



**REPUBLIC OF ALBANIA
BANK OF ALBANIA
SUPERVISORY COUNCIL**

DECISION

No. 37, dated 25.06.2014

ON

APPROVING THE REGULATION

"On the organisation and functioning of the National Payment System Committee"

Pursuant to Article 3, paragraph 4, letter "dh", Article 43, letter "c" of the Law No. 8269, dated 23.12.1997, "On the Bank of Albania", amended; of Article 4 of Law No. 133/2013, dated 29.04.2013 "On the payment system", upon the proposal of the Payment Systems, Accounting and Finance Department, the Supervisory Council of the Bank of Albania,

DECIDED:

1. To approve Regulation "On the organisation and functioning of the National Payment System Committee" according to the text attached herein.
2. The Payment Systems, Accounting and Finance Department at the Bank of Albania is responsible for the implementation of this decision.
3. The Governor's Cabinet is responsible for the publication of the Regulation in Bank of Albania's Official Bulletin and in the Republic of Albania's Official Journal.

This Decision shall enter into force 15 (fifteen) days after its publication in the Official Gazette of the Republic of Albania.

SECRETARY

CHAIRMAN

Elvis Çibuku

Gent Sejko

Article 1

Scope

This Regulation lays down the objective, functions, duties, composition and rules for the organisation and functioning of the National Payment System Committee, as an advisory collegial authority.

Article 2

Legal grounds

The Committee shall be established and function in accordance with the following legal acts:

- a) Law no. 133/2013, dated 29.04.2013, "On payment system";
- b) Law no. 8269, dated 23.12.1997, "On the Bank of Albania", amended; and
- c) By-laws of the Bank of Albania.

Article 3

Purpose

The purpose of the Committee is to support and contribute in increasing the security, stability and effectiveness of the national payment system in Albania, in accordance with the legal obligation of the Bank of Albania to promote the normal functioning of the payment system.

Article 4

Composition

1. The Committee shall be composed of members with the right to vote, as follows:
 - a) First Deputy Governor of the Bank of Albania, as the Chairperson of the Committee;
 - b) Head of the Payment Systems, Accounting and Finance Department of the Bank of Albania, as the Vice Chairperson of the Committee;
 - c) a representative from the Governor's Office of the Bank of Albania as a member;
 - d) Head of the Supervision Department of the Bank of Albania as a member;
 - e) An executive representing the Ministries covering the following functions as a member¹:
 - i. the state treasury
 - ii. the right to propose legal acts drafted by the Bank of Albania;
 - iii. consumer protection;
 - iv. register of civil status;
 - v. the fight against cybercrime;
 - vi. innovation and digitalization of public services (e-government);
 - vii. remittances;
 - viii. as well as other functions which, depending on the objectives and projects, may relate to the function of the Committee.";

¹ Amended by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

- f) repealed²;
 - g) repealed³;
 - h) repealed⁴;
 - i) an executive representing the Financial Stability Authority, as a member;
 - j) Chairperson of the Association of Banks, as a member;
 - k) Chairperson of the Payments Committee at the Association of Banks as a member.
 - l) An executive representing the non-bank financial institutions, which conduct payment services and money transfers activities and/or issuance of electronic money and the infrastructure operators, licensed under the law "On the Payment System", in the capacity of the Member; the representatives may attend meetings through representation or in an individual form⁵.
2. The following may also participate in Committee meetings:
- a) Secretariat of the Committee, consisting of at least one employee of the Payment Systems, Accounting and Finance Department, and of the Legal Department at the Bank of Albania, as non-voting participants; and
 - b) Secretary General of the Albanian Association of Banks, as a non-voting participant.
3. Depending on the agenda items, other stakeholders in the payment system and financial market infrastructure may participate in Committee meetings as observers, such as: utility companies, telecommunication companies, Tirana Chamber of Commerce and Industry, Competition Authority, foreign experts on payment systems or services, etc.⁶
4. The Secretariat of the Committee, for the cases set out in paragraph 3 of this Article, upon the proposal of at least one member and/or submission of a request by an interested entity to the e-mail address komitetiKSP@bankofalbania.org and pending on the approval of the meeting chairperson, shall ensure to communicate, within a reasonable timeframe, the decision to the interested entity to participate, in order to ensure their on-time participation. The invited person shall have no voting right in Committee's meetings⁷.
5. Any member of the Committee, depending on the topic of the session, may be accompanied by one or more employees of the respective institution, informing the Secretariat in advance, which shall then inform the chairperson of the meeting. The accompanying employee shall have no voting right in Committee's meetings.
6. Committee members shall be appointed by participating institutions in this Committee, upon the request by the Bank of Albania.

² Repealed by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

³ Repealed by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

⁴ Repealed by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

⁵ Added by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

⁶ Amended by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

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7. The composition of the Committee may be revised, depending on market developments and objectives for the payments system.

