Albania Investment Council

Improving Transparency and Investment Climate

COVID-19

MEASURES AND LEGAL ACTS, TAKEN DURING PERIOD 06-12 APRIL 2020

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SECRETARIAT OF ALBANIA INVESTMENT COUNCIL

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1. APPROVAL OF THE STATE LOAN GUARANTEE WITH THE BANKS OF THE SECOND TIER, FOR TRAIDERS AND COMMERCIAL COMPANIES WHICH ACTIVITY IS AFFECTED BY COVID-19

- Following the launch of the financial plan for recovery by Covid-19, DCM no. 277 dated 06.04.2020 was approved. It provides for:

(1) The state loan guarantee line, in the amount of ALL 11,000,000,000 (eleven billion), in favor of 12 second tier banks, part of the guarantee scheme that will enable lending to cover the salaries of traders or companies, whose activity has been closed or affected by the reduction of turnover, as a result of the decisions of the Council of Ministers and orders issued by the Ministry of Health and Social Protection, in the context of managing the situation created by COVID-19.

(2) The Minister of Finance and Economy has the right, after 60 (sixty) days from the date of signing the relevant guarantee agreements, to propose to the Council of Ministers, if necessary, the reallocation of the guarantee amount, from the lender that has not erased all the amount of the guarantee in his favor, to the lender who has exhausted it completely.

(3) The scheme of state guarantee as above does not include commercials or companies, which are subject to benefits from the salary subsidy scheme.

(4) The Minister of Finance and Economy is authorized to sign guarantee agreements with each of the second tier banks.

CoM Decision No. 277, date 06.4.2020 *"For the approval of the state loan guarantee with the second tier banks for the salaries of traders or commercial companies, whose activity has been affected by the decisions of the Council of Ministers, in the framework of managing the situation created by Covid-19, as well as for determining the conditions and criteria of the guarantee agreement and the agreement of understanding "*– **Official Gazzette No.60/2020**

For full content of the act click here.

2. BANK OF ALBANIA ADDITIONAL MEASURES IN THE FRAME OF COVID-19

- The Supervisory Council in its meeting of 8 April 2020 approved the following decisions:

  (1) reduction by 50% of the fees of the members of the Supervisory Board and salaries of the Administrators and Directors of the Bank of Albania, for the duration period of the coronavirus epidemic, as a sign of solidarity with the affected citizens and businesses.

  (2) suspended until the end of June 2020, the distribution by the banks of the accumulated profit carried over from previous periods, the profit realized in 2019 and the profit that will be realized during the first half of 2020.

  (3) starting from 10 April 2020, removal of commissions applied by banks for lek credit transfers non-paper form by their clients, as well as fees for participants in AIPS and AECH payment systems operated by the Bank of Albania. This decision aims to support bank customers to continue making their payments in terms of restricting movement and also minimizing the risks of population accumulation in bank branches. This decision aims to make the use of Homebanking services more attractive by eliminating the costs of this service.

  - Decision *"On the temporary monthly financial treatment of the members of the Supervisory Board, Administrators and directors of the Bank of Albania, during the period of the state of the epidemic caused by COVID-19"*
  - Decision *"On the suspension of profit distribution by banks".*
  - Decision *For the removal of commissions applied by banks for loans in lek lek non-paper form by their customers, as well as fees for participants in AIPS and AECH payment systems operated by the Bank of Albania"*

Bank of Albania notification, here.

3. PROLUNGATION OF CLOSING OF BARS, RESTAURANTS, PUBS, FAST FOOD AND OTHER ACTIVITIES FOR PUBLIC INCLUDING EDUCATION INSTITUTIONS

- On the basis of new orders, it is determined that the closure of bars, restaurants, fast food, premises that provide customer service, including educational institutions and public activities throughout the country will be prolungated (previously it was 03.04 .2020), until the end of the epidemic situation caused by COVID-2019 infection.

  - **Order No.217, dated 1.4.2020** *"For an amendment to the order no. 164, dated 12.03.2020" On the closure of bars, restaurants and bars, fast food and restriction of services provided by accommodation structures that provide service to customers"*- **Official Gazette Nr.64/2020**
  - **Order No.223, dated 1.4.2020** *"For an amendment in order no. 156, dated 10.3.2020, "On taking special measures to prevent the spread of Covid-19 infection"*– **Official Gazette Nr.64/2020**

For full content of the acts click here.

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