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Welcome Address by Mr. Carl Eric Stålberg, Executive Chairman, Swedbank

(Check against Delivery)

Welcome to Swedbank

Swedbank is a modern financial institution today listed on the Stockholm Stock Exchange with a long history including different mergers in the Swedish savings banks' sector.

The history of Swedish savings banks bears a great deal of resemblance to developments in several other European countries. The first savings bank was founded 1820 in Gothenburg. After that, Sweden experienced an increase in the number of savings banks reaching a peak in 1928, when there were close to 500.

Swedish savings banks were created in a society marked by poverty. Their founders were largely philanthropists who wished to improve living conditions for the vast majority of the people. It would hardly occur to them that the savings banks system was to be of great importance for the capital accumulation in this country.

The most important task for the savings banks was to promote savings. Other features included close ties with the local community and the absence of individual profit interests.

Swedbank of today also contains the Swedish cooperative banks after a big merger in 1997.

A decision by the Swedish Parliament in 1915 laid the foundation of the cooperative bank system and created new opportunities for the development of the agriculture sector.

The savings banks and the cooperative banks have historically had similar cultures of local roots and democratic principles. The 150th anniversary of the Swedish savings bank system in 1970 gave rise to the savings banks' commitment for developing countries. In preparation for the anniversary celebration, the Swedish Savings Banks Association at that time was invited by the UN Secretariat to take part in the first international seminar on promoting the developing countries' mobilization of their own financial resources with the accent on broad popular savings in institutional forms. Through the savings banks, the Swedish International Development Authority (SIDA) was engaged in the first UN seminar in Stockholm. About 30 developing countries took part together with international development assistance organizations and savings banks. In connection with this seminar, the International Savings Banks Institute today named WSBI assumed an active role in the development cooperation.

In 1972 the Savings Banks Development Committee was created. The Development Committee was to work for:

- 1) Cooperation with SIDA and the UN in the field of savings together with the International Savings Banks Institute and its Development Cooperation Committee, Nordic savings organizations and international development-assistance and savings institutions;
- 2) encouraging educational activities, procuring experts for assignments in developing countries;
- 3) disseminating information on problems related to savings banks policies, on the importance of savings in developing countries and on the importance of linking savings and credits.

This way the Swedish Savings Banks have been involved in many kinds of development activities in different countries.

Examples of those activities are:

- Educational programmes in Jamaica, Tanzania, Botswana, Lesotho, India, Thailand.
- Research activities together with representatives of the International Monetary Fund, the World Bank, the UN and the Food and Agricultural Organization (FAO) of the UN.
- Participation in symposia and workshops.
- The creation and development of the regional agricultural credit associations of the FAO.
- Microfinancial projects in Kenya and the Philippines together with self-help groups.
- Savings promoting activities aimed at developing both savings and credits in Kenya, Tanzania, Botswana, Zambia etc.
- Consulting activities in different countries e.g Nicaragua, China, Nepal, Thailand.

During the last decades Swedbank has been very active in collaboration with the International Savings Banks Institute which is present in most developing countries in training programs, branch restructuring, accounting and marketing, saving and credit products in Latin America, Africa and Asia.

In the last years Swedbank has been involved in numerous financial development projects in cooperation with all European Savings Banks in order to support the reconstruction and development of the banking system in the eastern countries as Ukraine, Slovenia, Croatia, Poland, the Baltic Region, Russia and China.

Swedbank has its historical roots in the savings bank movement and acts in many respects in accordance with the fundamental savings bank ideology, with strong links within the local community. In addition, the bank's largest owners, the savings bank foundations, have the principle task to advance the savings bank concept and use their dividend from Swedbank to promote savings and support research & development and culture.

The collaboration between Swedbank and the traditional savings banks is a central component of the Swedish operations and is founded upon our shared history and values.

Swedbank of today is also through our fully owned subsidiary Hansabank the largest bank in the three Baltic countries, Estonia, Latvia and Lithuania.

We also own banks in Ukraine, Russia and Luxembourg and have branches in Shanghai, New York, Tokyo and Spain.

Through operations established in Norway, Denmark and Finland, Swedbank is able to offer banking services throughout the Nordic region.

Bringing all this together we today operate in 14 countries with close to 900 branches, 9 million private customers and 600.000 corporate customer and have 23.000 employees whereof 9000 in Sweden. That is quite a story from the first savings bank in Gothenburg 1820.

The primary objective of UN-Habitat is as far as I understand to create and implement programmes for shelter and related infrastructure for supporting human settlements.

That has also been one of the purposes of the historical work of Swedbank. I see very good possibilities for cooperation. I wish you good luck in this meeting and in the future.