**What is IBAN?**

IBAN stands for International Bank Account Number. It is a number granted to clients by their banks, generated under ISO 13616 “Banking and similar services – International Bank Account Number – IBAN”.

**What is IBAN in Albania?**

In Albania, the IBAN identifies, at national and international level, the bank account of a client of a bank/branch of a foreign bank, licensed by the Bank of Albania.


From 1 June 2009, all the numbers of the clients’ bank accounts used for transactions, whether in the domestic or foreign currencies, through the payment systems or correspondent banks, will be in the IBAN format.

**What is the use aim of IBAN in Albania?**

The IBAN facilitates the automatic processing of transfers. The use of IBAN increases transaction data accuracy and reduces manual intervention in data processing. It improves the quality, efficiency, and speed of domestic and cross-border transfers, providing higher security.

Once an order is received for a domestic or cross-border transfer, before effectuating the transfer, each bank verifies the accuracy of the presented account numbers of the beneficiary and sender of the transfer, by validating the check number. The risk of transaction delay or failure, due to inaccuracies, is reduced as the beneficiary’s account will only be credited by using IBAN.

N.B. Only the account holder’s bank may provide him with the IBAN and BIC codes. If you want to authorise a transfer for a beneficiary, you need to contact the beneficiary, i.e. the account holder, to obtain the IBAN for his account.

**IBAN and transfers**

1. The account holding bank issues the IBAN and BIC codes to the beneficiary.
2. The beneficiary gives details of the IBAN and BIC to the payer.
3. The sender gives his bank payment instructions and the IBAN and BIC of the beneficiary.
4. The sender’s bank verifies the accuracy of the IBAN and BIC and effectuates the transfer to the beneficiary’s bank. Once the payment order is received, the beneficiary’s bank account is credited.

**What is the IBAN structure applied in Albania?**

In Albania, the IBAN consists of 28 characters as follows:

a) Country code of the Republic of Albania “AL”;

b) IBAN check number, 2 digits referred to the ISO 7064 “Information Technology - Security techniques - Check character systems”;

Basic Bank Account Number (BBAN), consisting in 24 alphanumerical characters that include the following:

- Bank Identifier Code (BIC) – consisting in eight numerical characters. These characters are unique and identify the bank and its branch/agency where the client’s bank account is opened;

- Client’s account - consisting in 16 alphanumerical characters. This number is determined by the banks. When an account number consists of less than 16 characters the missing characters are filled out by using left-aligned “0”.

IBAN contains only alphanumerical characters from A to Z (Latin upper case) and from 0 to 9 (Arabic numerals).

In electronic payments instructions, the IBAN should not contain spaces or other dividing symbols between alphanumerical characters. However, in the printed format, the IBAN is written in groups of four characters, separated by a single space.

**Example of IBAN in Albania**

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What should banks do?

Banks shall generate an IBAN for each client’s account (natural or legal persons) no later than 1 June 2009. The IBAN is established only by the client’s bank.

The banks shall inform their clients, in writing, on the IBAN and BIC codes, by 1 June 2009.

The account numbers according to the IBAN shall be activated by 1 June 2009.

The internal bank systems and national payment systems shall be able to process and validate the accuracy of IBAN in payment instructions no later than 1 January 2010. Until then, the banks may accept payment instructions, with the account numbers specified according to the IBAN format or the existing account structures.

What should customers do?

Clients shall contact their bank and obtain information on their IBAN and BIC codes, no later than 1 June 2009.

Clients should inform the correspondents/clients, from whom they expect future transfers, on the IBAN and BIC codes during 1 June 2009 - 31 December 2009. Ask the correspondents/suppliers, to whom a future transfer will be sent, for their IBAN and BIC codes during 1 June 2009 - 31 December 2009.

From 1 January 2010, the IBAN shall be the only applicable standard of the customers’ account number. After this date, you may withdraw funds or send money from your account only by using the IBAN.

An example of IBAN in Albania

<table>
<thead>
<tr>
<th>Country</th>
<th>No of characters</th>
<th>IBAN - electronic format</th>
<th>IBAN - printed format</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>20 an</td>
<td>AL47 2111 09 0000 0002 2506 8741</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>16 an</td>
<td>BE68 5390 0754 7034</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>27 an</td>
<td>FR 1004 1010 0011 0004 0002 606</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>27 an</td>
<td>GR 1011 1220 0000 0001 2300 695</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>27 an</td>
<td>IT 0011 0011 1010 0000 0123 456</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>28 an</td>
<td>PL 1004 0000 0002 0135 5387</td>
<td></td>
</tr>
<tr>
<td>Slovenia</td>
<td>19 an</td>
<td>SI56 1910 0000 0123 438</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>22 an</td>
<td>GB 29 NWB 6016 3331 1226 19</td>
<td></td>
</tr>
</tbody>
</table>

Examples of IBAN in various countries

IBAN applicability in Albania

From 1 June 2009, all the clients’ accounts shall comply with the IBAN format.

From 1 January 2010, the IBAN shall be the only account number to execute a transfer.