

**SPI Romania Achievements**  
**2007 Program**  
Updated October 2008

Project	Analytical Output	Practical Impact
Expansion of Positive Credit Information Sharing	<ul style="list-style-type: none"> <li>• Preliminary RIA on the net benefits of positive information sharing</li> <li>• Recommendations on expanding positive information sharing through moral suasion</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Change in the National Authority for Supervision of Personal Data Processing intentions to forbid positive information sharing</b></li> <li>➤ <b>Increase in market share of banks reporting positive information to the Credit Bureau from 27% in July 2006 to 85% by the end of 2007 through self-regulatory decision</b></li> <li>➤ EUR 130 mln./year potential increase in lending volume</li> </ul>
Rural Lending	<ul style="list-style-type: none"> <li>• Preliminary RIA on the net benefits of new rural lending features</li> <li>• Recommendations on revamping the rural lending based on deposit certificates for cereals, including comprehensive package regulatory proposals and implementation plan</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Partially enacted through Government Decision no. 520/2008</b></li> <li>➤ Increase in the loans granted to farmers under low risk conditions</li> <li>➤ Implementation of a real cereal market</li> <li>➤ EUR 104 mln./year additional loans</li> </ul>
Anti Money Laundering Law	<ul style="list-style-type: none"> <li>• RIA on the net effects of changing the AML Law</li> <li>• Recommendations on amending the AML Law by aligning it to the Third Directive and FATF Recommendations and by rationalizing the AML reporting system</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Enacted by Government Emergency Ordinance no. 53/2008</b></li> <li>➤ EUR 11 mln./year net benefits for the banking community</li> </ul>
Electronic Processing of Debit Instruments	<ul style="list-style-type: none"> <li>• Preliminary RIA on the effects of replacing manual processing with electronic one</li> <li>• Recommendation to implement electronic processing of debit instruments</li> <li>• Amendment proposals for the regulatory framework</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Creating the necessary regulatory framework for implementing the electronic solution through Governmental Emergency Ordinances no. 38 and 29 /2008 and NBR Norms no. 7 and 7/2008 on cheques, drafts and promissory notes and Technical Norms no. 4 and 5/2008 as endorsed by European Central Bank (CON/2008/7)</b></li> <li>➤ Building industry consensus for the electronic solution</li> <li>➤ Finalizing the Electronic Payment System</li> <li>➤ EUR 30 mln./year net benefits for banks</li> </ul>
IFRS Loan Loss Provisioning	<ul style="list-style-type: none"> <li>• Recommendations on the general principles for the new NBR provisioning</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reaching consensus among stakeholders on the regulating principles</li> <li>➤ <b>NBR is drafting new regulations to be issued in 2009</b></li> </ul>

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	regulation, and an action plan for finalizing the proposed regulation <ul style="list-style-type: none"> <li>● RIA on the fiscal effects of the new provisioning principles</li> </ul>	<ul style="list-style-type: none"> <li>➤ Eliminating double reporting of loan loss provisions</li> <li>➤ No adverse impact on state budget</li> </ul>
Law on goods safeguard, values and persons protection	<ul style="list-style-type: none"> <li>● Law amendment proposals to rationalize the security requirements</li> <li>● Preliminary RIA on the net benefits of the proposals</li> </ul>	<ul style="list-style-type: none"> <li>➤ Ministry of Interior did not follow up</li> </ul>
Mortgage Loan Servicing and Loss Given Default Databases	<ul style="list-style-type: none"> <li>● Preliminary RIA on net effects of the two databases</li> <li>● Recommendations on establishing industry-wide lending databases, identifying the implementing institution, most critical issues and governance principles</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Transfond is implementing the project with Polish Banking Association's support</b> (<a href="http://www.transfond.ro/en/projects.html">http://www.transfond.ro/en/projects.html</a>)</li> <li>➤ EUR 45 mln./year capital release</li> </ul>
MiFID Implementation	<ul style="list-style-type: none"> <li>● International experience in implementing MiFID</li> <li>● Banking survey on banks' difficulties in implementing MiFID</li> <li>● Recommendations on interpretation of some MiFID provisions</li> </ul>	<ul style="list-style-type: none"> <li>➤ Raising awareness on MiFID challenges</li> <li>➤ Providing solutions for some MiFID provisions</li> <li>➤ Supporting dialogue between public institutions involved and banks</li> </ul>
Stress Test Methodology for Household and Firms	<ul style="list-style-type: none"> <li>● Roundtable on stress testing techniques</li> <li>● Stress testing knowledge sharing document</li> </ul>	<ul style="list-style-type: none"> <li>➤ Initiation of an evidence-based dialogue between the National Bank of Romania and the credit institutions on the methodologies and practices of stress testing</li> </ul>
Consumer Education	<ul style="list-style-type: none"> <li>● National Strategic Plan for Promoting Consumer Education</li> <li>● Measures and action plan</li> </ul>	<ul style="list-style-type: none"> <li>➤ Awareness raising on the importance of consumer education</li> <li>➤ Identification of the stakeholders and their responsibilities</li> <li>➤ A coherent and coordinated national plan</li> </ul>
Banking Ombudsman	<ul style="list-style-type: none"> <li>● Study on international experience</li> <li>● Recommendations on establishing the Banking Ombudsman in Romania</li> <li>● Proposals for by-laws and ToRs</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Romanian Banking Association General Assembly endorsement to establish the Banking Ombudsman</b></li> </ul>