



Based on the Article 35, paragraph 1, sub paragraph 1.1, Article 65 of the Law 03/L-209 on the Central Bank of the Republic of Kosovo (Official Gazette of the Republic of Kosovo, No.77 / 16 August 2010) as amended and supplemented by the Law No. 05/L –150 (Official Gazette of the Republic of Kosovo / No. 10 / 03 April 2017) and Article 21, paragraph 1, subparagraph 1.3 and article 135 of Law No. 08/L-328 on Payment Services, the Board of the Central Bank of the Republic of Kosovo at the meeting held on December 17, 2024, approved the following:

## **REGULATION ON AGENTS OF THE PAYMENT SERVICE PROVIDERS**

### **CHAPTER I**

#### **GENERAL PROVISIONS**

##### **Article 1**

##### **Purpose and Scope**

1. The purpose of this Regulation is to define and regulate the requirements on the use of agents of the payment service providers.
2. This Regulation shall apply to all payment service providers authorized by the Central Bank of the Republic of Kosovo and their agents in the Republic of Kosovo.
3. Payment service providers can engage agents to provide payment services through agents as defined in this Regulation.

##### **Article 2**

##### **Definitions**

1. All terms in this Regulation shall have the same meaning as terms defined in the Law on Payment Services, Regulation on the authorization, granting preliminary approvals and governance of payment institutions and electronic money institutions and for the registration of account information service providers and/or as defined below for the purpose of this Regulation:
  - 1.1. **Payment Service Provider** – means a body referred to in paragraph 1 of Article 1 of Law on Payment Services or a natural or legal person benefiting from an exemption pursuant to Articles 24 or 25 Law on Payment Services.
  - 1.2. **Agent** – means a natural or legal person who acts on behalf of a payment institution in providing payment services;
  - 1.3. **Contract of the payment service provider** – contract or contractual agreement between the payment service provider and agent;

1.4. **LPS** – Law No. 05/L –150 on Payment Services

1.5. **CBK** – Central Bank of the Republic of Kosovo;

### **Article 3**

#### **Responsibility of Payment Service Provider**

1. According to the CBK authorization, payment service providers shall be allowed to use agents regarding the provision of payment services and/or to allocate or redeem funds stored as electronic money.
2. When payment service providers use agents regarding the provision of payment services and/or subcontract their operational functions activities, they shall ensure that their agents take all the necessary measures in order to perform their activity in compliance with applicable regulations.
3. Payment service providers shall be fully accountable for any activity of any agent who they engage.
4. For the purpose of paragraph 3 of this Article, any act or omission of the engaged agent shall be deemed as the act or omission of the payment service provider.

### **Article 4**

#### **Record keeping**

Payment service providers shall keep proper records and documentation for at least five (5) years regarding the registration (engagement), termination of cooperation and activity of its agents, including the data for all complaints of customers and the manner of addressing such complaints as defined in Article 120 of LPS and Regulation on Complaints Handling Process.

### **Article 5**

#### **Payment service providers authorized to carry out the activity of electronic money issuance**

Payment service providers authorized to carry out the activity of the electronic money issuance shall not issue electronic money through agents; however, they can allocate and/or repay funds through one or more agents that act on its behalf.

## **CHAPTER II**

### **REGISTRATION OF AGENTS**

### **Article 6**

#### **Request for registration of agents**

1. Agents shall be registered with the CBK in order to carry out the activity of payment service providers.
2. In cases the agent is a bank, branch of a foreign bank, microfinance institution, non-bank financial institution or insurance intermediary, the payment service provider shall only notify the CBK regarding the engagement of such agents.

3. The request for registering an agent shall be done by the payment service provider as well as must be in writing, and accompanied by the following documentation/information:
  - 3.1. name and address of the agent;
  - 3.2. identification data of the agent;
  - 3.3. a description of the internal control mechanisms that will be used by the agent in order to comply with the obligations in relation to money laundering and terrorist financing under Kosovo legislation in force, which shall be updated without delay in the event of material changes to the particulars communicated at the initial notification;
  - 3.4. the identity of directors and persons responsible for the management of the agent to be used in the provision of payment services and, for agents other than payment service providers, evidence that they are fit and proper persons, including documents/information specified in Article 11, paragraph 3, subparagraph 3.4 of this regulation;
  - 3.5. the payment services of the payment institution for which the agent is mandated;
  - 3.6. where applicable, the unique identification code or number of the agent;
  - 3.7. the contract concluded between the payment service provider and agent, where rights and relevant obligations regarding the performance of financial activity are set forth;
  - 3.8. information on the office, technical and security conditions for performing the activity of payment services and/or issuance of electronic money;
  - 3.9. additional information if CBK considers it reasonable.
4. Pursuant to this Article, the documentation shall be in one of the official languages of the Republic of Kosovo, in original or notarized copy.
5. The CBK can carry out on-site inspections to agents of payment service providers prior to commencing the activity for which is requiring registration. The purpose of this examination is to assess whether the office of the agent concerned has established conditions to fulfil the obligations laid down in the technical and security conditions of premises where the entity will operate.

