**DECISION**

**No. 11, dated 7.2.2018**

**On**

**Amendments in the Decision No. 39 dated 25.06.2014 “On the approval of remuneration rate applied on the required reserve and surpluses of banking entities", as amended**

In accordance with Article 12, paragraph 4, of the Regulation “On minimum reserve requirements held by banks with the Bank of Albania”, adopted with the Decision No. 29, dated 16.05.2012, "On banks in the Republic of Albania", as amended, having regard to the proposal from the Monetary Operations Department, the Supervisory Council of the Bank of Albania,

DECIDED:

1. Paragraph 1, in the Decision of the Supervisory Council, No. 39, dated 25.06.2014 “On the approval of remuneration rate applied to the reserve requirements and excess reserves", as amended, is amended to be read:

*“1. The remuneration rate applied to reserve requirements denominated in Lek shall be 100% (one hundred) of the interest rate applied to repurchase and reverse repurchase agreements, adopted by the Supervisory Council of the Bank of Albania at the last day of the base period.*

1. Paragraph 2, in the Decision of the Supervisory Council, No. 39, dated 25.06.2014 “On the approval of remuneration rate applied to the reserve requirements and excess reserves", as amended, is amended to be read:

*“2.1 For the maintenance period of reserve requirements from June 2018 to June 2019, the remuneration rate applied to reserve requirements in US dollar, held in US dollar and Albanian lek, respectively, in accordance with Decision No 13. Dated 07.02.2018 “On the approval of reserve requirements ratio held by banks with the Bank of Albania”, shall be 0%.*

*2.2 Starting from the base period of the reserve requirements, July 2019, the remuneration rate applied to reserve requirements in US dollar, in compliance with the Decision, No. 13, dated 07.02.2018 “On the approval of the reserve requirements rate held by banks with the Bank of Albania” shall be 0%.”*

1. Paragraph 3, in the Decision of the Supervisory Council, No. 39, dated 25.06.2014 “On the approval of remuneration rate applied to the reserve requirements and excess reserves", as amended, is amended to be read:

*“3.1 For the maintenance period of the reserve requirements from June 2018 to June 2019, the remuneration rate applied to reserve requirements in euro, held in euro, in accordance with Decision No 13. Dated 07.02.2018 “On the approval of reserve requirements ration held by banks with the Bank of Albania” shall be equal to the deposit rate set forth by the European Central Bank (ECB). The remuneration rate applied to reserve requirements in euro held in Albanian lek shall be 0%.*

*“3.2 Starting from the maintenance period of the reserve requirements, July 2019, the remuneration rate applied to reserve requirements in euro, in accordance with Decision No 13. Dated 07.02.2018 “On the approval of reserve requirements ration held by banks with the Bank of Albania” shall be equal to the deposit rate set forth by the European Central Bank (ECB).*

1. The Monetary Operations Department and the Payment Systems and Accounting and Finance Department are responsible for the implementation of this Decision.
2. The Monetary Operations Department is responsible to inform all banks upon the approval of this Decision.
3. The Research Department is responsible for the publication of this Decision in the Official Bulletin and website of the Bank of Albania.

This Decision shall enter into force on 24 July 2018.

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| **SECRETARY** |  | **CHAIR** |
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| **Elvis ÇIBUKU** |  | **Gent SEJKO** |