



REPUBLIC OF ALBANIA
BANK OF ALBANIA
SUPERVISORY COUNCIL

DECISION
No. 50, dated 23.11.2022

ON

APPROVAL OF AN AMENDMENT IN THE REGULATION "ON MINIMUM RESERVE REQUIREMENTS HELD BY BANKS WITH THE BANK OF ALBANIA," AS AMENDED

In accordance with Article 19, and Article 43 "a" and "c" of the Law No. 8269, dated 23/12/1997 "On the Bank of Albania", as amended, having regard to the proposal from the Monetary Operations Department, the Supervisory Council of the Bank of Albania,

DECIDED:

1. In the Regulation "On minimum reserve requirements held by banks with the Bank of Albania", approved with the Decision of the Supervisory Council of the Bank of Albania No. 29, dated 16.05.2012, as amended, Article 12/1, to make the following amendment:

"Article 12/1

The maintenance and remuneration of the excess balance in the required reserves account

1. *Banks may hold in custody the excess balance of reserve account in lek and in cash.*
2. *The excess balance in lek in the reserve account shall be the difference between the average balances of funds in the reserve account with cash in custody in the required reserve holding period, but not lower than the minimum level of the excess reserve.*
3. *Banks may hold the excess balance in the reserve account in the form of cash in custody only after placing at least the maximum level of the required reserve in the form of cash in custody.*
4. *The Monetary Policy Implementation and Advisory Committee reviews the request of the bank to hold the excess balance in lek in the form of cash in custody. The Committee issues a Decision at the end of the reviewing period. The Decision sets out at least: the duration, and the excess amount to be held in the form of cash in custody.*
5. *The excess reserve in euro is the difference between the balances in the reserve account with the required reserves held in euro, being calculated on daily basis.*

6. *The excess reserve in US dollar is the difference between the balances in the reserves account with the required reserves held in US dollar, being calculated on daily basis, but not lower than the minimum excess level.*
 7. *The Bank of Albania shall remunerate the excess in euro in its entirety. The Bank of Albania shall remunerate excess balance in the reserve accounts in lek and in US dollar only when their minimum level is exceeded, whereby as such shall be considered the amount for which banks shall be not remunerated. The minimum required reserve in lek and US dollar shall be considered ALL 50 million, and USD 500,000.00, respectively. The excess balance held in the form of cash in custody is not subject to remuneration.*
 8. *The Supervisory Council shall determine the remuneration rate for the excess balance in the required reserve accounts in lek, euro and US dollar. This decision shall be communicated to banks.*
 9. *The excess remuneration rate shall be calculated according to the formula set forth in Article 12, paragraph 3 of the Regulation.*
2. The Monetary Operations Department, the Supervision Department and the Issue Department are responsible for the implementation of this Decision.
 3. The Governor's Office is responsible for the publication of this Decision in the Official Journal of the Republic of Albania and the website of the Bank of Albania. The Research Department is responsible for the publication of this Decision in the Official Bulletin of the Bank of Albania.

This Decision shall enter into force immediately and is published in the Official Journal of the Republic of Albania.

SECRETARY

CHAIR

Elvis ÇIBUKU

Gent SEJKO