

**SPI Project:**  
**“Reducing Cash Transactions”**  
**Questionnaire on**  
**Costs and Benefits of various**  
**means of payments**

Prepared by  
**SPI Albania Secretariat**

Contact persons:

Mrs. Anuela Ristani, Director of Operations, [anuela.ristani@spi-albania.eu](mailto:anuela.ristani@spi-albania.eu)  
Ms. Elona Bollano, Director of Analytics and Policy, [elona.bollano@spi-albania.eu](mailto:elona.bollano@spi-albania.eu)  
Address: Twin Tower I, Kati 6, Apt. A3. Tel. +355 42 280 359; Fax. + 355 42 280 371

## I. Context

The Albanian authorities have undertaken several legal and administrative initiatives to reduce cash transactions in economy with final objective to shrink the informal economy.

- July 2007, was amended the Law on Taxation Procedures in the Republic of Albania that are in line with cash reduction initiative. The upper limit allowed to use cash for the purchase of goods and services was revised downward from 1,000,000 lek to 300,000 lek, but not more than 10% of the total purchases of that fiscal year / tax period. All the acquisitions above this amount should be paid through the banking system.
- May 2007 was issued the Decree on minimal reference monthly wage to be used in the computation of the social security, health insurance and tax contributions with the provision that contributions have to be paid to the respective state institutions through the banking system or the post office network.
- General Directorate of Taxation is working for modernizing the payment procedures in order to facilitate the non-cash payment of the taxes through the establishment of the on-line payment system and the simplification of the procedures to be followed by the taxpayers.

In 2003 Bank of Albania in collaboration with other institutions initiated a campaign on the reduction of cash usage in economy<sup>1</sup>. In addition to this campaign, in order to facilitate the interbank payments BoA has established:

- (i) the Albanian Interbank Payment System (AIPS) that settles systemically important payments This is a system based on the core RTGS principles;
- (ii) The Albanian Electronic Clearing House System (AECH), an electronic clearing system owned and operated by BoA, in which files of bulk (high volume) low value payment instructions are exchanged among banks and other credit institutions after the net positions have been settled through RTGS.

AIPS and AECH have automated the clearing service provided by the Bank of Albania to commercial banks for processing payments to their clients. The implementation of these systems improvements in the national payments system in terms of increasing speed, reducing cost and security increasing in their processing.

Despite these initiatives undertaken it seems that the intended effects are not completely materialized and the volume of cash transactions continues to be high. **The high level of cash transaction raises concerns to the banks. These concerns are related to the costs associated with handling the cash and with the inefficiency produced by the high level of unused liquidities.**

SPI Albania is running a project on reducing cash transactions with two objectives:

1. To prepare a protocol on a common policy in respect of the actions and measures to be undertaken by the banks for reducing the volume of cash transactions.
2. To build consensus among banks in order to sign and implement the protocol.

---

<sup>1</sup> Some of the changes and amendments presented above were identified during this campaign.

## **PWG composition**

**Project Owner:** Oliver Whittle, Raiffeisen Bank  
**Project Manager:** Robert Wright, Raiffeisen Bank  
**Deputy Project Manager:** Elivar Golemi, Bank of Albania

**Project Working Group Members:** Jonida Vaso, Union Bank  
Griselda Cela, Credins Bank  
Liliana Nanaj, American Bank of Albania  
Elird Qendro, Mirela Pekmezi, Italian Bank of Development

## **II. Purpose of the banking survey**

The purpose of the survey is to assess and quantify the costs associated to various cash transactions, the impact of reducing cash transactions on banks' profit and loss account and the costs and commissioning level of non-cash payments denominated in Lek.

PWG proposed to AAB to sponsor a national wide survey on the causes and costs of cash transactions for consumers and companies. As the proposal was not approved, we are seeking through this bank survey to get your validation on the qualitative cost-benefit analysis and your assessment on the causes determining consumers and companies to use largely cash transactions.

