



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

**DECISION**

**No. 90, dated 2.12.2015**

**ON**

**THE APPROVAL OF THE STATUTE OF THE BANK OF ALBANIA**

In accordance with Article 43, letter “f” of the Law No. 8269, dated 23.12.1997 “On the Bank of Albania”, as amended, having regard to the proposal by the Governor, the Supervisory Council of the Bank of Albania,

**DECIDED:**

1. To approve the Statute of the Bank of Albania in accordance with the text hereto.
2. All organisational units at the Bank of Albania shall be responsible for implementing the Statute.
3. Upon the entry into force of this Decision, the Decision of the Supervisory Council No. 100, dated 19.12.2000 “On the approval of the Statute of the Bank of Albania” shall be repealed.
4. The Public Relations Department shall publish the Statute in the Official Bulletin and the official website of the Bank of Albania.

This Decision shall enter into force immediately.

**SECRETARY**

**CHAIR**

**Elvis ÇIBUKU**

**Gent SEJKO**

## **CHAPTER I**

### **General provisions**

#### **Article 1**

##### **Status**

1. The Bank of Albania, hereinafter referred to as the Bank, is the central Bank of the Republic of Albania.
2. The Bank shall be a public legal entity with administrative and financial independence.
3. The head offices of the Bank shall be in Scanderbeg Square No. 1, Tirana.
4. The Bank shall be autonomous and independent in fulfilling its objectives and tasks in accordance with the Constitution of the Republic of Albania and the Law No. 8269, dated 23.12.1997 “On the Bank of Albania”, as amended, hereinafter referred to as the Law.

#### **Article 2**

##### **Emblem and seal**

1. The emblem of the Bank is the emblem of the Republic of Albania.
2. In case of informal communications with third parties (in various publications, advertisements, conferences, etc.) the Bank may also use, as a visual representation, a personalized logo other than the official emblem, which shall be approved by the Supervisory Council.
3. The seal of the Bank shall be circular, at the centre it shall feature the Emblem of the Republic of Albania (with all its components in accordance with the requirements of the Law “On the form and dimensions of the National Flag, the content of the National Anthem, the form and dimensions of the Emblem of the Republic of Albania and the modalities of their use”) and the name: “Bank of Albania”.
4. At the Bank, in addition to the official seal, other common seals may also be used representing particular structures of the Bank (like the dating seal). The form, type, characteristics and modalities of use of the other common seals shall be set out in a separate act of the Supervisory Council.

#### **Article 3**

##### **Capital**

1. The capital of the Bank is ALL 2.5 billion.

2. The Albanian State shall be the sole holder of the capital. The capital may not be transferred or pledged.
3. The capital of the Bank may be increased upon the proposal by the Bank and the approval by the Ministry of Finance.

## **Chapter II**

### **Objectives and tasks**

#### **Article 4**

#### **Objectives**

1. The primary objective of the Bank shall be to achieve and maintain price stability.
2. The Bank, without prejudice to its primary objective, shall also realise the other objectives laid down in Article 3 of the Law, including the implementation of the monetary policy, the management of banknotes and coins which are legal tender, the drafting and implementation of the exchange rate regime, the stability of the financial system and its infrastructure.

#### **Article 5**

#### **Tasks**

In fulfilling its objectives, the primary tasks of the Bank shall be:

- a) to be the sole issuer of the national banknotes and coins which are legal tender in the territory of the Republic of Albania, as well as to define the denomination, form, weight, model and other characteristics of banknotes and coins which are legal tender, as well as of banknotes and coins issued for numismatic purposes;
- b) to draft the issuing plan and ensure regular supply of banknotes and coins in order to fulfil the demand of the economy for money;
- c) to formulate, approve and implement independently the monetary policy of the Republic of Albania, in accordance with its primary objective;
- d) to draft, approve and implement the exchange rate regime and policy regarding the foreign currencies in the Republic of Albania;
- e) to licence, supervise and regulate the banking and financial activities exercised by banks and branches of foreign banks, in order to ensure the stability of the banking system;

