

**International Conference on SPI Albania**  
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**SPI Albania progress**

AAB joined the SPI Albania public-private partnership with enthusiasm and great expectations. Although AAB enjoyed a very good relationship with Bank of Albania and other public authorities, there were some issues that made us take this decision.

First, we were pleased with the idea of having a continuous and institutionalized partnership, supported by a Secretariat that could be helpful for planning and keeping track on issues.

Second, under this partnership, the banking association can have the initiative of making proposals for projects to be commonly undertaken, on issues of great importance for the banking community. AAB can also have the benefits of participating, from the beginning, in identifying solution for issues that are concerning the central bank. AAB and BoA can agree under this partnership on a common activity plan and put together their human resources for undertaking it.

Third, AAB's expectations were to double our activity in terms of projects and initiatives with only a small investment in insuring the office facilities for the SPI Secretariat.

Fourth, AAB was anxious to see how Convergence methods and methodologies in managing projects improve the work efficiency.

Fifth, AAB hoped that the proposals coming from public – private project working groups and endorsed by the SPI Committee will have better chances for enactment than a banking community's initiative.

So, these were AAB reasons for entering into this partnership. Now, 10 months after AAB and BoA committed themselves for partnership and 5 months after SPI Committee decided on 2008 activity plan, we could make an assessment on how AAB's expectations were met and on how the cooperation with SPI Albania went.

Due to extensive preparation works of Convergence, AAB and BoA, the first SPI Committee meeting was a success. Ministry of Finance and Financial Supervision Authority joined us as permanent observers, we established a comprehensive framework of our cooperation (“the rules of the game”) and we agreed on the 2008 projects to be handled.

The 2008 SPI Albania activity program reflects banks’ initiatives and priorities – AAB handled the consultations with banks. The projects proposed by BoA were either also a major concern and priority for banks (IFRS implementation) or an issue that banks liked to be involved in from the beginning (amending capital adequacy regulations).

AAB supported the assembling of the first four project working groups by overseeing their composition - AAB and SPI Secretariat took care that all banks be involved in the projects and that small, medium-size and large banks are all represented in each of the project working group. AAB was pleased to see that its members undertook immediately responsibilities in managing projects or participating in the working groups.

We know that BoA and the other partners had the same support in this respect, but what it is most impressive is that other public and private institutions joined us in the project and in our efforts to make things better.

As decided, for coordination reasons, all SPI Albania requirements to the banking community are going through AAB. AAB supported thus the running of the banking surveys and the PWG gathering. Unfortunately, in some cases we had to insist with the requests, due to low feedback from banks. We think that, in a way, this is a matter of practicing: the more they will be asked, the easier will be for banks to answer. But, at the same time, we need to find a solution for improving banks’ feedback. For example, we might ask banks to appoint a single responsible for dealing with AAB requests and thus ensuring a better accountability and follow up.

AAB Executive Committee discussed in a meeting the issue of the contributions – SPI Albania Secretariat versus individual contributions. The conclusion is that banks should be more aware on SPI Secretariat supportive role – they are not experts on particular fields, but they can do research, they can gather and structure the individual contributions, they prepare the documents. We have to work more in making these issues

clearer to the banking community, emphasizing that even the best consulting companies work finally with the client's material and that it is our primary interest to have issues solved in an optimal way.

AAB noticed that the efficiency in using its conference room doubled in this period by hosting the PWG meetings and other SPI Albania events.

When it comes to the efficiency of the PWGs' work, one has to measure it through the outputs. AAB appreciates that having three good quality documents with well grounded solutions after only 8 PWG meetings means a good efficiency. Banks had the opportunity to be pro-active and not only reactive, and we could tell that overall AAB doubled its capabilities.

We will see now if the expectations of better enactment process will come true, especially in the case of the project on improving auction procedure for immovable collateral under foreclosure. There are good signs since the PWG was invited in the Parliamentary Legal Commission's hearings and the MoJ close interaction with PWG ended in agreements on the major part of the amendment proposals, especially on Civil Procedure Code.