The questionnaire is structured as follows:

- I. Cost and Benefit Qualitative Analysis on the impact of reducing cash transactions.
- II. Questionnaire
  - A. Management of Cash
  - B. Management of non-cash payments
  - C. Network

## **III. Procedures to run the banking survey**

You are kindly requested to support the clarification of the above mentioned issues by answering this questionnaire. As the information involves several departments in the bank (Cash management, Payment management, Treasury, Security, Human Resources etc), we suggest you appoint a person that gathers all necessary information from the respective departments. We estimate that filling in the questionnaire would take:

For the first section on the Qualitative Analysis 10 – 20 minutes, for the Questionnaire, for the first section on Management of cash about 2 hours, for the second section on Management of non-cash payments about 1 hour and for the section on the Network about 20 minutes.

Please send your answers to SPI Secretariat who stands ready to offer you more details.

Your answers will be treated in strict confidentiality. The results of the banking survey will be disclosed only at aggregate level

Please send your answers by December, XX, **2008**.

For eventual further clarification needs, please indicate below the contacts of the person who completed the questionnaire:

**Name**.....

**Position**.....

**Bank**.....

**Email address**:.....

**Tel/Fax**.....

**Thank you for participating in this survey!**

## IV. Impact of Reducing Cash Transactions - Cost and Benefit Qualitative Analysis

The cost-benefit analysis is intending to assess the impact of reducing cash transactions on the banks' profit and loss account, on the retail sector and companies, on consumers and authorities. Assuming that the total amount of payments does not change, by reducing cash transactions the non-cash payments will increase. Given this, the qualitative analysis refers also to the effect and consequences of increasing non-cash payments.

Firms comprise banks, shops, utilities companies and other companies.

Authorities refer to those state institutions that have with companies and consumers (tax authorities, customs and other similar) cash transactions and those state institutions that regulate the payment system, Bank of Albania.

For the purpose of this survey:

- In cash transactions are considered:
  - Clients' cash deposits and cash withdrawals and cash payments for utilities
  - Bank own cash transactions supporting clients' transactions
- In non-cash transactions are considered:
  - Debit and Credit card pmts
  - Credit transfers (which can be paper based or electronically - internet/home banking)
  - Direct debits, Standing orders and Cheques

We would very much appreciate if you could validate our assessments by ticking in the respective boxes<sup>2</sup>. In case you do not agree with the stated impact/rational, please state there your reasons.

### Firms/Banks

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
Costs	=	<b>Reducing cash transactions with a corresponding shift in the non-cash payments might not have a significant impact on the overall costs</b>		
One-off	Higher			

---

<sup>2</sup> **Legend:** + increase  
 - decrease  
 = no effect

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
Operational	+	The increase in the non-cash payments might involve the development of new products that would generate additional costs. As the introduction of new non-cash payment instruments might not be related exclusively to the reduction in the cash payments but also to the general development strategy of a bank/company, the impact of the measures reducing cash payments on these expenses are to be taken into account, but their reducing-cash determined level is not too high.		
IT & Infrastructure	+	As stated above, some of the expenses with new and more sophisticated products due to the decrease in cash payments might require additional programming and security costs.		
Other	+	Other extra costs related to the increased activity in cashless payments, but not too high.		
<b>On going</b>	<b>Lower</b>			
Expenses with human resources	=	Reducing cash transactions with clients would decrease the staff and time allocated to these activities. At the same time, the generated shift in the non-cash payments might involve more staff allocated to these activities or a better use of the existing staff. The two opposite evolutions might offset each other.		
Cash management expenses	-	A lower level of cash transactions would decrease the expenses and the uncertainty of cash management, operative cash centers, of collecting and counting money, the transport to/from the BoA, security and counterfeits issues, etc.		
Other expenses	-	By reducing cash transactions, banks might experience decrease in costs with commissions paid to secure liquidity. By increasing the non-cash payments, the commissions paid to BoA/banks would increase. Overall effect could be an offsetting situation.		
Losses from cash handling	-	The losses out of handling cash would decrease in case the volume and value of cash transactions would decrease.		
<b>Benefits</b>	<b>Higher</b>			
Additional products / additional business	+	The decrease in the cash payments and the extensive development of the cashless payments would establish new markets for banks and increase the business activity in existing markets.		

