

**DECISION**  
**No. 178, dated 9.3.2016**

**ON THE APPROVAL OF THE MULTILATERAL COMPETENT AUTHORITY  
AGREEMENT FOR THE AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT  
INFORMATION**

Pursuant to Article 100 of the Constitution, Article 6 of Law No. 146/2013, “Për ratifikimin e Konventës për Ndihmën Administrative të Ndërsjellë në Çështjet Tatimore”, and Articles 17 and 23 of Law No. 8371, dated 9.7.1998, “Për lidhjen e traktateve dhe marrëveshjeve ndërkombëtare”, upon the proposal of the Minister of Foreign Affairs, the Council of Ministers

**DECIDED:**

Approval of the Multilateral Competent Authority Agreement for the automatic exchange of financial account information, according to the text attached to this decision.

This decision enters into force after its publication in the Official Gazette.

PRIME MINISTER  
**Edi Rama**

**DECLARATION**

I, Shkëlqim Cani, Minister of Finance, on behalf of the Competent Authority of the Republic of Albania, declare compliance with the provisions of

***Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account  
Information***

hereinafter referred to as the “Agreement” and attached to this Declaration.

By means of this Declaration, the Competent Authority of the Republic of Albania shall be considered a signatory to the Agreement as of 29 October 2014\*, and the Agreement shall enter into force in relation to the Competent Authority of the Republic of Albania, in accordance with Article 7 thereof.

The notification of Annex F required by Article 3(3) of the Agreement is deposited by means of this document.

Signed in Berlin, on 29 October 2014.

---

/signature and seal/  
Shkëlqim Cani  
Minister of Finance

**MULTILATERAL AGREEMENT**  
**OF THE COMPETENT AUTHORITY FOR AUTOMATIC EXCHANGE OF FINANCIAL  
ACCOUNT INFORMATION**

Whereas the Jurisdictions of the signatories to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (the Agreement) are Parties or territories covered by the Convention on Mutual Administrative Assistance in Tax Matters or the Convention on Mutual

Administrative Assistance in Tax Matters as amended by the Protocol amending the Convention on Mutual Administrative Assistance in Tax Matters (the Convention), or have signed or expressed their intention to sign the Convention and acknowledge that the Convention must be in force and in effect with respect to them prior to the first exchange of financial account information.

Whereas Jurisdictions seek to improve international tax compliance through the further development of their relationships regarding mutual assistance in tax matters;

Whereas the Common Reporting Standard was developed by the OECD with the G20 countries to address tax avoidance and evasion and to improve tax compliance;

Whereas a country that has signed or expressed its intention to sign this Convention will become a Jurisdiction only as defined in Article 1 of this Agreement, after it has first become a Party to the Convention;

Whereas the laws of the respective Jurisdictions require or are expected to require financial institutions to report information regarding certain accounts and to follow procedures relating to due diligence, in accordance with the purpose of exchange provided for in Article 2 of this Agreement and the reporting and due diligence procedures set forth in the Common Reporting Standard;

Whereas it is expected that the laws of the Jurisdictions will be amended from time to time to reflect updates to the Common Reporting Standard and, once such amendments are adopted by a Jurisdiction, the definition of the Common Reporting Standard shall be deemed to refer to the updated version with respect to that Jurisdiction;

Whereas Chapter III of the Convention authorizes the exchange of information for tax purposes, including the exchange of information on an automatic basis, and allows the competent authorities of the Jurisdictions to agree on the scope and modalities of such automatic exchanges;

Whereas Article 6 of the Convention provides that two or more Parties may mutually agree to exchange information automatically, the exchange of information shall be carried out on a bilateral basis between the competent authorities;

Whereas the Jurisdictions have or are expected to have at the time of the first exchange: (i) appropriate safeguards to ensure that information received pursuant to this Agreement remains confidential and is used only for the purposes specified in the Convention; and (ii) the infrastructure for an effective exchange relationship (including procedures established to ensure timely, accurate, and confidential exchanges of information, effective and reliable communications, and the capacity to promptly resolve issues and concerns relating to exchanges or requests for exchanges and to the administration of the provisions of Article 4 of this Agreement);

Whereas the Competent Authorities of the Jurisdictions aim to conclude an agreement to improve international tax compliance based on automatic exchange under this Convention, without prejudice to national legislative procedures (if any), in accordance with EU law (if applicable), and on the basis of the confidentiality provision and other safeguards provided for in this Convention, including provisions limiting the use of exchanged information in accordance therewith;