- f) to licence, supervise and regulate the non-bank financial institutions;
- g) to develop the appropriate methodologies and define the necessary instruments for the assessment and management of systemic risk in the financial system, supporting, for this purpose, cooperation with the relevant domestic and foreign institutions;
- h) to maintain and manage the foreign currency reserve;
- i) to act as banker, advisor and fiscal agent of the Government of the Republic of Albania;
- j) to promote the normal functioning of the payments system;
- k) to organize the securities' auctions on behalf of the Government of the Republic of Albania, as well as issue securities on behalf of the Bank itself;
- l) to supervise the international payments that derive from the trade and non-trade activities with foreign countries as well as from the activities of the banks licensed in Albania for the implementation of contracts with foreign countries, banks or enterprises;
- m) to develop and organise the necessary instruments, as well as support the inter-institutional cooperation, in order to build the relevant systems of statistics for drafting the balance of payments of Albanian, for the realisation of monetary and financial statistics;
- n) to license, supervise and regulate the foreign exchange agents; and
- o) to fulfil other obligations defined by legal and sub-legal acts.

### **Chapter III** **Management and organisation**

#### **Article 6** **Independence**

In accordance with Article 1 of the Law, in fulfilling its objectives and exercising its tasks, the Bank is independent and transparent in the decision-making process and shall not take instructions from any other institution, entity or public or private body. All entities shall undertake to respect this principle and not seek to influence the members of the decision-making bodies of the Bank in the performance of their tasks.

## **Article 7 Organisation**

1. The Bank shall be organised with a hierarchic and centralised approach, with its head office in Tirana and branches and administrative centres within the territory of the Republic of Albania.
2. The structural organisation shall be guided by the principles of functionality and efficiency.
3. The activity of the Bank shall be organised through organisational units in accordance with the organisational structure approved by the Supervisory Council.
4. The organisational structure of Bank shall be composed by:
  - a) The head office management structure:
    - i. Governor;
    - ii. First Deputy Governor;
    - iii. Second Deputy Governor;
    - iv. Inspector General;
    - v. Departments;
    - vi. Governor's Office.
  - b) The local management shall consist in the branches of the Bank.
5. The Bank, upon a decision of the Supervisory Council may open subsidiaries, branches or agencies within or outside the territory of the Republic of Albania.

## **Article 8 Governing bodies**

The Bank shall be governed by the Supervisory Council, which is the highest decision-making and supervisory body, and by the administrators: the Governor, who chairs the Council, and the two Deputy Governors.

## **Article 9 Composition and appointment of Supervisory Council members**

1. The Supervisory Council shall be composed by 9 (nine) members, as follows:
  - a) the Governor, who shall be the Chair of the Supervisory Council;
  - b) the First Deputy Governor, who shall be the Vice Chair of the Supervisory Council;

- c) the Second Deputy Governor; and
  - d) six other members.
2. All members of the Supervisory Council shall be appointed by the Parliament (based on the proposals of the bodies defined in Article 44 of the Law) for a 7 (seven) year term with the right of re-election.

### **Article 10**

#### **Competences of the Supervisory Council**

1. The Supervisory Council is the highest decision-making and supervisory body of the Bank's policies, management and operations.
2. The Supervisory Council shall exercise in general the competences set forth in Article 43 of the Law, and in particular other competences set forth in other provisions of the Law, other laws or in this Statute.
3. The Supervisory Council shall be assisted by the Secretary, who shall be appointed by it among the management of the Bank and shall not be a member of the Council.
4. The Supervisory Council, upon the proposal by the Governor, may decide to set up ad hoc committees. The committees shall be decision-making or advisory collegial bodies.
5. The Supervisory Council, when exercising its competences, shall approve decisions, regulations and guidelines with a general scope of implementation. It may address recommendations and/or opinions on particular issues.
6. The rules on the functioning of the Supervisory Council shall be set out in a separate regulation approved by it.