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
		The reduction of cash transactions by shops, utilities companies and other firms would determine the important increase in the volume of non-cash payments of the banks.		
Income	+	The eventual decrease in the commissions charged for cash transactions could be offset by the revenues from a higher volume of non-cash payments. By improving the liquidity management of banks and companies, lower amounts of the daily level of cash balance could mean additional placements with (other) banks and BoA and additional income from interest.		
Other		The reduction of cash transaction will improve the efficiency of the payment system in the banking level and domestic wise level.		
Equity relief	=	Not the case		
<b>Total impact</b>	<b>Same costs, more benefits</b>	<b>In the initial period, the development of new product and/or the decrease of commission level for the cash payments would generate costs for firms. While in long run, the improvement of the products and the establishment of new product would increase the business activity and even open new markets generating extensive benefits.</b>		

### Non Financial Firms – companies and retail sector

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
Costs	=/-	<b>Reducing cash transactions with a corresponding shift in the non-cash payments might significant reduce costs and increase the benefit to companies and in the retail sector</b>		
<b>One-off</b>	<b>Higher</b>			
Operational	+	Firms might have some additional costs related to the acceptance of the new / improved non cash payments such as training the staff, security or others alike. There could be some extra fees to be paid (merchants).		
<b>On going</b>	<b>Lower</b>			

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
Expenses with human resources	=	For firms, the overall impact is likely to be a net reduction in these expenses.		
Cash management expenses	-	A lower level of cash transactions would decrease the expenses and the uncertainty of cash management. No need to transfer cash to/from the banks (time consuming and commissions to be paid when depositing/withdrawing cash)		
Other expenses	=	This might not be the case of firms other than banks if they do not pay commissions for cash transactions with banks.		
Losses from cash handling	-	The losses out of handling cash would decrease in case the volume and value of cash transactions would decrease.		
<b>Benefits</b>	<b>Higher</b>			
Increase in sales / additional business	+	Cashless pmts allow the consumers to spend more than the cash they possess in a moment of time. For retailers mean higher volume of sales		
Better choice	+	Development of new products would align better the needs and the financial position of the clients with banks' and other firms' products and services.		
Better choice	+	Development of new products would align better the needs and the financial position of the clients with banks' and other firms' products and services.		
Income from interest	+	By improving the liquidity management of companies, lower amounts of the daily level of cash balance could mean additional placements with (other) banks and additional income from interest.		
Other	+	The quality of service might increase for merchants, in terms of processing time and comfort (no need for changes at the time of purchase).		
<b>Total impact</b>	<b>Same costs, more benefits</b>	<b>The decline in the lost risks and the reduction in the time spent for cash transactions, as well as more choices and improved access to finance, would have a higher impact on firms than the increase in their costs.</b>		



## Consumers

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
<b>Costs</b>	<b>Lower</b>			
Higher risks	-	Risks of theft, lost, counterfeit or damage of the banknotes would decrease in case of less cash transactions		
Higher prices	+	In case the cash transactions are charged now, the impact could be neutral on the overall costs for consumers. If not, there will be an increase in the prices paid by consumers.		
Quality of service	-	The quality of service might increase for consumers, in terms of processing time and comfort.		
<b>Benefits</b>	<b>Higher</b>			
Better choice	+	Development of new products would align better the needs and the financial position of the clients with banks' and other firms' products and services.		
Price reduction	-	Please see above the rationale for higher prices.		
Improved access	+	Banks and other firms might design products that fit to a larger share of consumers. The volume of operations run through a banks account might also improve access to the lending products.		
Interest income	+	By decreasing cash pmts, higher amounts of the cash balance in the bank account, mean additional deposits with banks and additional income from interest.		
Other	+	The reduction of cash payments will produce time savings for consumers		
<b>Total impact</b>	<b>Lower costs and higher benefits</b>	<b>The decline in the loss risks and the reduction in the time spent for cash transactions, as well as better choices and improved access to finance, would have a higher impact on consumers than the increase in their costs.</b>		

