GUIDELINE FOR ACCOUNT OPENING

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

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1. Request for TSA Confirmation

- The Project Implementation Unit (PIU), immediately after the grant agreement is signed—or even during the application phase—submits a request to the Ministry of Finance for confirmation of the Treasury Single Account (TSA) details.

Note: Regarding the timeframes for processing official documents to confirm the data of the special account "Government Deposit," the legislation in force on the handling of official correspondence applies, which in normal cases sets a deadline of 7 working days.

- The request must include:
    - Institution code
    - Institution name
    - Budget product code (Chapter 02 "Foreign Financing")
    - Product name, previously opened in the SIFQ system

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

- The Ministry of Finance, after receiving confirmation from the Bank of Albania (BoA), sends the completed FIF to the PIU.
- The FIF includes:
    - TSA references
    - Institution code and name
    - Project/product code
    - Description, as requested by the PIU

Note: The same 7-working-day legal deadline applies for sending the confirmation of the "Government Deposit" special account details to the institution/PIU.

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3. Notification of the Donor

- The PIU sends the confirmed FIF to the donor.
- When disbursing funds, the donor must include in the payment description the data from the FIF's REMARK field.

4. Disbursement of Funds

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

5. Notification and Confirmation of Funds

- After the TSA is credited, the Central Treasury notifies the PIU electronically.

Note: The electronic notification is sent as soon as the bank's payment advice reaches the TSA sector.

- Upon receiving the notification, the PIU immediately confirms that the incoming funds belong to its project.
- The Treasury records the disbursement in SIFQ and notifies the relevant treasury branch.

Note: Journal entries in the system are processed as soon as confirmation is received from the institution/PIU.

6. Allocation of Funds for Expenditure

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

7. Execution of Expenditures

- Payments for the project are carried out through the treasury branch where the PIU operates.
- Procurement is conducted according to the conditions specified in the grant agreement.

8. Reimbursement-Based Disbursements (if foreseen in the agreement)

- When expenditures are initially paid from local budget funds and later reimbursed by the donor:
  - The reimbursed disbursement is recorded in SIFQ under a separate economic account titled **"Reimbursement of expenditures after payment execution."**

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9. Monthly PIU Reporting

- By the 5th of each month, the PIU sends electronically to the Central Treasury:
  - Data on disbursements
  - Indirect expenditures (if the grants are managed directly by the donor)

Note: For projects under the full treasury scheme, no reporting is required—only reconciliation with the treasury branch.

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10. Monthly Reconciliation

- By the 5th of each month, the PIU reconciles with the treasury branch the progressive revenues and expenditures of the budget year.
- A report is generated from SIFQ and signed by both parties (PIU and Treasury).

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11. Carryover of Unused Funds

- At the end of the budget year, based on the reconciliation record with the treasury, the PIU requests the carryover of unused funds to the following year.