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Executive Committee

23rd MEETING OF THE ASSOCIATES
- Brussels, 7 December 2006 -

ITEM 10 OF THE AGENDA: ANY OTHER BUSINESS:
**A) LATEST DEVELOPMENTS IN THE EU-RUSSIA
FINANCIAL INDUSTRY TASK FORCE**

The EU-Russia Industrialists' Round Table (IRT) is one of the industry-driven business dialogues initiated originally by the EU Commission to improve business conditions between the EU and its trading partners. Some more historical information on the EU-Russia Industrialists' Round Table can be seen at:

http://europa.eu.int/comm/enterprise/enterprise_policy/business_dialogues/russia/russiaoverview.htm

The key building block of IRT is the so-called Task Force. Currently there are Task Forces for Energy, Telecommunications and IT, Transport, Forest and Building industries and Financial Services.

The IRT had its 6th General meeting in The Hague on the 10th of November 2004. On the basis of initiatives from the Russian side participants from the banking sector were also invited. During this General IRT meeting the proposal to establish a Financial Industry Task Force which would cover business sectors such as banking, insurance and financial markets was tabled.

Against this background, the Financial Industry Task Force (FITF) was created in January 2005 by the Russian Organization of Professional Market Participants. The Association of Russian Banks, an FBE Associate, is a member of this organization alongside the All-

Russian Insurance Association and the Russian National Association of Securities Markets Participants.

The European Banking Federation was invited to participate in this Task Force from its 4th Meeting, which took place in London, on 3rd October 2005. During this meeting Mr. Guido Ravoet was elected as FITF Co-Chairman for the EU side. Mr. Garegin Tosunyan, President of the Association of Russian Banks, is a Co-Chairman for the Russian side.

The last, 6th meeting of the FITF took place on 23rd of November 2006 in Helsinki under the umbrella of 8th IRT General Meeting.

During this meeting the European Bank for Reconstruction and Development (FITF member) was mandated to organize an international tender for a project which would result in publication of "Green" and "White" Papers on the creation of the integrated market in financial services under the framework of work on creation of the common economic space between the EU and Russia. Ideally the "Green Paper" would be ready by mid-2007 and the "White Paper" by mid-autumn 2007.

Details of the formal decisions of the last FITF meeting should be ready in the coming weeks and available from the EBF Secretariat.

The next full-scale FITF meeting may be organized in late-spring/early summer 2007 in Montenegro under the framework of the international forum on "Common financial-economic space on the Eurasian continent: challenges of globalization and national interests".

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