

**Interreg**



Co-funded by  
the European Union

**IPA** Greece – Albania

---

# **BANK ACCOUNTS & VAT FOR ALBANIAN BENEFICIARIES**

## **GREECE – ALBANIA 2021-2027**

Info Day for Strategic Projects

June 2025

**Interreg VI-A IPA CBC 'Greece-Albania 2021-2027' Programme**

**CCI: 2021TC16IPCB010**

**C (2022) 8883 final – 29.11.2022**

1.

## BANK ACCOUNTS FOR ALBANIAN BENEFICIARIES

- Bank accounts for all state institutions will be opened according to the new Instruction No. 10, dated 12.07.2024 “ON THE REGISTRATION, USE, RECONCILIATION, REPORTING AND PUBLICATION OF FOREIGN FINANCING FUNDS IN THE FRAMEWORK OF INTERNATIONAL AGREEMENTS”, issued by the Ministry of Finance.
- The instruction provides specific procedures in the case where the beneficiary/partner holds the role of the lead partner and when it holds the role of partner. All steps set out in this guidance must be followed correctly by the beneficiaries.
- **Benefits of Instruction No. 10:**
  - ✓ All grants by foreign donors will be disbursed into a single account Treasury Single Account (TSA) at the Bank of Albania;
  - ✓ Significantly reduces the time to open a second tier bank account, e.g. 2-3 days from the day of disbursement of funds from the donor to TSA;

## 2.

## PROCEDURES FOR OPENING BANK ACCOUNTS

- Following the new Instruction No. 10 dated 12.07.2024, projects with foreign grant financing according to point 3.4, are subject to the full treasury scheme, and the steps to be followed according to point no. 4 of the instruction are:

### Step No. 1

- ✓ Opening of the Product code

### Step No. 2

- ✓ A request is submitted to the Ministry of Finance (MoF) to be provided with a Financial Identification Form (FIF) for the data of the transit account “Government Deposit”, the request specifies the information that serves to identify the disbursement:
  - Institution Code – name
  - Product Code – name
  - Currency

### Step No. 3

- ✓ The MoF provides the FIF to the Beneficiary and forwards it to the donor, specifying that the information in the REMARK field of the FIF (which contains the information from step No. 2) should be used in the description of the disbursement by the donor.

### 3.

## PROCEDURES FOR OPENING BANK ACCOUNTS

### Step No. 4

- ✓ After confirmation by the Bank of Albania of the disbursed amount, the institution is requested to confirm the amount received by specifying:
- ✓ Institution
- ✓ Product code
- ✓ Donor

### Step No. 5

- ✓ After confirmation by the institution, the disbursed amount is recorded in account 106 and the institution follows the authorized increase to use these funds in the treasury branch with which it operates.
- ✓ An exception to opening a special account at the BoA is when the institution is a leader and will need to transfer funds to partners outside the Republic of Albania.
- ✓ In order to follow the procedure for opening a special account, they are subject to point No. 5 of the Foreign Financing Guidelines.

## 4. PRE-FINANCING. CO-FINANCING & VAT

- ✓ The request for prefinancing is based on Law No. 115/2024 “On the 2025 budget” and the supplementary Instruction No. 2, dated 24.01.2025 “On the implementation of the 2025 budget”.
- ✓ A dedicated amount of 100 million Albanian Lek (ALL) is allocated annually to support both central and local public institutions in fulfilling their obligations related to pre-financing, co-financing, and the payment of VAT for EU and donor-funded projects.
- ✓ Requests for financial support have been decreased over time, reflecting improved institutional capacity and a growing awareness among public entities of the importance of planning in advance on their budget the amounts to cover their co-financing obligations of EU projects.
- ✓ As of 1 January 2023, beneficiaries who contract projects funded by EU, benefit from VAT exemption in accordance with Law no. 82/2022, “On some additions and changes to Law no. 92/2014, ‘On Value Added Tax in the Republic of Albania’, as amended.”
- ✓ The steps to be followed by Albanian beneficiaries in order to request the fund are specified in Annex B of the Instruction “On the use of the fund for pre-financing, co-financing and payment of value added tax and customs duties for projects with foreign financing approved by Law No. 115 dated 03.12.2024 “On the 2025 budget”, pages 59-60 of the Instruction.
- ✓ The request made by the beneficiaries should be well-justified as to why the beneficiary does not have the means to cover the pre-financing and co-financing amounts.

## 4.

## VAT EXEMPTION

- SASPAC, DG REGIO and the Ministry of Finance are reviewing the legal basis of the financial agreements of the Interreg Programmes in order to assess compliance with the revised Instruction of the Ministry of Finance No. 6, dated 24.02.2025 “On Value Added Tax in the Republic of Albania”.
- This process has not been finalized yet as they are still in the consultation phase.