## **Article 7**

### **Registration of agents**

1. Within two (2) months of receipt of the information referred to in paragraph 1 of Article 6 of this Regulation, CBK shall approve or reject the request for registering an agent.
2. If the CBK considers that the information provided in the notice is incomplete or inaccurate, it can take further actions to verify the information.
3. The CBK shall approve the registration of an agent only if the following conditions are met:
  - 3.1. shareholders (owners), directors, if applicable, and/or senior managers of the agent hold a good reputation and meet the fit and proper criterion as per the CBK assessment;
  - 3.2. the agent's office is operationally ready to serve the public with the conditions of its computer system, staff and security;
  - 3.3. the premises for agents' activities shall be physically separated from other commercial activities, in case the agent is not a financial institution registered/licensed by the CBK;

4. When deciding whether to approve the registration of an agent, the CBK shall take into account also other criteria in terms of achieving its objectives defined by the applicable legislation.
5. The agent may serve for more than one payment service provider.
6. Payment service providers cannot impose obligations of exclusivity to agents.
7. For the purposes of exclusivity, all current contracts or other agreements between the payment service providers and agents shall be interpreted in line with this Regulation.
8. The CBK, at any time, may inspect agents that provide payment services, in order to verify whether the conditions and requirements set forth in LPS and this Regulation are met.
9. CBK shall refuse to approve the registration of the agent when the requirements of this Regulation are not met in the following cases:
  - 9.1. the conditions set above, in paragraph 3 and 4 of this Article are not met;
  - 9.2. false/forged information were provided to CBK during the application or at any other time.

## **Article 8**

### **Revocation of registration**

1. Registration of an agent can be revoked by the CBK for one or more of the following reasons:
  - 1.1. the contract between the service provider and agent is terminated;
  - 1.2. if, within 30 days upon the receipt of the CBK's approval for registration, the agent does not commence the payment services and/or issuance of electronic money for what it is registered;
  - 1.3. the agent registered to perform the activity of payment service and/or issuance of electronic money has terminated the activity of providing payment services and/or issuance of electronic money for an uninterrupted period of more than 30 days;
  - 1.4. there are reliable data that shareholders, directors and/or senior managers are involved in activities of money laundering and terrorist financing;
  - 1.5. if the Agent has violated any legal provision, ordinance or regulation of the CBK, or any condition or limitation related to the authorization issued by the CBK even after the notification of CBK;
  - 1.6. if the Agent is, according to the determination of the CBK, engaged in unsafe or unsound practices;
  - 1.7. does not meet the requirements based on which the agent is registered;
  - 1.8. if registration is attained based on false information presented by the application or someone related to it.

## **Article 9**

### **Public register**

All agents of payment service providers shall be included and listed in a public register, which shall be published and maintained by the CBK, according to the Article 18 of LPS and Regulation on the public register of payment institutions and electronic money institutions.

## **Article 10**

### **Termination of contract between the agent and payment service provider**

Payment service providers shall promptly notify the CBK on the occasion of termination of the contract with the agent and the reason for termination.

## **Article 11**

### **Prior approvals**

1. Without the prior approval of CBK, agents of payment services provider may not:
  - 1.1. name changing;
  - 1.2. office opening and relocation;
  - 1.3. all transactions and actions related to shareholders (owners) that result in the change of the list of shareholders (owners) who hold ten percent (10%) or more of the share capital (ownership);
  - 1.4. replacement of directors, if applicable, and senior managers.
2. The CBK shall approve or reject the transaction under paragraph 1 of this Article within 2 months of the complete filing of the request, based on the documentation specified in paragraph 3 of this Article.
3. As regards the approval of transactions under paragraph 1 of this Article, the payment service provider shall file a written request accompanied by the following documentation:
  - 3.1. name changing:
    - 3.1.1. the decision of the decision-making body; and
    - 3.1.2. the documents reasoning this change.
  - 3.2. office opening and relocation:
    - 3.2.1. the decision of the decision-making body;
    - 3.2.2. the description of the reasoning for opening/relocating the office;
    - 3.2.3. the written notice of compliance with technical and safety requirements. This notice should specify the steps undertaken to meet these conditions as well as images proving such actions.
  - 3.3. all transactions and actions related to shareholders (owners) that result in the change of the list of shareholders (owners) who hold ten percent (10%) or more of the share capital (ownership);
    - 3.3.1. name, nationality, place of residence and business and professional background for the last five (5) years;
    - 3.3.2. the following certificates issued by the competent authorities under the territorial jurisdiction:
      - 3.3.2.1. that the person is not under criminal prosecution;