## Authorities

Costs / Benefits	Impact	Comments	Validation/ Comments	Rejection/ Comments
<b>Costs</b>	<b>Lower</b>			
One-off	+	Implementing new means of payments would bring additional costs for collecting authorities. In case that new regulations or amendments in		

		the legislation would be necessary for this, there are some regulatory costs. The cost increases for BoA would be limited, as the payment systems on large and small payments are already established.		
On going Operational	--	The staff, transportation and security costs would decrease for the collecting authorities. The costs of the cash transactions with the state treasury might be unchanged because of offsetting moves in the commissions paid for cash and non-cash operations. In addition to staff, transportation and security, the control costs would decrease for regulating authorities.		
Interest expenses	+	Increasing deposits with the banks (decreasing money in circulation) mean increased reserve requirement balances with the central bank, mean increase in interest expense for the central bank. In the overall economy, this expense mean interest income for the banking sector.		
<b>Benefits</b>	<b>Higher</b>			
Statutory goals	+	Fulfillment of the statutory goals related to the reduction of informal economy (government). Fulfillment the statutory goals related to the effective functioning of the national payments system (BoA).		
Increase income to state budget	+	More business would generate additional revenues in the state budget through tax on income fees for payment system operators.		
Other	=			
<b>Total impact</b>	<b>Lower costs and higher benefits</b>	<b>One-off cost would increase, but the ongoing cash related costs would have a significant decrease. Benefits, monetary and non-monetary are increasing.</b>		

#### Summary of CBA of the PWG recommendations for the CPC

Stakeholders	Costs	Benefits	Total
Banks	No effect	Higher	Same overall costs & More benefits
Non-financial firms	Lower	Higher	Few initial costs & More benefits
Consumers	Lower	Higher	Some short term costs & long term benefits
Authorities	Lower	Higher	Lower costs & More benefits
Overall economy			More benefits Some costs

## V. Questionnaire

The purpose of the survey is to assess and quantify the costs associated to various cash transactions for the period **2006 – 2007**, the impact of reducing cash transactions on banks’ profit and loss account and the costs and commissioning level of non-cash payments denominated in **Lek**. The survey is trying also to get banks’ opinions on their customers’ behavior related to cash transactions.

### General information – To be answered by the Retail department

1. What is the percentage of clients’ cash transaction in Lek, compared to the total volume of cash transactions? 2006 \_\_\_\_\_%  
2007 \_\_\_\_\_%

2. According to your estimations, what is the cost structure in your bank for clients’ cash transactions in Lek?

Type	2006 (in %)	2007 (in %)
Human resources		
Information technology		
Security		
Operational		
Other (please specify		

3. What is the percentage of clients’ non-cash transaction in Lek, compared to the total volume of clients’ transactions? 2006 \_\_\_\_\_% 2007 \_\_\_\_\_%

4. According to your estimations, what is the cost structure in your bank for clients’ non-cash transactions in Lek?

Type	2006 (in %)	2007 (in %)
Human resources		
Information technology		
Security		
Operational		
Other (please specify		

### A. Cash Management

Cash transactions envisaged:

- clients’ cash deposits and cash withdrawals and cash payments for utilities
- bank own cash transactions supporting clients’ transactions

### A.1. Clients' cash transactions

#### - To be answered by HR department

1. How many employees do you have working on the cash desks (cashiers) at the bank level? 2006\_\_\_\_\_ 2007\_\_\_\_\_
2. How many operation managers do you have in branches, in total? 2006\_\_\_\_\_ 2007\_\_\_\_\_
3. How many branch managers do you have, in total? 2006\_\_\_\_\_ 2007\_\_\_\_\_
4. What is the average annual cost (salary and contributions) for:
 

	2006	2007	
A cash officer?	_____	_____	lek
An operation manager?	_____	_____	lek
A branch manager?	_____	_____	lek

#### - To be answered by Cash Management Department

5. How many hours, in average per day, is a cashier handling cash transactions in Lek?  
\_\_\_\_\_
6. During a normal day, how many hours, in average, does the operation manager dedicates to the management of Lek cash issues? \_\_\_\_\_
7. During a normal day, how many hours, in average, does the branch manager dedicates to the management of Lek cash issues? \_\_\_\_\_
- 8.1 Is the customer service staff involved in Lek cash transactions (for checking identities, balances, etc)? Yes\_\_\_ No\_\_\_
- 8.2 How many hours, in average per day, is a customer service staff involved in cash transactions in Lek? \_\_\_\_\_

9. What was the annual total value of clients' cash transactions in Lek for 2006 and 2007? Please fill in the table below.

