

Brussels, 25 November 2008

Mr. Michael U. Klein
Vice President and IFC Chief Economist
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Subject: **Convergence Program**

Dear Mr. Klein,

When we reviewed together in December 2006 at the Italian Ministry of the Economy and Finance the organizational set-up and initial activities of the Convergence Program in Romania, I assured you that they were destined to produce important results. I also shared with you the positive feedback I had gathered from the Association of Romanian Banks. Indeed, only one year later, in January 2008, the Romanian banking community took full operational and financial responsibility for these activities.

The Executive Committee of the European Banking Federation, which gathers the leadership of 31 banking associations of the European Economic Area, has recently considered a presentation on the Convergence Program activities, following a first discussion at the bi-annual meeting of the EBF Associate Members in June 2008.

I wish to convey my appreciation for the public policy work that the World Bank and Italy's Ministry of Economy and Finance have undertaken to design an innovative governance and analytical framework that can accelerate financial sector modernization in countries with less sophisticated public-private policy dialogue arrangements.

I am also pleased to inform you that the EBF Executive Committee has decided to approach EU institutions to explore the possibility to undertake a joint initiative, based on the Convergence Program model, in EU neighbouring countries with a significant EU banking presence.

Sincerely,



Giuseppe Zadra