

Gent Sejko: Launching ceremony of the First SEPA Transaction – Albania

Address by Mr Gent Sejko, Governor of the Bank of Albania, at the Launching Ceremony of the First SEPA Transaction – Albania, Tirana, 7 October 2025.

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Your Excellency, Ambassador Gonzato,

Distinguished Executives of the Banking Sector,

Ladies and Gentlemen,

Honoured Guests,

Today, on this special day, we witness a historic moment for the Albanian financial market: the launch of the first euro transaction processed under the Single Euro Payments Area, known as SEPA. This is not merely a technical development in the payment system, but a cornerstone in Albania's path toward integration into the European financial infrastructure.

Albania's accession to SEPA, finalized in November of last year, represents the culmination of a structured process through which the Bank of Albania, in close collaboration with all commercial banks and financial institutions, diligently fulfilled the necessary technical and regulatory requirements. Today, 11 commercial banks operating in Albania are ready to provide SEPA services for citizens and businesses.

This milestone is not a matter of coincidence, but the outcome of a long-standing journey by the Bank of Albania and the Albanian financial institutions, which have worked step by step, with steadfast commitment, to lay the foundations for a modern and robust payment system.

Allow me to highlight some of the key steps taken in this regard, as:

- the harmonisation of legislation and regulatory framework with that of the European Union (EU);
- the compilation of the necessary documentation and communication with the relevant EU institutions;
- the modernisation of national payment infrastructure, in line with the European standards;
- the gradual reduction of domestic payments fees; and
- the close collaboration with all stakeholders, commercial banks as well as with national and international institutions.

The Bank of Albania has played a decisive role in this process. Membership in SEPA was a strategic objective of the Bank of Albania, directly linked with the European Union's New Growth Plan and the regional project "Modernising the payment system in the Western Balkans". Under its leadership, with the valuable assistance of the World

Bank and through effective coordination with all domestic stakeholders, the timely fulfilment of the required criteria and the operational launch of services were ensured. This achievement enhances Albania's capacity to attract funds and to assertively progress towards the membership in the European Union.

Our journey needed time, dedication and partnership. Today we are proud that Albania is part of this Single European System. Now begins the second phase: the full utilization of this standard by banks and businesses, the education of users, and the enhancement of payment digitalization. The Bank of Albania calls upon all commercial banks and financial institutions to actively promote SEPA services, to inform their clients of the tangible benefits, and to invest in the continued enhancement of the digital platforms. Only through the joint cooperation and unwavering commitment of all stakeholders can Albania fully realize the potential of this historic step toward integration.

Dear participants,

SEPA translates our vision of financial integration into tangible benefits for citizens and businesses: lower costs, faster transactions, and enhanced security.

In more concrete terms:

- Significantly lower fees: transferring money from Albania to SEPA member countries costs up to five times less than before;
- Faster transactions: electronic payments are quicker, more secure, and more convenient;
- Transparency and equality: a payment from Tirana to Rome costs no more than a payment within Tirana itself. At the same time, fees on incoming payments will also reduce considerably.

This European standard now becomes a reality for Albania, placing our payment infrastructure on the same level as that of EU countries. Integration into SEPA, combined with the expansion of digital payments, is expected to generate savings of around EUR 20 million in the first year only, with progressive growth in the years to come. By way of comparison, AIPS EURO system of the Bank of Albania - operational since January 2022 - has saved the domestic market around EUR 140 million. This shows that SEPA's impact will be even broader, endorsing lower costs and enhanced operational efficiency for both citizens and businesses. On a broader scale, integration in SEPA is translated into social and regional benefits. This includes reducing informality, lowering the costs of remittances, fostering financial inclusion and converging with the European market.

- According to estimates by the World Bank, a 10% increase in digital payments results in a 2% reduction in informality.
- The Albanian emigrants and their families may save up to ten of millions of euro annually by sending remittances through SEPA-compliant banking channels.
- At the regional level, until now, cross-border payments between businesses in the Western Balkans have cost up to ten times more than within the EU. Under SEPA, this cost is reduced to levels comparable to those in the European Union market.

I would like to emphasise once again that this development is not merely a technical achievement in the field of payment systems. Integration into SEPA makes our financial market more competitive, strengthens investor confidence and brings Albania closer to the highest standards of the European Union. From a strategic perspective, it enhances the readiness for future EU financial integration, making our infrastructure more suitable for upcoming innovations and strengthening ties with capital markets.

Last, I would like to highlight that the practical impact for the Albanian citizens and business is three-fold: lower fees, faster processes and stronger operational guarantees.

Dear friends and partners!

This moment is only the beginning. The Bank of Albania will continue to work meticulously to ensure a modern and resilient financial system which is oriented towards the needs of both citizens and economy. We remain fully committed to transforming this process into a platform for innovation and financial inclusion, empowering the Albanian businesses and citizens, while bringing them close to Europe.

We could not have reached this milestone without the unwavering support of our international partners - particularly the European Commission, the European Payments Council and the World Bank - who have been steadfast collaborators. I take this opportunity to express our gratitude to them.

I would also like to extend my thanks to the commercial banks and partner financial institutions, which have invested and collaborated closely to achieve this new standard for the Albanian citizens and businesses.

Finally, the greatest gratitude goes to the staff of the Bank of Albania, who, with dedication and professionalism made this historical achievement possible.

Today, Albania has entered a new chapter of its financial history. Let us seize this opportunity with wisdom and determination, ensuring that its benefits reach every family, every business and every segment of our economy.

Thank you!