Transactions in lek	2006	2007
Cash deposits		
Cash withdrawals:		
Over the counter		
ATM		

10. What are the commissions paid by bank's clients for the 2006 and 2007? Please fill in the table below, detailed for households and business, if the commissions are different:

Transactions in lek	Households	Business

	2006	2007	2006	2007
Cash deposits				
Cash withdrawals:				
Over the counter				
From ATMs				
Bank's client				
Client from other bank				
Payments in cash for utilities – for <u>clients</u>				
Payments in cash for utilities – for <u>non-clients</u>				

11.1 Do you remunerate your clients' current account?     Yes              No

11.2 If Yes, what is the (average) annual interest rate on the current account?  
   \_\_\_\_\_2006                     \_\_\_\_\_2007

**To be answered by the Retail department**

**ATM network**

1. How many ATMs does your bank have? \_\_\_\_\_
2. ATM technical maintenance is done internally or outsourced (please select one of the options)?
  - a. Internal
  - b. Outsourced
  - c. Only some operations are outsourced

3. How much does it cost to maintain the ATM, if managed?
- |                                     | 2006  | 2007      |
|-------------------------------------|-------|-----------|
| a. Internally                       | _____ | _____ lek |
| b. Outsourced                       | _____ | _____ lek |
| c. Outsourcing only some operations | _____ | _____ lek |

4. How much do you pay to the card company?
- |                               | 2006  | 2007      |
|-------------------------------|-------|-----------|
| Annual fee                    | _____ | _____ lek |
| Per client transaction:       |       |           |
| For successful transactions   | _____ | _____ lek |
| For unsuccessful transactions | _____ | _____ lek |
| Per non-client transaction:   |       |           |
| For successful transactions   | _____ | _____ lek |
| For unsuccessful transactions | _____ | _____ lek |

**A.2. Bank's own cash transactions (intra banking, inter banking, and bank-Bank of Albania)**

**- To be answered by HR department**

1. What is the average annual cost (salary and contributions) for:

the treasury specialist? 2006 \_\_\_\_\_ 2007 \_\_\_\_\_ lek  
the Treasury Unit manager? \_\_\_\_\_ \_\_\_\_\_ lek

**- To be answered by Treasury department**

2. How many specialists do you have in your Cash Management Unit dealing with cash transactions (front and back office)? 2006 \_\_\_\_\_ 2007 \_\_\_\_\_

3. During a normal day, how many hours does the specialist dedicate to cash transactions in Lek? \_\_\_\_\_

4. During a normal day, how much time does the Unit manager dedicate to the supervision of cash transactions in Lek? \_\_\_\_\_

5. What was the annual total value of cash transactions in Lek of your bank for 2006 and 2007?

	2006	2007
Outgoing cash		
To the bank account with BoA		
To other banks		
Incoming Cash		
From cash withdrawals from the account opened with BoA		
Out of which, how much was based on an overnight loans taken from BoA		
From other banks		

6. What was the daily average cash balance in Lek of your bank?  
2006 \_\_\_\_\_ 2007 \_\_\_\_\_

7.1 What was the total commission cost of bank's own cash transactions in lek?  
2006 \_\_\_\_\_ 2007 \_\_\_\_\_

7.2 What was the total commission income of bank's cash transactions in lek?  
2006 \_\_\_\_\_ 2007 \_\_\_\_\_

8.1 What was the total cost for bank's Lek cash purchase from other banks?  
2006 \_\_\_\_\_ 2007 \_\_\_\_\_

8.2 What was the total income for bank's Lek cash sale to other bank?  
2006 \_\_\_\_\_ 2007 \_\_\_\_\_

9. What was the total interest cost of bank's overnight loans in Bank of Albania, in lek?  
 2006 \_\_\_\_\_ 2007 \_\_\_\_\_

