



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

D E C I S I O N

No. 70, dated 30.09.2009

**On Approval of the regulation
"On Foreign Exchange Transactions"**

In accordance with article 43 "c" and article 60, paragraph 3, letters "e" and "f" of the Law No. 8269, dated 23.12.1997 "On the Bank of Albania" as amended, the Supervisory Council of the Bank of Albania, having regard to the proposal from the Supervision Department,

D e c i d e d:

1. To approve the regulation "On Foreign Exchange Transactions", through this decision.
2. The Supervision Department of the Bank of Albania is responsible for the implementation of this Decision.
3. Foreign Relations, European Integration and Communication Department is responsible for the publication of this regulation in the Official Journal of the Republic of Albania and in the Official Bulletin of the Bank of Albania.
4. The regulation "On foreign exchange transactions" adopted by Decision No. 64, dated 07.03.2003 of the Supervisory Council of Bank of Albania, shall be repealed accordingly.
5. This regulation shall enter into force on the 15th day following that of its publication in the Official Journal of the Republic of Albania.
6. This Decision shall enter into force upon its approval.

**SECRETARY
Ylli Memisha**

**CHAIRMAN
Ardian Fullani**

**BANK OF ALBANIA
SUPERVISORY COUNCIL**

**REGULATION
"On Foreign Exchange Transactions"**

(Approved by Decision No. 70, dated 30.09.2009, amended by Decision No.07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania)

**CHAPTER I
GENERAL PROVISIONS**

**Article 1
Purpose**

1. This regulation aims to set out the rules for carrying out the transactions recorded in the capital and current account in form of payments and transfers, from and into the Republic of Albania.
2. Transactions referred to in paragraph 1 of this article shall imply:
 - a) transactions between residents and non-residents in foreign means of payment; and
 - b) unilateral transfers of assets from and into the Republic of Albania.

**Article 2
Subjects**

This regulation shall apply on all legal persons being granted a licence by the Bank of Albania to carry out banking and/or financial activities.

**Article 3
Legal ground**

This regulation is compiled in accordance with:

- a) article 60, paragraph 3 letters "e" and "f" of the Law No. 8269, dated 23.12.1997 "On the Bank of Albania", as amended;
- b) Law No. 9662 dated 18.12.2006 "On banks in the Republic of Albania";
- c) Chapter IV, articles 60, 61 and 62 of the Stabilisation and Association Agreement, between the Republic of Albania and the European Communities and their Member States; ratified by the Law 9590 dated 27.07.2006 "On the Ratification to the Stabilisation and Association

Agreement, between the Republic of Albania and the European Communities and their Member States”;

- d) article 1, paragraph 3, of the Law No. 8648, dated 28.07.2000 “On the ratification of accession protocol of the Republic of Albania to the Marrakesh Agreement” establishing the World Trade Organisation.

Article 4 **Definitions**

1. The terms used throughout this regulation shall have the same meanings with the terms defined or used in:

- a) Article 4 of Law No. 9662, dated 23.12.2006 “On banks in the Republic of Albania”, as amended¹;
- b) Law No. 9901, dated 14.04.2008 “On entrepreneurs and companies”, as amended²;
- c) Law No. 9879 dated 21.02.2008 “On securities”,
- d) Law No. 7764 dated 02.11.1993 “On foreign investments”, as amended³,
- e) Law No. 52 dated 22.05.2014 “On insurance, re-insurance and intermediation at insurances and re-insurances”, as amended⁴.

2. In addition to paragraph 1 of this article, for the purposes of implementing this regulation the following terms shall have these meanings:

3. “Residents” are:

- a) commercial companies and other legal persons with the head office in the Republic of Albania, except their branches with the head office abroad;
- b) branches of foreign companies registered in the Republic of Albania in accordance with the Law No. 9723, dated 03.05.2007 “On the National Registration Centre” and the bylaws issued pursuant to and for the implementation of this Law;
- c) branch of a foreign bank licensed by Bank of Albania to carry out banking and/or financial activities in the Republic of Albania, in compliance with the laws and bylaws in force;
- d) commercial natural persons, independently performing business activities as their primary occupation, having the head office of carrying out the activity and/or their residence in the Republic of Albania;

¹ Amended with the Decision No.07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

² Amended with the Decision No.07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

³ Amended with the Decision No.07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

⁴ Amended with the Decision No.07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