- 3.3.2.2. that the person is not in trial for criminal offenses;
  - 3.3.2.3. that the person is not criminally convicted;
  - 3.3.2.4. from the Chamber of Private Bailiffs, that the person is not in the process of compulsory execution for unpaid asset liabilities;
  - 3.3.2.5. that the person has no personal bankruptcy files, disqualification from the exercise of the profession or past or present involvement in the management function of any corporation or other entrepreneurial body that has been subject to insolvency proceedings;
  - 3.3.2.6. consent/authorization that allows the CBK to verify the past criminal record and obtain other information regarding the provided information;
  - 3.3.2.7. the documents required under this paragraph must be issued no earlier than 3 (three) months from the date of application to the CBK.
- 3.3.3. the source and amount of funds used in exercising appropriation.
- 3.4. replacement of directors, if applicable, and senior managers;
  - 3.4.1. name, nationality, place of residence and business and professional background for the last five (5) years;
  - 3.4.2. the following certificates issued by the competent authorities under the territorial jurisdiction:
    - 3.4.2.1. that the person is not under criminal prosecution;
    - 3.4.2.2. that the person is not in trial for criminal offenses;
    - 3.4.2.3. that the person is not criminally convicted;
    - 3.4.2.4. from the Chamber of Private Bailiffs, that the person is not in the process of compulsory execution for unpaid asset liabilities;
    - 3.4.2.5. that the person has no personal bankruptcy files, disqualification from the exercise of the profession or past or present involvement in the management function of any corporation or other entrepreneurial body that has been subject to insolvency proceedings;
    - 3.4.2.6. consent/authorization that allows the CBK to verify the past criminal record and obtain other information regarding the provided information;
    - 3.4.2.7. the documents required under this paragraph must be issued no earlier than 3 (three) months from the date of application to the CBK.
- 3.5. CBK shall also consider other criteria when deciding whether to approve these transactions for the purpose of achieving its goals as set forth in the applicable legislation.
- 3.6. Requests for prior approvals set out in this Article shall be submitted to the CBK by the payment service provider.
- 3.7. Where no fee is set for agents' transactions requiring prior approval from CBK, fees for NBFIs shall apply.

4. The closing of agents' offices requires only the notice to CBK. The payment service provider and the agent shall notify clients on the closing of office 15 days prior to termination of payment service and/or issuance of electronic money by the agent.

### **CHAPTER III**

#### **REQUIREMENTS FOR THE USE OF AGENTS BY PAYMENT SERVICE PROVIDERS**

##### **Article 12**

###### **Internal regulatory acts of payment service providers**

1. The payment service provider shall be responsible for developing policies, procedures and guidelines that:
  - 1.1. regulate the manner in which the payment service provider delivers its services to its clients through agents;
  - 1.2. ensure that the risks associated with agent activities are well identified and managed;
  - 1.3. specify the system of customer protection; and
  - 1.4. ensure that agents' activities are monitored and that agents adhere to the internal rules, policies and procedures of the payment service provider, as well as applicable laws and regulations regarding the prevention of money laundering and the fight against terrorist financing.
2. Payment service providers shall submit, at the request of the CBK, copies of the internal rules, policies, procedures and guidelines set forth in paragraph 1 of this Article.

##### **Article 13**

###### **Assessment and selection of agents**

1. The payment service provider shall be responsible for assessing an agent's suitability and performance prior to his/her contracting.
2. The payment service provider shall undertake the necessary measures in selecting, training, and operating an agent so that the agent does not expose the payment service provider to operational and reputational risks.
3. The payment service provider shall make sure that the agent information is relevant and accurate and shall keep that information up to date.
4. The payment service provider shall keep the information provided by an agent confidential, as required by applicable law and the CBK requirements.

##### **Article 14**

###### **Disclosure**

1. The Agent shall clearly disclose the information mentioned below in a visible place of its premises:
  - 1.1. name and logo of the agent and payment service providers;
  - 1.2. list of payment services provided by the agent;

- 1.3. a list of applicable fees and charges for each service provided; and
- 1.4. name, phone numbers, e-mail and location of payment service providers or the office of payment service provider where the agent reports his activities.

### **Article 15**

#### **Confidentiality**

1. Agents of payment service providers shall ensure the confidentiality of any information regarding the customers and transactions of customers of payment service providers on behalf of whom they operate.
2. The contract concluded between the agent and the payment service provider shall contain a provision of confidentiality for the purposes of paragraph 1 of this Article.

### **Article 16**

#### **Enforcement, Improvement Measures and Penalties**

Any violation of the provisions of this Regulation will be subject to corrective measures and/or administrative and civil penalties as defined in article 67 of the Law on the Central Bank and article 124 paragraph 2, subparagraph 2.8 and paragraph 8, subparagraph 8.7 of the Law on Payment Services.

### **Article 17**

#### **Repeal**

Upon entry into force of this Regulation, the regulation on agents and subcontracting of activities of the payment service providers chapter I-III adopted by the Board of the Central Bank of the Republic of Kosovo on 29 November 2019, shall be repealed.

### **Article 18**

#### **Entry into force**

This Regulation shall enter into force 10 (ten) days after the entry into force of Law No. 08/L-328 on Payment Services.

Dr.sc. Bashkim Nurboja  
Chairman of the Board of the Central Bank of the Republic of Kosovo