10. What was the total interest income of bank's overnight deposits in Bank of Albania, in lek?  
 2006 \_\_\_\_\_ 2007 \_\_\_\_\_

**- To be answered by the Security department**

11. Is cash transportation done by an internal unit or outsourced (please select one of the options)?

- a. Internal
- b. Outsourced
- c. Only some operations are outsourced

12.1 In case of an internal management, what are the annual costs for 2006 and 2007 related to:

	<b>2006</b>	<b>2007</b>
- Total costs	_____	_____
or		
- Staff	_____	_____
- Cars depreciation	_____	_____
- Security	_____	_____
- Others	_____	_____

12.2 In the case of outsourced services, what was the total yearly amount paid to the transport and security company?  
 2006 \_\_\_\_\_ 2007 \_\_\_\_\_

13. Has your bank an insurance policy for:

- Covering operational risk for handling cash      Yes       No
- Covering robbery or theft of cash damages      Yes       No

14. If Yes, how much do you pay for the insurance on:

	2006	2007
- Cash	_____	_____
- Against robbery or theft	_____	_____

15. During 2006 and 2007 have you experienced losses due to the following. If Yes, how much?

	2006	2007
- uncovered operational risk for handling cash	_____	_____
- losses from cash (such as fake money, mistakes)	_____	_____

### A.3. Consumers' behavior

#### - To be answered by the Retail department

1. Please give us your assessment on the volume of cash transactions for each of the following market segments. Please select one of the options below for each of the segments.

(1 uses mostly cash; 2 moderate, uses mainly cash and some cashless service; 3 balanced, uses cash and cashless services; 4 uses mostly cashless services)

A. Households / Individuals 1  2  3  4

Comments \_\_\_\_\_

B. Micro business (x capital) 1  2  3  4

Comments \_\_\_\_\_

C. Small & Medium enterprises (x capital) 1  2  3  4

Comments \_\_\_\_\_

D. Corporate (x capital) 1  2  3  4

Comments \_\_\_\_\_

2. The literature, based on the empirical evidence, has identified reasons why cash is a preferred means of payment.

A. Based on your experience, can you confirm the following reasons and indicate the respective importance (from low to high as below) for the Albanian consumers?

1 low importance      2 medium importance      3 high importance

A. Matter of habit Yes  No  1  2  3

B. Low perceived costs Yes  No  1  2  3

C. Widespread acceptance Yes  No  1  2  3

D. Anonymity Yes  No  1  2  3

E. Clear perception of the amount at disposal Yes  No  1  2  3

F. Clear perception of the amount spent Yes  No  1  2  3

G. High level of commissions for cashless payments Yes  No  1  2  3



- H. Limited coverage with POS network      Yes    No     1    2     3
- I. Other \_\_\_\_\_      1     2     3

**B.** Based on your experience, can you confirm the following reasons and indicate the respective importance (from low to high as below) for the Albanian businesses?

**1** low importance

**2** medium importance

**3** high importance

- A. Low perceived costs      Yes     No     1     2     3
- B. Widespread usage      Yes     No     1     2     3
- C. Widespread acceptance      Yes     No     1     2     3
- D. Anonymity / Easy to hide the real activity      Yes     No     1     2     3
- E. High speed of transaction settlement      Yes     No     1     2     3
- F. High level of commissions for cashless payments      Yes     No     1     2     3
- G. Not enough restrictive regulations on cash      Yes     No     1     2     3
- H. Not enough controls from the state authorities      Yes     No     1     2     3
- I. Limited coverage with POS network      Yes     No     1     2     3
- J. Other \_\_\_\_\_      1     2     3

## B. Management of cashless payments, denominated in Lek

Non cash transactions comprise:

- Credit transfers
- Payments cards,
- Non cash payments for utilities,
- Direct debit,
- Standing orders, Cheques.