- e) natural persons with a place of residence in the territory of the Republic of Albania, under article 12 of the Civil Code of the Republic of Albania;
- f) natural persons/foreigners, with a residing place in the Republic of Albania, under article 14 of the Civil Code of Republic of Albania, and holding the residence permit on an ongoing basis in compliance with Law No. 9959 dated 17.07.2008 "On foreigners";
- g) diplomats or Albanian employees and their immediate family members, charged with affairs from the Albanian Government, in embassies, consulates or international organisations abroad and who do not carry out any economic or trade activity;
- h) natural persons with a residing place outside the Republic of Albania, as provided in article 14 of the Civil Code of the Republic of Albania, that, notwithstanding the residential duration outside the Republic of Albania, is registered in the National Register of Civil Status of Republic of Albania.

4. All other persons, different from those defined in paragraph 3 of this article, are considered as "non-residents".

5. "Foreign means of payment" – shall comprise any type of means of payment in the form of banknotes or coins, checks, bills of exchange, promissory notes, letter of credit, and other payment orders or instruments denominated in foreign currency and payable in foreign currency.

6. "Monetary obligation" – shall mean any obligation to pay a definite amount of money, that is payable (settled) at its own face/nominal value, unless otherwise stipulated by the Law or contract.

7. "Foreign exchange"- shall imply the financial activity of national currency conversion into a foreign currency and/or vice versa, as well as the financial activity of two foreign currencies conversion with each other.

8. "Exchange rate" – is the relative price of a currency expressed as a unit of another currency, being set out freely in the foreign exchange market, as referred to a particular date.

9. "Foreign currency" shall mean financial assets in the form of:

- a) foreign banknotes and coins of legal tender or as e-money; and
- b) funds and deposits denominated in foreign currency held with foreign and resident banking entities , which may be transferred through means of payment for payments in foreign currency.

10. "Foreign exchange transactions" shall imply:

- a) cash foreign exchange or through a personal account or that of third parties;

- b) repayment of loans or financial loans in a currency other than the one in which the loan has been granted or accepted, only if this has not been provisioned in the concluded agreement in written form between the parties;
- c) the transactions of foreign currency sell and purchase in cash and travellers' cheques carried out by entities licensed by the Bank of Albania.

11. "Cash" – shall imply the national and/or foreign currency-denominated banknotes or coins issued in circulation;

12. "Introduction of securities" – shall mean beginning of trading procedures of foreign securities in the Republic of Albania or of domestic securities abroad.

13. "Securities dealt in on a stock exchange" – shall imply securities, whose trading and price are controlled regularly and published by the stock exchange bodies and/or by other related bodies to a stock exchange.

14. "Securities dealt in on the capital market" – shall comprise shares, bonds and other securities traded on organised or non-organised securities markets.

15. "Securities dealt in on the money market" – shall comprise short-term securities (with a maturity of under one year), such as treasury bills, commercial papers, certificates of deposit, promissory notes and other similar instruments.

16. "Money market" – shall imply the financial market of short-term lending and borrowing, providing short-term liquid funds in the financial system. Short-term bonds, as Treasury bills, commercial papers, negotiable certificates of deposits, short-term bills of exchange, etc, are freely sold and purchased in the money market.

17. "Capital market" – shall imply the market where natural persons and/or legal persons deal in their financial securities, to provide the growth of their funds. This market shall comprise a) the primary market; and b) the secondary market as follows:

- a. "primary market" – is the market where commercial companies, governments and other public and private institutions carry out the issuance of securities for the first time;
- b. "secondary market" – is the market where the sale and purchase of securities, issued in primary market, takes place regularly.

18. "Collective investment undertakings" – are the investment companies and/or funds:

- a) the object of which is the collective investment of funds originating from public and which operate on the principle of risk spreading; and
- b) the units of which, excluding assets of these companies/funds, are repurchased and repaid directly or indirectly, pursuant to the owner/owners' proper demand.

19. "Units of collective investment undertakings" – shall imply the securities issued from collective investment companies/funds, which represent participants' rights in the assets of these companies.

20. "Domestic securities" – shall mean securities and other debt instruments issued by residents.

21. "Foreign securities" – shall mean all securities and other debt instruments issued by non-residents.

22. "Securities transactions" – shall imply the transfer of ownership and/or other rights on securities, with or without recompense, between a resident and a non-resident, in terms of securities tradable on the money and/or capital market.

23. "Transaction" – shall be the business relationship that includes two or more parties to exchange one asset versus the payment.

