumer education – After the World Bank assessment of the level of financial consumer education and protection in Romania, SPI Romania, together with other departments in the Romanian Banking Institute shall organize a seminar in which the results and recommendations of this assessment shall be presented, as well as the SPI-RBI involvement in this field;
10. Roland Berger study - In case Roland Berger and Raiffeisen Bank will agree, SPI Romania with RBA support will distribute to the banking community the

- synthetic document prepared by SPI Romania on the outcomes of the study regarding “The impact of external regulation on the Romanian banking system”
11. Markets in Financial Instruments Directive (MiFID) Implementation – the project contributed to clarifying some issues concerning the implementation of MiFID provisions through the dialogue between market representatives and authorities;
 12. Credit Rating Agencies – Through the issuance, by the National Bank of Romania and the National Securities Commission, of the regulations regarding credit rating agencies, the project has become inopportune.
 13. Mortgage Loan Servicing and Loss Given Default Databases – the project shall be finalized in 2008
 14. Law on Bank Letters of Guarantee – the proposed law shall be promoted as a parliamentary initiative.

2. Proposed 2008 SPI Romania Program

SPI Committee analyzed the full list of 33 proposed projects submitted by the stakeholders and approved the SPI projects that are going to be overtaken in 2008, as stated in the attached table. SPI Romania shall finalize the activity program after clarifications with the Ministry of Economy and Finance and with the Romanian Banking Association and shall present it to the SPI Committee in the week 24-29 March 2008.

3. SPI governance and organizational structure

Considering the decision regarding the SPI Romania’s transfer to RBI, SPI Committee considers that a MoU between RBA, RBI and Convergence Program is not necessary..

Regarding this, SPI Romania will be a distinctive department inside RBI and will function under the RBI internal organization and functioning rules.

SPI Committee considers that RBI needs to clarify in the shortest term the SPI Romania role within its organizational structure and to ensure the harmonization and support of the 2008 SPI Romania Program.

SPI Committee took note on the letter of Mr. Luigi Passamonti – Head of Convergence Program, dated for March, 11 2008, regarding the extension of the support provided to SPI Romania by the Convergence Program till end of July 2009. Regarding the attachment at Mr.Passamonti’s letter regarding ‘Better regulation approach’, National Bank of Romania is already applying this approach.

4. SPI Romania 2008 budget

SPI Committee took note on the approved SPI Romania budget for 2008 and asked the Romanian Banking Institute to ensure full logistical, administrative and financial support in order to sustain the good progress of SPI activity.

5. Next SPI Committee Meeting

The next SPI Committee meeting will be held in....(it is proposed the first week of July 2008).