For this reason, the Competent Authorities have agreed as follows:

#### Article 1

#### **Definitions**

1. For the purposes of this Agreement, the following terms shall have the following meanings:
  - a) the term “Jurisdiction” means a country or territory for which the Convention is in force and effect, either through signature and ratification, in accordance with Article 28 or through territorial

extension, in accordance with Article 29, and which is a signatory to this Agreement;

b) the term “Competent Authority” means, for each relevant Jurisdiction, the persons and authorities listed in Annex B of the Convention;

c) the term “Jurisdiction Financial Institution” means, for each relevant Jurisdiction: i) any financial institution that is resident in the Jurisdiction, but excludes any branch of that financial institution located outside the Jurisdiction; and: ii) any branch of a financial institution that is not resident in the Jurisdiction, if that branch is located in the Jurisdiction in question; -diction, but excludes any branch of that financial institution located outside the Jurisdiction; and: ii) any branch of a financial institution that is not resident in the Jurisdiction, if that branch is located in the Jurisdiction in question;

d) the term “Reporting Financial Institution” means any Jurisdiction Financial Institution that is not a Non-Reporting Financial Institution;

e) the term “Reportable Account” means a Financial Account that is held by a Reporting Financial Institution and which, according to due diligence procedures in compliance with the Standard i Përbashkët i Raportimit, has been identified as an account held by one or more persons who are Reportable Persons with respect to another Jurisdiction or by a passive non-financial entity with one or more Controlling Persons who are Reportable Persons with respect to another Jurisdiction;

f) the term “Common Reporting Standard” means the standard for the automatic exchange of financial account information in tax matters (which includes the Commentary), developed by the OECD together with the G20 countries;

g) the term “Secretariat of the Coordinating Body” means the Secretariat of the OECD which, pursuant to paragraph 3 of Article 24 of the Convention, provides support to the coordinating body composed of representatives of the Competent Authorities of the Parties to the Convention;

h) the term “Agreement in force” means, in relation to each of the two Competent Authorities, that both Competent Authorities have indicated their intention to automatically exchange information with each other and have fulfilled the other conditions set out in subparagraph 2.1 of Article 7. The Competent Authorities for which this Agreement is in force are listed in Annex E.

2. Terms in capital letters, not otherwise defined in this Agreement, shall have the meaning given to them at the time under the law of the Jurisdiction implementing the Agreement, which meaning shall be consistent with the meaning set forth in the Common Reporting Standard. Any term not otherwise defined in this Agreement or in the Common Reporting Standard, except where the context otherwise requires or the Competent Authorities agree to a common meaning (as permitted by domestic law), shall have the meaning given to it at the time under the law of the Jurisdiction implementing the Agreement, with any meaning under the applicable tax laws of that Jurisdiction prevailing over the meaning given by other laws of that Jurisdiction.

## Article 2

### **Exchange of information regarding Reportable Accounts**

1.1 Based on the provisions of Articles 6 and 22 of the Convention, and the applicable reporting and verification rules in accordance with the Common Reporting Standard, each Competent Authority shall annually exchange, on an automatic basis, with the other competent authorities with respect to which it applies this Agreement, information obtained under such rules and as specified in paragraph 2.

1.2 Notwithstanding the preceding paragraph, the Competent Authorities of the Jurisdictions listed in Annex A shall send, but not receive, the information specified in paragraph 2. The Competent Authorities of the Jurisdictions not listed in Annex A shall always receive the information specified in paragraph 2. The Competent Authorities shall not send such information to the Competent Authorities of the Jurisdictions listed in Annex A.

2. The information to be exchanged regarding each Reportable Account of another Jurisdiction shall

include:

- a) The name, address, tax identification number, date and place of birth (in the case of an individual) of each Reportable Person who is an Account Holder, and in the case of an economic entity that is an Account Holder and, after applying the verification procedures in accordance with the Common Reporting Standard, is identified to have one or more Controlling Persons, Reportable Person, the name, address, and tax identification number of the Economic Entity, and the name, address, tax identification number, date and place of birth of each Reportable Person;
- b) The account number (or functional equivalent in the absence of an account number);functional equivalent in the absence of an account number);
- c) The name and identification number (if any) of the Reporting Financial Institution;
- d) The account balance or value (including, in the case of a Cash Value Insurance Contract or Annuity Contract, the Cash Value or surrender value) at the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during that year or period, the closure of the account;including, in the case of a Cash Value Insurance Contract or Annuity Contract, the Cash Value or surrender value) at the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during that year or period, the closure of the account;
- e) In the case of a Custodial Account:
  - 1) the total gross amount of interest, the total gross amount of dividends, and the total gross amount of other income generated with respect to the assets held in the account, in each case paid or credited to the account (or with respect to the account) during the calendar year or other appropriate reporting period;reporting period; and
  - 2) the total gross proceeds from the sale or redemption of financial assets paid or credited to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution acts as custodian, broker, nominee, or otherwise as an agent for the Account Holder;
- f) In the case of any Deposit Account, the total gross amount of interest paid or credited to the account during the calendar year or other appropriate reporting period; and
- g) In the case of any account not described in paragraph 2 (e) or (f), the total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution is the obligor or debtor, including the aggregate amount of redemption payments made to the Account Holder during the calendar year or other appropriate reporting period.

### Article 3

#### **Time and manner of exchange of information**

1. For the purposes of exchanging information under Article 2, the amount and characterization of payments made with respect to a Reportable Account may be determined in accordance with the principles of the tax laws of the Jurisdiction that is exchanging the information.
2. For the purposes of exchanging information under Article 2, the information exchanged will identify the currency in which each relevant amount is expressed.
3. With respect to paragraph 2 of Article 2, and based on the notification procedure set forth in Article 7, including the dates specified therein, the information shall be exchanged beginning with the years specified in Annex F, within nine months following the end of the calendar year to which the information relates. Notwithstanding the foregoing sentence, information is required to be exchanged only with respect to a calendar year if both Competent Authorities have this Agreement in force and their respective Jurisdictions implement legislation that requires reporting with respect to the calendar year that is consistent with the purpose of the exchange provided for in Article 2 and the reporting and verification procedures contained in the Common Reporting Standard.

4. [deleted]

5. The competent authorities shall automatically exchange the information described in Article 2 in the standard common reporting format in a designated extended language.

6. The Competent Authorities shall work towards and agree upon one or more methods for the transmission of data, including coding standards, with the aim of maximizing standardization and minimizing complexities and costs, and shall specify them in Annex B.

#### Article 4

### **Cooperation on compliance and enforcement**

A Competent Authority shall notify the other Competent Authority when the first-mentioned Authority has reason to believe that an error may have led to inaccurate or incomplete information, or that reporting is not in compliance, by a Financial Reporting Institution, with applicable reporting requirements and verification procedures in accordance with the Common Reporting Standard. The Competent Authority shall be notified to take all appropriate measures, available under its domestic law, to address the errors or non-compliance described in the notification.

#### Article 5

### **Confidentiality and data retention**

1. All information exchanged shall be subject to the rules of confidentiality and other safeguards set forth in this Convention, including provisions limiting the use of exchanged information and, to the extent necessary to ensure the required level of protection of personal data, in accordance with the safeguards that may be specified by the Providing Competent Authority as required under its domestic law and listed in Annex C.

2. A Competent Authority shall immediately notify the Secretariat of the Coordinating Body regarding any breach of confidentiality or failure of protective measures, as well as any subsequent sanctions and remedial actions. The Secretariat of the Coordinating Body shall notify all competent authorities to which this agreement applies and the Competent Authority mentioned above.

#### Article 6

### **Consultations and amendments**

1. In the event of any difficulty arising in the implementation or interpretation of this Agreement, the Competent Body may request consultations with one or more Competent Authorities for the development of appropriate measures to ensure the fulfillment of this Agreement. The Competent Authority that has requested the consultations must ensure, as necessary, that the Secretariat of the Coordinating Body is informed of the measures that have been developed, and the Secretariat of the Coordinating Body shall notify all Competent Authorities, including those not participating in the consultations, of the measures developed.

2. This Agreement may be amended by consensus through a written agreement of all Competent Authorities implementing the Agree-agreement. Unless otherwise agreed, such an amendment shall enter into force on the first day of the month following the expiration of a period of one month after the date of the latest signature of such written agreement.