24. "Capital transactions" – are transactions concluded between residents and non-residents, for the purpose of transferring capitals, which are recorded in the capital account of the balance of payments.

25. "Current transactions" – are transactions for a purpose other than the transfer of capitals, which are recorded in the current account of the balance of payments.

26. "Unilateral transfers of assets from and into the Republic of Albania" – shall mean the transfers not arising from current or capital transactions between residents and non-residents, but take the form of personal and physical transfers of assets.

27. "Transfer" – shall mean the transfer of a title of ownership, funds or capital after the transaction execution between residents and non-residents, operation, which is recorded in the capital account and/or in current account of the balance of payments.

28. "Direct investments" – shall comprise all types of investments in the Republic of Albania and abroad by residents and non-residents, made with a purpose of establishing and maintaining permanent economic relationships.

29. "Gold and precious metals" are:

- a) the standardized gold and precious metals;
- b) the non-standardized gold and precious metals;
- c) platinum.

30. "Standardising of gold and precious metals" – shall mean the unique form of gold and/or precious metals accepted to be exchanged in the international gold market.

Chapter II FOREIGN EXCHANGE TRANSACTIONS

Article 5 Types of foreign exchange transactions

1. Foreign exchange transactions represent transactions and/or transfers between residents and non-residents or vice-versa, which are recorded in the balance of payments account of the Republic of Albania and are mainly composed by:

- a) capital transactions and transfers;
- b) current transactions and transfers.

2. Transfers and transactions between residents and non-residents shall be carried out freely, pursuant to the stipulations laid down in this regulation.

Article 6 Capital transactions

1. Capital transactions referred to in paragraph 24 of article 4 of this regulation shall mainly include:

- a) direct investments;
- b) investments in real estate;
- c) securities transactions dealt in on the capital market;
- d) securities transactions dealt in on the money market;
- e) operations in units of collective investment undertakings;
- f) transactions related to the execution of collateral and/or of guarantees (mortgage, pledge);
- g) credit transactions;
- h) deposits transactions;
- i) transfers emanating from insurance and/or re-insurance contracts, when allowed by the Albanian legislation, and in accordance with the

Law No. 9267, dated 29.07.2004 "On the insurance, re-insurance and intermediation in insurances and reinsurances", as amended.

2. Direct investments are classified into:

- a) direct investments by non-residents in the Republic of Albania;
- b) direct investments by residents abroad (outside the Republic of Albania).

3. Direct investment transactions, stipulated under paragraph 2 of this article, shall mainly include:

- a) the establishment or opening of a branch or representative office of a company fully owned by the person giving the capital/the investor;
- b) the establishment of a subsidiary or acquisition of an existing company, which is transferred into full control of the investor;
- c) legal re-organisation of companies (through merging or separation);
- d) participation in the shareholder capital of a new or existing company, if the investor holds or has in ownership of more than 10 per cent in the shareholder capital of the company or more than 10 per cent of the voting rights;
- e) loans with a maturity term more than five years, related to the transactions set out in "a", "b", "c" and "d" of this paragraph;
- f) use of profit arising from an existing investment in the same investment with the same purpose (reinvestment of profit).

4. Investments in real estate shall represent investments carried out by residents and non-residents with the purpose of purchasing these properties and the construction to receive the ownership or for personal use under the terms of the respective legislation in force. These transactions also include the right of usufruct or the usage rights.

5. Transactions of investments in real estate under paragraph 4 of this article shall mainly include:

- a) transfers and transactions executed by non-residents, with the purpose of investing in real estates on the territory of the Republic of Albania;
- b) transfers and transactions executed by residents with the purpose of investing in real estate abroad (outside Republic of Albania).

6. Transactions with securities and derivative financial instruments on the capital market, shall include:

- a) transactions for purchase by non-residents of securities and/or domestic financial derivative instruments dealt in on a stock exchange or not; and
- b) transactions for purchase by residents of securities and/or foreign financial derivative instruments dealt in on a stock exchange or not.

7. For the purposes of this regulation, the issuance of securities in the capital market shall include:

- a) introduction of securities on a stock exchange;
- b) issuance and/or listing on a capital market, including:
 - i. admission of domestic securities in a foreign capital market; and
 - ii. admission of foreign securities in the domestic capital market.

8. Transactions with securities and other instruments of the money market, shall include:

- a) transactions for purchase by non-residents of domestic securities on a money market; and
- b) transactions for purchase by residents of foreign securities on a money market.

