

## **SPI Project on Lending Databases (Mortgage Loan Servicing and Loss Given Default Databases)**

**Minutes  
December 13, 2007**

### **Project Objective**

To prepare a set of recommendations on the consensus-building, practical and technical steps that the banking system will need to take in order to set up databases that address mortgage loan servicing and loss given default information requirements.

### **Project Working Group Meeting SPI Secretariat Office Romanian Banking Institute**

#### **Participants:**

##### *Project working group:*

**Mirela Bordea**, Project Owner, Credit Europe Bank, Vice President

**Ovidiu Bordeut**, Project Manager, Credit Europe Bank, Head of Risk Management Department

**Angela Margarit**, Project Working Group Member, National Bank of Romania, Expert

**Iuliana Crosman**, Project Working Group Member, BCR, Legal Advisor

##### *SPI Secretariat*

**Oana Nedelescu**, SPI Director for Analytics and Policy

**Ramona Bratu**, SPI Director for Bank Products and Services

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## MINUTES

Despite its critical importance for the financial sector (supporting banks in reducing capital requirements under Basel II; improve the risk management and the pricing of certain categories of products; and enhance the tools available to the central bank for monitoring financial stability), the project has marked limited progress since it started in late December 2006.

At the recommendation of the SPI Committee, RBA revamped the project management team in November 2007, to ensure a stronger ownership and involvement of banks.

### ***1. Setting Up the Project Working Group***

The project working group acknowledged the change in the management team, which will consist from now on of:

- Ms. Mirela Bordea, Credit Europe Bank Vice President, SPI Project Owner;
- Mr. Ovidiu Bordeut, Credit Europe Bank Head of Department, SPI Project Manager.

It was proposed that the SPI Secretariat contacts the other members of the working group (from UniCredit Tiriac, Raiffeisen, Alpha Bank, and NBR Supervision Department), in order to confirm their commitment to remain involved in the project by the end of the year. Depending on the responses provided, the project management group will take measures to complete the working group team.

### ***2. Exploring the possible entities for hosting the databases***

The project working outlined that there are two possible entities for hosting the databases: Credit Bureau and Transfond. The project working group representatives will have discussions with the two institutions in order to ascertain the pros and cons of each alternative. The conclusions will be shared with the banking community.

Also, participants outlined that it would be useful to get in touch, in addition to the contact already established with Italian Banking Association, with other banker associations that have established industry-wide databases, i.e., British Bankers Associations or the Polish Banking Association.

### ***3. Providing input on the informational and technical requirements for the databases***

The project working group will analyse the document prepared by the SPI Secretariat and will provide input on the informational and technical requirements for the two databases. Based on the project working group feedback, the SPI Secretariat will prepare a simplified document



with the main informational and technical requirements for the two databases, which will be shared with potential database providers.

#### 4. *Next steps*

SPI Secretariat:

- a) will ask the non-participating project working group members on their availability to be further involved in the project – by January 11, 2007;
- b) will prepare a brief action plan to be shared with project working group – by January 9, 2007;
- c) will prepare a simplified document containing the main informational and technical requirements for the two databases – by January 25, 2007;
- d) will prepare letters to be sent to the British and Polish Banking Associations to request for more information on their industry-wide initiatives – January 2008.

Project Working Group members:

- a) will review the document prepared by the SPI Secretariat and will provide input on the informational and technical requirements for the two databases – by January 18, 2008;
- b) will explore with their mother entities whether there are any similar database initiative in their countries of origin and will get any useful information for the project – by January 25, 2007;
- c) will conduct, with the support of the SPI Secretariat, exploratory meetings with the Credit Bureau and Transfond – week of January 21-25, 2008.

It is proposed that the next project working group meeting takes place in the **week 21-25 January, 2008**.

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