### **Article 11**

#### **The Governor**

1. The Governor shall be the Chair of the Council and shall act as the Chief Executive Officer of the Bank, in charge of daily activities of the Bank.
2. The Governor, in general, shall exercise all the competences that are not specifically conferred to the Supervisory Council by the Law, and in particular all those competences specifically conferred to him/her by the Law or the by-laws of the Supervisory Council.
3. In the event the Governor shall be absent or unable to act, his/her competences shall be exercised by the First Deputy Governor of the Bank.

4. The Governor shall be directly in charge of the activity of the departments under his/her area of responsibility, in accordance with the internal regulations of the departments and the organisational structure approved by the Supervisory Council.
5. The Governor shall represent the Bank in all relations with third parties, except when he/she shall delegate this right to other employees, upon approval by the Supervisory Council.
6. The Governor, in the exercise of his/her competences, shall issue decisions, orders, guidelines, recommendations and opinions in the implementation of the Law and the by-laws of the Supervisory Council.

### **Article 12** **The Deputy Governors**

1. The First and the Second Deputy Governors shall assist the Governor in exercising his/her competences, each contributing within their respective competences defined by the Supervisory Council in accordance with paragraph 2 of this Article.
2. The Deputy Governors shall be directly responsible for the activity of the departments under their area of responsibility, in accordance with the internal regulations of the departments and the organisational structure approved by the Supervisory Council.
3. The First Deputy Governor shall act as the Chief Executive Officer of the Bank in the Governor's absence or inability to act.
4. In the event that either of the Deputy Governors shall be absent or unable to exercise his/her competences, the other Deputy Governor shall assume and exercise his/her competences.
5. The Deputy Governors, in exercising their competences, shall issue decisions, orders of particular nature, guidelines, recommendations and opinions in implementation of the Law and the by-laws of the Supervisory Council.

### **Article 13** **The Inspector General**

1. The Inspector General is appointed by the Parliament for a 5 (five) year term and shall chair the internal Audit Department at the Bank.
2. The Inspector General and the auditors of the internal Audit Department, appointed by the Governor upon proposal by the Inspector General, shall fulfil their obligations in accordance with the Law, the internal regulation of the Department, the internal audit policy, the international standards on the professional practice of internal

auditing, the Code of Ethics of the Institute of Internal Auditors (IIA), and other relevant acts.

#### **Article 14**

#### **Departments**

1. The departments shall be the organisational units of the Bank and shall exercise their activities in accordance with the internal rules of their organisation and operation approved by the Supervisory Council.
2. The Bank's departments shall be classified as follows:
  - a) departments with primary functions;
  - b) departments with secondary functions;
  - c) departments with auxiliary functions;

The actual classification of the departments in accordance with this paragraph shall be done with a separate act approved by the Supervisory Council.

#### **Article 15**

#### **Heads of departments**

1. The heads of the departments shall carry out their activity in accordance with the Law, the regulations of the departments and the by-laws approved by the Supervisory Council and the Administrators of the Bank.
2. Each Head of the respective department, in accordance with his/her respective field of competence, shall be responsible for:
  - i. drafting projects and studies;
  - ii. organising and managing the work of their organisational unit ;
  - iii. timely and efficient implementation of obligations and responsibilities.
3. The Governor, in the event of a vacant head department position due to resignation, death, suspension or dismissal from the position, or for any other similar cause, shall appoint a new head in the vacant position for no more than a 6 (six) months term, renewable only once, upon approval of this appointment by the Supervisory Council.

#### **Article 16**

#### **Branches**

1. The Bank shall also carry out its activity through branches in cities other than the one where its head office is situated.



2. Branches shall be organisational units in the Bank's structure, which perform various activities on behalf of the Bank.
3. The organisation and operation of the branches shall be regulated with a separate regulation by the Supervisory Council.

#### **Article 17 Personnel**

1. Employment at the Bank shall be regulated by the Law and the relevant regulations approved by the Supervisory Council. When no provisions are set out in them, the provisions of the Labour Code of the Republic of Albania shall apply.
2. The Governor appoints and dismisses the employees of the Bank, within the limits and in accordance with the employment terms and procedures defined by the Supervisory Council.
3. Except the Inspector General and the cases provided for in Article 15/3 of the Statute, the heads of the departments are appointed and dismissed by the Governor, upon the approval by the Supervisory Council.