9. For the purposes of this regulation, the issuance of securities on the money market shall include:

- a) introduction of securities on money markets;
- b) issuance and/or listing of securities on money markets, including:
 - i. admission of domestic securities in the foreign money market; and
 - ii. admission of foreign securities in the domestic money market.

10. Operations in units of collective investment undertakings shall include:

- a) investments of units in securities of the capital market (shares, bonds, etc);
- b) investments of units in securities or other instruments of money market;
- c) investments of units in other assets.

11. Transactions with units of collective investment undertakings shall include:

- a) transactions for purchase by non-residents of securities of resident companies, dealt in or not dealt in on a stock exchange; and
- b) transactions for purchase by residents of securities of non-resident foreign companies, dealt in or not dealt in on a stock exchange.

12. Administration of units of collective investment undertakings in the capital market, shall include:

- a) introduction of securities on capital market;
- b) issuance and/or listing of securities on capital market, including:
 - i. admission of units of resident collective investment undertakings, in the foreign capital market, and
 - ii. admission of units of non-resident collective investment undertakings in the domestic capital market.

13. Credit transactions shall comprise transactions carried out based on a loan agreement/contract between a resident and a non-resident and vice-versa. Credit transactions shall include:

- a) commercial loans, related to the international trading of goods and services, where one party is resident, as well as commercial loans for deferred and/or advance payments;
- b) transactions related to the transfer of rights (factoring), which arise due to a transaction characterised as a commercial loan;
- c) loans, which are not classified as commercial loans, except those loans referred to in paragraph 3, letter "e" of this article and paragraph 2 of article 9 of this regulation.

14. Deposit transactions shall mean transactions carried out based on a contract, which includes the opening of current or deposit account from a resident bank in a non-resident bank, or vice-versa. Deposit transactions shall include:

- a) transactions between residents and non-resident banks and between non-residents and resident banks;
- b) transactions between resident banks and non-resident banks and vice-versa; and
- c) transactions between resident banks and other foreign financial institutions and vice-versa.

15. Transactions related to the execution of collateral and/or of guarantees shall include transactions carried out based on a contract between residents and non-residents and vice-versa, which act upon the transactions laid down in paragraphs 16 and 17 of this article. These transactions are classified as transactions for the execution of collateral and guarantees:

- a) placed by non-residents for residents; and
- b) placed by residents for non-residents.

16. Transfers based on insurance and reinsurance contracts, shall represent transactions and transfers of premiums and payments which arise from the execution of insurance and reinsurance contracts between residents and non-residents and vice-versa.

17. Transfers of insurance and reinsurance contracts referred to in paragraph 16 of this article shall be classified into:

- a) premium and payment transfers in respect of life insurance, as follows:
 - i. contracts concluded between domestic insurance companies (benefactor) and non-residents (beneficiary); and
 - ii. contracts concluded between foreign insurance companies (benefactor) and residents (beneficiary).
- b) premium and payment transfers in respect of loan insurance, as follows:
 - i. contracts concluded between domestic credit insurance companies (benefactor) and a non-resident (beneficiary); and
 - ii. contracts concluded between foreign credit insurance companies (benefactor) and a resident (beneficiary).
- c) transfers of capital in respect of other insurance contracts and reinsurance agreements.

18. Under the terms of this article, the transactions in respect of an investment alienation conducted on a legal basis, shall be considered as operations taking place in the capital account.

Article 7

Current transactions

1. Current transactions referred to in paragraph 25 of article 4 of this regulation, shall mainly include:

- a) all payments arising from foreign trade of goods, services, and other activities, including short-term banking services and instruments;
- b) payments due as interest on loans and as net income payments from other investments;
- c) payments for distribution of profit based on the participation in the core capital and the payments related to a loan relationship with the direct investor;
- d) transfers in connection with remittances from emigrants and workers abroad, other transfers for covering family living expenses, pensions, disability allowances and other social benefits, taxes and membership quotas, transfers arising from inter-governmental collaboration.

2. Transactions conducted between residents and non-residents and which are recorded in the current account of the balance of payments, may be carried out in freely convertible currency units.

3. Current transactions and transfers between residents and non-residents are conducted freely in line with the documentation laid down in Appendix no.1 of this regulation.

