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**Bank Accounts and information on the use of the Fund
for pre-financing, co-financing, and the payment of value-added tax and customs
duties for projects financed by foreign funds.**

**Information Day for the Implementation of the First Call Projects Interreg
VI-A IPA CBC “Greece-Albania 2021-2027” Programme
16–17 September 2025**

**Interreg VI-A IPA CBC ‘Greece-Albania 2021-2027’ Programme
CCI: 2021TC16IPCB010
C (2022) 8883 final – 29.11.2022**

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INFORMATION ON THE OPENING OF BANK ACCOUNTS

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Guidelines for the Procedures of Foreign-Funded Projects under the Full Treasury Scheme

OPENING OF BANK ACCOUNTS

- ✓ 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 within the Framework of International Agreements,"** issued by the Ministry of Finance.
- ✓ The instruction sets out specific procedures for cases where the beneficiary/partner acts as the **lead partner** and when acting as a project **partner**.

All steps defined in this instruction must be followed precisely by the beneficiaries.

Benefits of this Instruction:

- ✓ All grants from foreign donors will be disbursed into a single account – the **Single Treasury Account (TSA) at the Bank of Albania**.
- ✓ **It significantly reduces the time required to open a secondary-level bank account, e.g., 2–3 days from the day the donor disburses funds into the TSA.**



Guidelines for the Procedures of Foreign-Funded Projects under the Full Treasury Scheme
OPENING OF BANK ACCOUNTS
– STEPS"

Step 1: Request for TSA Confirmation

The Project Implementation Unit (PIU), immediately after:

- a) Signing the grant agreement
- b) Obtaining the respective approvals according to the legislation (e.g., approval by the Municipal Council)

submits a request to the Ministry of Finance for the confirmation of the TSA data.

The request includes:

- a. Institution code
- b. Institution name
- c. Budget product code (Chapter 02 “Foreign Financing”)
- d. Name of the product, opened beforehand in SIFQ

Step 2: Verification and Issuance of the Financial Identification Form (FIF)

The Ministry of Finance, after receiving confirmation from the Bank of Albania, sends the completed FIF to the PIU (Project Implementation Unit).

The FIF includes:

- a. TSA references
- b. Institution code and name
- c. Project/product code
- d. Description, as requested by the PIU

Note: Regarding the deadlines for sending the confirmation of the special account data “Government Deposit” to the institution/PIU, the current legislation on the processing of official documents applies, where the normal deadline is 7 working days.



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OPENING OF BANK ACCOUNTS
– STEPS"

Step 3: Notification of the Donor

- a. The PIU (Project Implementation Unit) sends the confirmed FIF to the donor.
- b. At the time of disbursement, the donor must include in the payment description the data from the REMARK field of the FIF.

Step 4: Disbursement of Funds

- a. Grants are disbursed into the TSA at the Bank of Albania, according to the confirmed references.
- b. The disbursement transaction must include:
 - The code and name of the beneficiary institution
 - The code and name of the project/product

***Note:** Regarding the deadlines for the execution of documents and the confirmation of special account data, the applicable legislation on the processing of official documents applies, where the standard deadline is 7 working days.*



Guidelines for the Procedures of Foreign-Funded Projects under the Full Treasury Scheme
OPENING OF BANK ACCOUNTS
– STEPS"

Step 5: Notification and Confirmation of Funds

- a. After the TSA account is credited, the Treasury at the central level electronically notifies the PIU (Project Implementation Unit).

Note: The institution's electronic notification is made as soon as the bank's post arrives in the TSA sector.

- b. Immediately after notification, the PIU confirms that the incoming funds belong to its project.
- c. The Treasury records the disbursement in SIFQ and notifies the respective treasury branch.

Note: The journal processing in the system is carried out as soon as the confirmation is received from the institution/PIU.

Step 6: Allocation of Funds for Expenditure

- a. The PIU submits a request to the Treasury branch for the authorized increase of the fund.
- b. The Treasury branch allocates the revenue into the expenditure accounts as requested by the PIU, making it immediately available for spending.



Guidelines for the Procedures of Foreign-Funded Projects under the Full Treasury Scheme
OPENING OF BANK ACCOUNTS
– STEPS"

Step 7: Execution of Expenditures

- a. Payments for the project are carried out at the Treasury branch where the PIU operates.
- b. Procurement is conducted according to the conditions defined in the grant agreement.

Step 8: Disbursements with Reimbursement

(when foreseen in the agreement)

- a. In cases where expenditures are initially paid from local budget funds and then reimbursed by the donor:
- b. The reimbursed disbursement is recorded in **SIFQ** in a separate economic account labeled **“Reimbursement of expenditures after payment execution.”**



Guidelines for the Procedures of Foreign-Funded Projects under the Full Treasury Scheme **OPENING OF BANK ACCOUNTS** **– STEPS"**

Step 9: Monthly Reporting by the PIU

By the 5th of each month, the PIU sends electronically to the Treasury at the central level:

- Data on disbursements
- Indirect expenses (if the grants are managed directly by the donor)

Note: For projects under the full treasury scheme, reporting is not required, but reconciliation with the treasury branch is performed instead.

Step 10: Monthly Reconciliation

- a. By the 5th of each month, the PIU reconciles with the treasury branch regarding the revenues and progressive expenditures of the budget year.

- b. A report is generated by SIFQ, which is signed by both parties (PIU and Treasury).



Step 11: Transfer of Unused Funds

At the end of the fiscal year, based on the reconciliation act with the treasury, the NJZP requests the transfer of unused funds to the following year.

In cases where the beneficiary is the Lead Partner, the Guidelines specify some additional steps.

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PREFINANCING; COFINANCING AND VAT

Info Day Implementation 1st Call Projects
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PREFINANCING; COFINANCING AND VAT

- **Pre-financing, co-financing, and VAT reimbursement** are 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 Lek (ALL)** is allocated annually to support both central and local public institutions in fulfilling their obligations related to pre-financing, co-financing, and VAT reimbursement for EU- and donor-funded projects.
- Requests for financial support have decreased over time, reflecting **the increase in institutional capacities** and the growing **awareness of public entities** regarding the importance of early budget planning to cover co-financing obligations for EU projects.
- The steps that Albanian beneficiaries must follow 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 VAT and Customs Duties for Foreign-Funded Projects,” approved by Law No. 115 dated 03.12.2024 “On the 2025 Budget,” pages 59-60 of the Instruction.
- The request made by beneficiaries must be **well justified** regarding the reason why the beneficiary is unable to cover the pre-financing and co-financing amounts on their own.