#### **Article 18 Professional confidentiality**

1. The members of the Supervisory Council, the Administrators, the Inspector General and the entire personnel of the Bank, even after leaving the Bank, shall be bound not to disclose, at all times, any information subject to professional confidentiality they have been acquainted with during the exercise of their duties.
2. The personnel that have access to data subject to professional confidentiality according to the legislation of the European Union shall be subject to this legislation.

#### **Article 19 Signatures**

The Bank, in any correspondence, shall be legally represented by the Governor or by other employees in accordance with the relevant regulations on signatures approved by the Supervisory Council, upon the proposal of the Governor.

### **Chapter IV**

#### **Article 20 Financial statements**

1. The financial year of the Bank shall open on 1 January and close on 31 December.
2. The Bank, in accordance with the Law “On accounting and financial statements” and the national and international accounting standards, shall prepare the annual financial statements, which shall always accurately reflect the financial operations and the situation of the Bank.

**Article 21**  
**Annual report and financial statements**

1. The Supervisory Council shall approve the financial statements and the annual report, with the opinion of the external auditor as an integral part of it.
2. The annual report, together with the financial statements, shall be presented to Parliament and the Council of Ministers by the Governor of the Bank, no later than 3 (three) months after the closure of the financial year.
3. The annual report and the financial statements shall be published in the form defined by the Supervisory Council, upon their approval.

**Article 22**  
**The Audit Committee**

1. The Audit Committee shall be a non-executive collegial body of the Bank, which shall be created by a relevant decision of the Supervisory Council.
2. The Committee shall be composed of 3 (three) members of the Supervisory Council, appointed by it, for a three year term, with the right to re-election only once. The Administrators of the Bank may not be members of the Committee. The Chair of the Committee shall be chosen by the members.
3. The Committee shall have the mandate to reinforce the internal and external control lines, in order to improve the decision-making of the Supervisory Council and of the Administrators of the Bank.
4. The Committee shall review the financial statements in accordance with the opinion of the external auditor if they are drafted according to the International Financial Reporting Standards (IFRS).
5. The operation of the Audit Committee shall be defined in a separate regulation approved by the Supervisory Council.

**Article 23**  
**External auditor**

1. The financial statements shall be audited by independent and internationally-recognised external auditors (controllers), approved by the Supervisory Council.
2. The external auditors shall express their opinions whether the financial statements represent a complete and fair view of the financial situation of the Bank in accordance with the relevant standards of financial reporting.
3. The external auditors shall have the right to audit all the books and the accounts of the Bank in order to obtain complete information for all the transactions carried out.

**Article 24**  
**Budget**

1. The Bank shall prepare the annual budget, which shall be approved by the Supervisory Council before the beginning of each financial year.
2. The manner and procedures of drafting the annual budget shall be defined by a separate act approved by the Supervisory Council.

**Chapter V**  
**Specific provisions**

**Article 25**  
**Conflict of interest**

The members of the Supervisory Council and the Bank's personnel shall avoid any action or inaction that may be of interest to entities regulated and supervised by the Bank, or to third parties with which the Bank has a relationship. They shall always act in accordance with the Code of Ethics approved by the Supervisory Council.

**Article 26**  
**Procurement**

The Supervisory Council shall approve general or specific acts on procurement procedures in accordance with the principles of transparency, disclosure, competition, equality, non-discrimination and efficient management of the financial instruments of the Bank.

**Chapter VI**  
**Final provisions**

**Article 27**  
**Abrogation**

Upon the entry into force of this Statute, the Statute of the Bank approved by the Decision of the Supervisory Council No. 100, dated 19.12.2000, as amended, shall be repealed.

**Article 28**  
**Publication**

The Statute shall be published in the Official Bulletin of the Bank and the official website of the Bank.

**Article 29**  
**Entry into force**

This decision shall enter into force immediately.

**CHAIR OF THE SUPERVISORY COUNCIL**

**GENT SEJKO**