Article 8 Unilateral transfers

1. Unilateral transfers under paragraph 26 of article 4 of this regulation shall include personal transfers of assets and physical transfers of assets.
2. Personal transfers of assets shall include transfers having as object the transfer of assets from and into the Republic of Albania, which arise from loans, gifts, inheritances, repayment of immigrants' debts to their previous country of residency, transfers of assets of resident immigrants for their period of stay abroad, incomes from games of chance and savings of non-resident persons employed in the Republic of Albania.
3. Physical transfers of assets shall include the transport in "cash" of domestic or foreign currency, transfer of gold and precious metals as well as the transferable securities.
4. The licensed entities shall carry out unilateral transfers of capital for the account of residents and non-residents, upon the completion of the documentation that certifies the purpose of operation as defined by the entity itself.

CHAPTER III CAPITAL TRANSFER

Article 9 Capital transfer documentation

1. Capital transfer from abroad into the territory of the Republic of Albania by residents and non-residents shall be carried out freely and without any restrictions.
2. The capital transfer from the territory of the Republic of Albania to abroad for the account of entities themselves licensed by the Bank of Albania, shall be carried out upon the decision taken by their respective bodies and in accordance with the regulatory and supervisory requirements set out by the Bank of Albania.
3. The licensed entities shall carry out capital transfer from the territory of the Republic of Albania to abroad, for the account of their customers upon

the completion of the documentation set out in the following provisions, as well as of the other additional documents that can be deemed reasonable by the entities:

- a) for commercial natural persons and legal persons:
 - i. the declaration of the purpose for the capital transfer and the source of capital to be transferred, capital amount required to be transferred outside Albania and address to be transferred to;
 - ii. the decision taken by the decision-making body of the client on the conduction of the capital transfer;
 - iii. the extract from the Commercial Registry issued by the National Registration Centre;
 - iv.⁵

- b) for natural persons:
 - i. the declaration of the purpose for the capital transfer, the source of capital to be transferred, capital amount to be transferred outside the territory of Republic of Albania and the address to be transferred to.

4. For the cases provided below, the capital transfer from the territory of the Republic of Albania to abroad, by the licensed entities for the account of their customers, shall take place only after the completion of the documentation set out as following:

- a) when the capital transferred for investment purposes in Albania through a non-resident bank has not been used, such transfer shall be carried out upon submission to the bank of the decision taken by the decision-making body of subject, confirming the interruption of the investment and that the amount of the paid capital was not used as originally intended;
- b) regarding capital transfer for an amount up to the total of paid-in capital registered in Albania and earnings resulted from such invested amount, along with the documentation referred to in paragraph 3 of this article, it is requested also the submission of additional documentation as follows:
 - i.⁶
 - ii. the respective decision of the decision-making body of the entity, where it is set out the distribution and use of such earnings.

- c) for deposits transactions including operations in a current or in a deposit account from the territory of the Republic of Albania, the respective justifying documents are required;

⁵ Repealed with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

⁶ Repealed with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

- d) for commercial loans with maturity up to one year, which are directly associated with the international commerce and with the service supply, it is required, as accompanying document, the credit agreement/contract concluded between the resident and the non-resident;
- e) for foreign currency transfer originating from deposits of a non-resident and/or the income arising from them, the bank statement certifying the amount transferred from its deposit/deposits shall serve as the documentation for the transfer from the territory of the Republic of Albania;
- f) for foreign currency transfer from the country by an immigrant when leaving the Republic of Albania, through a bank or non-bank financial institution licensed by the Bank of Albania to carry out the services of money transfer, shall be required the document issued by the competent authorities of the foreign country certifying his/her residency permission in that country; or
- g) for the transfer of earnings deriving from a property or from investments of an Albanian immigrant who lives abroad, the document referred to in letter "f", paragraph 4 of this article, and a personal declaration which certifies the source of earnings that are required to be transferred, shall be requested;
- h) ⁷ for the transfer of capital within the amount of the capital and revenues generated from sales, partial or complete liquidation of an investment, the sale act or liquidation act issued by the competent authority will be requested as an additional document.

5. In addition to what is stipulated in this regulation, in respect of payment transactions abroad, in the Republic of Albania shall be implemented simultaneously the rules of international agreements ratified from the Republic of Albania, the inter-bank bilateral and/or multilateral agreements where Bank of Albania is a party, as well as banking custom.

Article 10

Investments in securities

1. Transactions with securities and with other similar instruments, and the exercise of rights arising from these latter, shall be carried out only through banking entities and/or other entities authorised in accordance with the respective legislation, in line with a concluded contract on the respective supplied services.

