



Tirana, December 5, 2008

FIRST Initiative
Program Management Unit
The World Bank
Washington, DC 20433
USA

Dear Sirs,

SPI Albania application for FIRST financing

SPI Albania is a public-private partnership for financial sector modernization set up in May 2008 by Albanian authorities and the Albanian Banking Association. The SPI Albania mandate is to prepare regulatory and self regulatory proposals and to promote their enactment under the joint initiative of the undersigned members of the SPI Committee. You will find information on our activities on our website: www.spi-albania.eu.

Following the start-up period, financed by the World Bank's Convergence Program and an allocation of EU funding through Italy's Regione Puglia, and while preparing for mobilization of long-term domestic funding, the SPI Committee wishes to apply for FIRST funding to cover the expenses of experts that will deliver the SPI Albania 2009 Program, starting in March 2009. We detail our plans in the attached summary proposal.

SPI Albania has already completed three regulatory amendment proposals that are currently under the regulatory authorities' attention for promotion. The Albanian stakeholders have mobilized more than sixty experts and sustained senior leadership attention to support SPI Albania activities.

Our preference would be to direct the proposed FIRST grant to the Association of Albanian Banks which will hire the experts that will work under SPI Committee oversight. This is first step towards SPI Albania's long-term sustainability. However, if procurement constraints make it impossible for the AAB to hire the SPI Albania staff who are presently World Bank consultants, we are also prepared to keep their present employment status for one additional year. Employment continuity is key to SPI Albania's success.

We welcome your guidance on how best to structure a full Project Application. Our contact person for this initiative is Ms. Ramona Bratu, SPI Regional Operations Director.

Sincerely,

Fatos Ibrahim
First Deputy Governor
Bank of Albania

Edvin Libohova
Chairman
Albanian Association of Banks

Nezir Haldedaj
General Treasury Director
Ministry of Finance

Keller Gjika
Deputy Chairman
Financial Supervisory
Authority

Anila Jani
Director Market Surveillance Department
Ministry of Economy, Trade and Energy

Attachment: Summary Proposal

SPI Albania Secretariat

Mrs. Anuela Ristani, Director of Operations, anuela.ristani@spi-albania.eu
Ms. Elona Bollano, Director of Analytics and Policy, elona.bollano@spi-albania.eu
Address: Twin Tower I, Kati 6, Apt. A3. Tirana, Albania. Tel. +355 42 280 359; Fax. + 355 42 280 371
www.spi-albania.eu