Article 5

Functions

1. With a view to realising the purpose set out in Article 3 of the Regulation, the Committee shall discharge the following functions:
 - a) Advises, on its own initiative, the decision-making bodies of the Bank of Albania on issues related to the payments system and use of payments instruments;
 - b) Advises the decision-making bodies of the Financial Supervision Authority on issues related to the licencing and oversight of the securities settlement system and securities clearing house;
 - c) Advises participating institutions on issues related to payment systems and instruments;
 - d) Advises participating institutions on promoting and standardising payment procedures and systems;
 - e) Drafts joint positions, statements and instructions with the market stakeholders on strategic issues related to payments and settlement systems;
 - f) Calls for and facilitates cooperation between the stakeholders in the field of payment systems and financial markets infrastructure;
 - g) Identifies infrastructure and juridical needs in the field of payment systems, providing recommendations/suggestions, and, as the case may be, establishes working groups to support the Committee's decision-making process for these purposes;
 - h) Analyses and discusses innovations and best international practices/standards on payment systems, assessing, case by case, the possibility for their implementation in the Albanian market, and the relevant market implications arising from their implementation;
 - i) Informs and discusses with participating institutions and financial market stakeholders on the latest developments in relation to the approximation with the EU legislation;
 - j) Drafts policies/strategies to endorse the security, stability and efficiency of the national payment system in Albania, setting out the objectives, monitoring and assessing their impact on the market and their implementation;
 - k) Cooperates directly or indirectly with national or international authorities to exchange information or coordinate activities related to the payment system, in accordance with memoranda of cooperation with these authorities; and
 - l) Any other function that may serve towards accomplishing the purpose of its establishment.
2. The Committee shall prepare and publish, on the official website of the Bank of Albania, a summary of its activities based on the meetings held during the period.

Article 6

Meeting

1. The Committee shall meet, as a rule, at least once a year. It may also meet upon the request by voting members, as set out in Article 4, paragraph 1, whenever deemed necessary⁸.
2. The Committee meeting shall be presided by the Chairperson, and when the Chairperson is absent or incapable to exercise the competences, the deputy Chairperson shall assume and exercise his competences.
3. The Committee shall meet if more than half of its members are present. In case the members are unable to attend, they shall inform the Secretariat in advance, about their proxy, who may participate in the meeting but shall have no voting right.
4. Participants in the meeting shall inform the senior management of the respective institution on the meeting's outcome.

Article 7

Competences of the Chairperson

The Chairperson of the Committee shall exercise the following competences:

- a) presides the meeting;
- b) sets the meeting date;
- c) approves for each meeting the agenda prepared by the Secretariat, upon the proposal of the Payment Systems, Accounting and Finance Department, and/or issues proposed by the members;
- d) approves the participation of representatives from interested entities, in accordance with paragraph 3 of Article 4 of the Regulation;
- e) signs Committee decisions; and
- f) leads the activity of the Committee, towards reaching its goals.

Article 8

Competences of the Secretariat

1. The Secretariat of the Committee shall exercise the following duties:
 - a) collects proposals, prepares the meeting agenda and sends it for approval to the Chairperson of the Committee;
 - b) prepares the relevant paperwork and documentation for the organisation of the meeting;
 - c) provides each participant with the agenda and relevant documents, at least 10 working days before the meeting;

⁸ Amended by the Supervisory Council Decision of the Bank of Albania, Decision No.24, dated 28.03.2018 for some amendments in the regulation "On the organization and functioning of the National Payment System Committee"

- d) keeps meeting minutes, which are approved by the Committee within a reasonable timeframe to complete the procedures, after the meeting. The minutes shall contain, at least, the following:
- i. date and time of the meeting
 - ii. names of all participants present in the meeting (chairperson, members, invitees, etc.)
 - iii. items discussed and, as the case may be, confidentiality classification, as established by the Committee
 - iv. type and source of materials submitted for discussion
 - v. persons that discuss and the subject of their discussion
 - vi. proposals put forward for voting
 - vii. voting or non-voting and its result, including votes in favour and against with the respective reasoning
 - viii. meeting conclusions
 - ix. other
- e) prepares the decision/conclusion (proposals/recommendations/suggestions) of the Committee in at least 2 (two) copies, one of which shall be retained by the Secretariat and the other shall be given to the Chairperson to forward it to the Governor of the Bank of Albania, the Supervisory Council of the Bank of Albania, or other institutions, depending on the topic;
- f) maintains and updates materials for publication on the official website of the Bank of Albania;
- g) prepares summary information on Committee's activity and forwards it for approval to the members; and
- h) any other duty as assigned by the Chairperson, contributing to the well-functioning of the Committee.

Article 9

Decision making

1. Committee decisions shall aim agreement by all members. When this is not the case, the decision shall be made by a simple majority of votes of the members present in the meeting.
2. The vote of the meeting's chairperson shall be determinant to establish the voting outcome, when the number of votes in favour or against is equal. Opinions against are recorded in a nominative and detailed manner in the meeting minutes.
3. The decision of the Committee shall be signed by the Chairperson, present members and the Secretariat, in 2 (two) copies, one of which shall be retained by the Secretariat and the other shall be given to the Chairperson to forward it to the Governor of the Bank of Albania, the Supervisory Council of the Bank of Albania, or other institutions, depending on the topic.
4. The decisions of the Committee are not binding, but advisory, for the participating institutions, in accordance with the purpose for which the Committee has been established.

Article 10
Working groups

1. The Committee may decide to establish, for certain issues, working groups composed of experts from the relevant fields. The decision to establish working groups shall be sent to specific participants, depending on the scope of work of each institution. The respective institutions shall commit to finalise the establishment of the joint working groups, through relevant acts.
2. The Committee shall assign the chairperson, objectives, duration and reporting modalities for the working group.

**Chairman of the Supervisory
Council**

