

**Project management group meeting for “reducing cash transactions in Kosovo”  
within the National Payments Council (NPC)**

Meeting minutes

**Nr: 5/2011**

**Place:** Central Bank of the Republic of Kosovo (CBK)

**Date:** December 14<sup>th</sup> 2011

**Time:** 11:00 – 12:40

**Participants:**

**Gjylfidane Kadrijaj**, Director of Interbank Payment Systems Directorate, CBK

**Dukagjin Shylemaja**, Deputy Manager Director, TEB

**Akile Cërnobregu**, Head of Payments & Back Office Department, PCB

**Florin Lila**, DCEO, PCB

**Boryana Ivanova Mustafa**, Director of Payments and Treasury, NLB

**Edmond Jashari**, Senior Cash Management Marketing Officer, TEB

**Ozenc Alkan Asik**, Head of Banking Operation, TEB

**Ardita Zogjani**, RBKO

**Kreshnik Kosumi**, KBA

**Edmond Murati**, MLSW

**Makfire Osmani**, KUR Prishtina

**Milot Kelmendi**, Performance Analysis Manager, KEK

**Arzen Çavdarbasha**, Development Coordinator IPSD, CBK

**Masar Baxhaku**, Oversight Officer IPSD, CBK

**Absent:**

**Robert Wright**, CEO, Raiffeisen Bank (*chairman*), (*with prior notification*);

**Diturie Hoxha**, Executive Director, KBA (*represented from the vice*)

**Representatives of MF/Treasury, TAK and PTK** (*were absent without prior notification*),  
and **Kosovo Chamber of Commerce**, (*were absent with prior notification*)

The meeting was called to order at 11:00.

Mrs. Gjylfidane Kadrijaj opened the meeting, thanked and welcomed participants in the meeting, and expressed the concerns for not participating by some members of the group.

**Discussions and Presentations**

- **Approval of minutes and conclusions from the last meeting**

Members unanimously approved the minutes of previous meeting held on September 21, 2011 and confirmed the completion of the conclusions from the last meeting.

- **Information and short presentation from the working group within the project management team for the reduction of cash payments**

The sub-working group did the presentation of their work from the last meeting until now. They explained to the group for their meetings with IT Companies and the proposals which they received from these companies. Also, they informed the team for the conclusions from the meetings with IT Companies: to standardize the bills for all public companies in Kosovo for payment orders during the next three phases, Than also reported for the meetings with the utility companies which they had, and for the willingness of these companies to accept this process, but in order that this does not cause unbearable costs for these companies due to financial constraints

On behalf of CBK, Mrs. Gjylfidane Kadrijaj expressed willingness of CBK to support these initiatives which aim to reduce cash payments in Kosovo, through appropriate legislation or other needs. Also, Mrs. Gjylfidane Kadrijaj appreciated the work done by the working sub-group which in few months has run out with concrete initiatives.

Mr. Dukagjin Shylemaja expressed his disappointment with the inability of Kosovo pensioners to have bank cards because of the agreement with the Ministry of Labor and Social Welfare, which prohibits the issuance of cards for this category of clients. On regard to this issue, Mr. Florin Lila expressed his concern because according to him, this agreement is causing high costs to his bank in the last 3-4 years, and if there will be no changes to this agreement with the relevant Ministry, they can change position regarding the agreement.

In the other side, the representative from the MLSW, Mr. Edmon Murati informed about the changes which are done in their software system, which allows them to be more flexible regarding the problems with the pensions, and soon they will allow the possibility that banks can issue cards for pension's accounts.

- **Information / Presentation regarding Visa and MasterCard**

In the absence of Mr. Robert Wright who had to do the presentation regarding Visa and MasterCard, it was decided that the materials from these presentations to be sent to participants in order to analyze their contents, and meanwhile to present their questions and suggestions in the meeting where will be invited to present the representatives from these companies.

- **Payment instruments and terminals - Kosovo compared to the countries in Southeastern and Central Europe**

Mrs. Gjylfidane Kadrijaj very shortly presented data on payment instruments and terminals for countries in the region, and the comparison of these data. She appreciated the increase in the

number of payment instruments, but there remains still a lot of work to be done, because Kosovo is still behind in comparison with the countries in region.

### **Conclusions and Next steps**

- To continue the work of the project management team for reduction of cash transactions in Kosovo through the sub-working group in order to finalize the standardization of the bill (which is still a draft), and other works in creating a web-platform, and individual contacts with at least some of the companies;
- The participants to analyze the materials received from MasterCard (prepared specially for Kosovo) and Visa, and to send their opinions at [paymentsystems@bqk-kos.org](mailto:paymentsystems@bqk-kos.org);
- To invite Visa and MasterCard for presentation with the request of project management team for reduction of cash transactions ( **including the possibility of financial assistance**);
- Banks to communicate with the MLSW in relation to their concerns about pensions expressed in the meeting, The CBK will mediate in the meetings;
- Sub-group to communicate individually with companies (request of KEK representative) concerning technical and operational issues at the beginning of implementation of the web-service;
- There is still a lot of possibility to increase the use of non-cash payment instruments in Kosovo (cards, e-banking etc);
- To increase the activity of the team in promotion of the electronic payment instruments and cash reduction. To support the initiative for creation of a national processing centre for cards transactions for clearing and settlement (Pillar III of SDNPS) or and creating opportunities for use of cards with less costs possible.