



Draft Protocol on Common Policy to Reduce Cash Transactions

Preamble

The following banking institutions and members of the Albanian Banking Association (AAB):

Alpha Bank (Albania)
Credins Bank
Credit Bank of Albania
Emporiki Bank (Albania)
First Investment Bank (Albania)
International Commercial Bank
Intesa Sanpaolo Bank (Albania)
Italian Development Bank
National Bank of Greece (Tirana Branch)
National Commercial Bank
Popular Bank
Procredit Bank
Raiffeisen Bank
Tirana Bank
Union Bank
United Bank of Albania,

hereinafter referred to as the Parties,

convinced of the need to improve the payment system in Albania thus enhancing the efficiency of the intermediation function of the banking system,

concerned of the high level of cash transactions and of the costs associated with handling the cash,

bearing in mind the inefficiency produced by the high level of unused liquidities,

acknowledging the potential economic benefits to the whole banking system from the reduction of the cash transactions in the economy,

reaffirming their will to cooperate on establishing a common policy to achieve the objective of reducing cash transactions,

have agreed to conclude this Protocol.

1. Objective of the Protocol

The Protocol objectives are to reduce the level of expensive and inefficient cash transaction in the Albanian economy by providing disincentives for cash use, and promote the use of more efficient non cash payments methods by creating incentives for the costumers to use alternatives to cash.

2. Individual actions for pursuing the Protocol objectives

The Parties are hereby expressing their commitment to undertake individual actions in order to stimulate the use of non-cash payments by:

- adjusting the commissioning policies for cash and non cash payments;
- developing POS and ATM networks;
- promoting innovative means of doing payments such as M-payment and E-money.

3. Common actions for pursuing the Protocol objectives

3.1. The individual actions will be complemented by community's actions that need more efforts and financial means, as follows:

- The Parties commit themselves to undertake common actions in order to plan, finance and manage an education campaign targeting individuals and merchants on the non-cash payments advantages and use.
- The Parties commit themselves to promote M-payments, through an information campaign developed in cooperation with mobile companies such as Vodafone and AMC.
- The parties commit themselves to promote the use of cards through an information campaign developed in cooperation with card companies such as VISA and MasterCard.
- The Parties commit themselves to support additional regulatory measures to be promoted by regulatory authorities.

1.2. Mobile companies and card companies will be invited to join this protocol. Their adhesion to the protocol objectives and actions will take the form of addenda to this document.

4. Implementation of the Protocol

AAB Secretariat will follow up with the implementation of this Protocol provisions and Parties will be represented in the relationship with third parties by the AAB Chairman.

Agreed and accepted

The protocol was agreed on and will be effective by Parties' signatures:

Signatures