#### Article 7

### **Term of the agreement**

1. The Competent Authority must ensure, at the time of the signing of this Agreement or as soon as possible after its Jurisdiction implements the necessary laws for the implementation of the Common Reporting Standard, a notification to the Secretariat of the Coordinating Body when speci-notify as

follows:

- a) that its Jurisdiction implements the necessary laws for the implementation of the Common Reporting Standard and the relevant effective dates relating to pre-existing accounts, new accounts and the commencement or termination of reporting and verification;
- b) where it is confirmed whether the Jurisdiction should be listed in Annex A;
- c) where one or more methods for the transmission of data are specified, including encryption (Annex B);
- d) where protective measures are specified, if any, for the protection of personal data (Annex C);
- e) that it applies the necessary measures to ensure compliance with confidentiality standards and data protection measures and that a completed questionnaire on confidentiality and data protection is attached, to be included in Annex D; and
- f) a list of the Jurisdictions of the Competent Authorities with respect to which it intends to implement and have in force this Agreement, following the national legislative procedures (if any).

The Competent Authorities must immediately notify the Secretariat of the Coordinating Body of any subsequent changes to be made to the aforementioned annexes.

2.1 This Agreement shall enter into force between two Competent Authorities on the latest of the following dates: (i) the date on which the second of the two Competent Authorities gives notice to the Secretariat of the Coordinating Body pursuant to paragraph 1, including the listing of the Jurisdiction of the Competent Authority in accordance with subparagraph 1(f) and, if applicable; (ii) the date on which the Convention has entered into force and is in effect for both jurisdictions.

2.2 The Secretariat of the Coordinating Body shall maintain a list, which shall be published on the OECD website, of the Competent Authorities that have signed the Agreement and between whom this Agreement is implemented (Annex E).

2.3 The Secretariat of the Coordinating Body shall publish on the OECD website the information provided by the Competent Authorities-Competent pursuant to subparagraphs 1(a) and (b). The information provided under subparagraphs 1(c) to (f) shall be made available to the other signatories upon written request to the Secretariat of the Coordinating Body.

3. The Competent Authority may suspend the exchange of information under this Agreement by notifying in writing the other Competent Authority, having determined that there is or has been significant non-compliance by the aforementioned second Competent Authority with this Agreement. Such suspension shall take immediate effect. For the purposes of this paragraph, significant non-compliance includes, but is not limited to, non-compliance with the confidentiality provisions and the data protection of this Agreement and of the Convention, the inability of the Competent Authority to provide timely or sufficient information as required under this Agreement or the determination of the status of entities or accounts as Non-Reporting Financial Institutions and Excluded Accounts in a manner that frustrates the purposes of the Common Reporting Standard.

4. The Competent Authority may terminate its participation in this Agreement or in relation to a specific Competent Authority by giving written notice of termination to the Secretariat of the Coordinating Body. Such termination shall take effect on the first day of the month following the expiration of a period of 12 months after the date of the notice of termination. In the event of termination, all information previously received under this Agreement shall remain confidential and subject to the terms of the Convention.

## Article 8

### **Secretariat of the Coordinating Body**

1. Except where otherwise provided in this Agreement, the Secretariat of the Coordinating Body

shall notify all Competent Authorities of any notices it receives under this Agreement and shall give notice to all signatories of the Agreement when a new Competent Authority signs the Agreement.

2. All signatories to the Agreement shall equally share, on an annual basis, the expenses for the administration of the Agreement by the Secretariat of the Coordinating Body. Notwithstanding the foregoing sentence, qualified countries shall be exempt from sharing the expenses in accordance with Article X of the Rules of Procedure of the Coordinating Body of the Convention.

Drawn up in English and French, both texts being equally authentic.

ANNEX A  
LIST OF NON-RECIPROCAL JURISDICTIONS  
[for completion]

ANNEX B  
METHODS OF TRANSMISSION  
[for completion]

ANNEX C  
SPECIFIED PROTECTIVE MEASURES FOR DATA  
[for completion]

ANNEX D  
QUESTIONNAIRE ON CONFIDENTIALITY  
[for completion]

ANNEX E  
COMPETENT AUTHORITIES TO WHICH THIS AGREEMENT APPLIES  
[for completion]

ANNEX F  
TARGETED EXCHANGE DATA

Account	Targeted to be defined as	Targeted dates for exchange of information		
<b>New accounts</b>	A Financial Account maintained by a Financial Reporting Institution opened on or after 1 January 2017	September 2018		
		<b>High Value Individual Accounts</b>	<b>Low Value Individual Accounts</b>	<b>Accounts of Legal Entities</b>
<b>Pre-existing account</b>	A Financial Account maintained by a Financial Reporting Institution as of 31 December 2016	September 2018	September 2018 or September 2019, depending on when it is identified as reportable	September 2018 or September 2019, depending on when it is identified as reportable