

Authorities plan modernizing CEC Bank, turning it into major competitor on financial-banking market

The Public Finance Ministry plans to modernize CEC Bank, harnessing its potential to become a major competitor on the financial-banking market, Minister Florin Citu told the "Banking Forum Online" on Thursday.

"Regarding the state-owned financial assets, we are indeed mulling a strategy for the next period that includes them all. You know very well that Eximbank's merger with Banca Romaneasca was carried out before we took on rule. But if it could not be reversed, at least I want this merger to be a successful operation. We also want to modernize CEC Bank. It can obviously become a major competitor on the financial-banking market and needs to be modernized. Strategies exist. Next is the Development Bank, which will start in 2022, that's when I think it will become operational," Citu said, mentioning that this bank is necessary for attracting financing from the European Commission.

"We lost money in the past because we did not have this vehicle. But there is a strategy in place for the entire financial-banking system, for the state-owned assets, which has as a clear objective streamlining the system and increasing its profitability. We are in competition with the private system that is far ahead of us in many regards," said the FinMin.

The CEC Bank General Meeting of Shareholders approved in September several changes in the bank's Board of Directors, and president of the National Tax Agency Mirela Calugareanu was appointed to chair the Board.

CEC Bank is Romania's oldest financial institution in operation. Founded in 1864, CEC Bank currently runs the largest national network, with over 1,000 branches and offices and assets worth over 36 billion lei as of H1 2020.