**- To be answered by the Operations department**

1. Please state the annual total value of third parties non-cash transactions:

	2006	2007
Total		
Households		
Businesses		

### B. 1. Front office

**- To be answered by the Human Resources department**

1. How many employees do you have working on customers' service at the bank level?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

2. What is the average annual cost (salary and contributions) for 2007a customer service employee?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

**- To be answered by the Operations department**

3. How many hours, in average per day, is a customer service employee handling non-cash payment in Lek? \_\_\_\_\_

4. During a normal day, how many hours, in average, does the operation manager dedicate to the management of Lek non-cash payments issues?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

5. During a normal day, how many hours, in average, does the branch managers dedicate to the management of Lek non-cash payments issues?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

### B.2. Back office

**- To be answered by the Operations department**

1. How many employees do you have in the back office area in your branches working on cashless payments in lek?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

2. How many hours, in average per day, is a back office employee in branches handling non-cash payments in Lek?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

3. How many hours, in average per day, is a back office employee handling non-cash payments in Lek?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

**- To be answered by the Human Resources department**

4. How many employees do you have in the back office area in your head office/processing center working on cashless payments in lek?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

5. What is the average annual cost (salary and contributions) for:

2006 2007

An employee in the back office of a branch \_\_\_\_\_ lek

An employee in the back office of HO \_\_\_\_\_ lek

**B.3 Product development**

**- To be answered by the Operations department**

1. Do you have a product development unit that deals with cashless payments? Yes  No   
(if No, please pass to question 6 below)

**- To be answered by the Human Resources department**

2. How many employees (specialists) do you have working in product development unit – for Lek non-cash payments?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

3. What is the average annual cost (salary and contributions) for:

2006 2007

a specialist? \_\_\_\_\_ lek

an unit manager? \_\_\_\_\_ lek

**- To be answered by the Operations department**

4. How many hours per day in average does such an employee spend in dealing with cashless payment?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

5. How many hours per day in average does the manager of the Product development unit spend in dealing with non-cash payments?

2006 \_\_\_\_\_ 2007 \_\_\_\_\_

6. Please fill in the table with the annual number of transactions, total annual value and the average payment commission per value / payment transaction on the following non-cash payments, for 2006 and 2007:

Non-cash payments	Number of transactions		Total value Lek		Households		Businesses	
	2006	2007	2006	2007	Transaction Fee		Transaction Fee	
					2006	2007	2006	2007
Credit transfers incoming (please specify the scaled range values if applicable)								
Credit transfers outgoing (please specify the scaled range values if applicable)								
Direct debits								
Cards payments								
Debit cards								
Credit cards								
Other cards (please specify)								
Cheques								
Other (please specify)								

6.1 For interbank credit transfers, to whom does your bank apply the commission (please select):

When	Client	Non-client
Sender (outgoing)		
Receiver (incoming)		

## C. Network

**- To be answered by the Retail department**

### C. 2 POS

1. How many POS does your bank have? \_\_\_\_\_
2. Do you apply commissions for your clients (please select):
  - a. To the cardholder

- b. To the shop (merchant)
- c. Both

3. If Yes, how much is the commission per transaction (in lek)?

- |               | 2006  | 2007  |
|---------------|-------|-------|
| a. Cardholder | _____ | _____ |
| b. Shop       | _____ | _____ |

3.1 How much is the monthly commission paid by the merchant, if applicable?

2006	2007
_____	_____

4. For non-clients of your bank , the commission is paid by (please select):

- a. The cardholder
- b. The shop / merchant
- c. Both

5. How much is the paid commission per transaction, in lek (please select)?

- |                  | 2006  | 2007  |
|------------------|-------|-------|
| a. Cardholder    | _____ | _____ |
| b. Shop/merchant | _____ | _____ |

**C. 3. On line services – homebanking**

1. Do you provide the homebanking service?  Yes  No

2. If Yes, since when did you started to provide this service? \_\_\_\_\_

3. Do you apply a commission for providing this service?  Yes  No

4. If Yes, what is the level of this commission? 2006\_\_\_\_\_2007\_\_\_\_\_

5. What kind of incentives do you offer in order to stimulate the use of this service?

---



---