⁷ Amended with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

CHAPTER IV
PHYSICAL TRANSFER OF FOREIGN CURRENCIES, GOLD AND
PRECIOUS METALS

Article 11

Physical transfer of foreign currencies at customs offices

1. Residents and non-residents on amounts exceeding ALL 1 million or their counter value in foreign currency shall declare to customs authorities the source and the purpose of having these amounts.
2. Non-residents visiting temporarily the Republic of Albania, are entitled to transfer from the territory of Albania, foreign currency in cash and travellers cheques, up to the amount declared to customs authorities at the moment of entry to territory of the Republic of Albania. This amount is justified with the submission of:
 - a) a declaration filled in at the moment of entry; and
 - b) documents that accompany the changes, if these latter do exist.

Article 12

Physical transfer of gold and precious metals in customs offices

1. Residents and non-residents are entitled to transfer from the territory of the Republic of Albania to abroad, standardized gold and precious metals only through entities licensed by the Bank of Albania, pursuant to the definition in the Annex of the license issued by the Bank of Albania. The documentation, to be completed by the entity supplying and carrying out the service of physical transfer of gold and precious metals, are laid down in paragraph 2 of this article.
2. Residents and non-residents are entitled to transfer from the territory of the Republic of Albania to abroad, non-standardised gold and precious metals at customs offices, only after the completion of the declaration related to:
 - i. its source (origin);
 - ii. the purpose of transfer;
 - iii. the quantity requested to be transferred;
 - iv. returning or not of precious metals; and
 - v. the form in which this should be returned.
3. The documentation referred to in paragraph 2 of this article should not be presented for jewellery of personal use.

CHAPTER V
REPORTING AND DOCUMENTATION

Article 13
Reporting at the Bank of Albania

Subjects of this regulation, pursuant to article 27, of the Law No. 8269, dated 23.12.1997 "On the Bank of Albania", as amended, shall report/submit statistical data in compliance with the reporting procedures and system approved by the Supervisory Council of the Bank of Albania.

Article 14
Obligations of entities regarding the documentation

1.⁸ The documentation requested as laid down in this regulation and in Appendix No. 1 to this regulation shall be submitted to the licensed entity by the Bank of Albania in original, or a notarised copy of the original. The licensed entity shall verify the documentation, it shall photocopy the submitted document and stamp it with a special (date) stamp on each photocopied sheet, which provides the needed validity to the copy of the document held from the entity.

2. The entities licensed by the Bank of Albania are obliged to complete and maintain for a 5 (five) year period all the documentation set out in this regulation and in Appendix No.1 attached therein. In case when requested by the responsible authorities for the purpose of the prevention of money laundering and terrorism financing, the period to maintain these documentation may be longer.

CHAPTER VI
FINAL PROVISIONS

Article 15
Final provision

Appendix No. 1 attached to this regulation is an integral part of it.

CHAIRMAN OF THE SUPERVISORY COUNCIL

Ardian FULLANI

⁸ Amended with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

APPENDIX NO. 1

ON TRANSFERS RELATED TO COMMERCIAL TRANSACTIONS AND NON- COMMERCIAL TRANSACTIONS IN FOREIGN CURRENCY

I) ⁹Transfers for commercial transactions in goods.

1. Related to commercial transfers in goods, the licensed entities will request their clients to submit the following documentations:
 - a) the request for conducting the transaction signed by the applicant, providing the nature of the transaction and the purpose for this transaction. In this application, the entity will declare that the documentation, as submitted, is not used previously to justify the conduct of the transfers for the same good and value;
 - b) pro-forma invoice and/or contract and payment way.

II) Transfers for commercial transactions in case of services.

For commercial transfers related to the payment of services, in compliance with specifications set out in article 7, paragraph 1, of this regulation, the licensed entities shall require from their customers the submission of the following documentation:

- a)¹⁰ the request as specified in paragraph 1, letter "a" (part I) of this Appendix;"
- b) the respective invoice of the entity or the document, which certifies the purpose for requiring to carry out the transfer; and/or the respective contract or agreement.

III) Transfers for non-commercial transactions:

For non-commercial transfers, the licensed entities shall require from their customers the submission of the following documentation:

- a) ¹¹the request as specified in paragraph 1, letter "a" (part I) of this Appendix;
- b) declaration of source of income related to the conduction of the transfer.

⁹ Amended with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

¹⁰ Amended with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.

¹¹ Amended with the Decision No. 07, dated 28.01.2015 of the Supervisory Council of the Bank of Albania.