

Holta Zaçaj: Keynote speech - Balkan Payment Forum 2026

Keynote speech by Ms Holta Zaçaj, First Deputy Governor of the Bank of Albania, at the Balkan Payment Forum 2026, Tirana, 14 May 2026.

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Dear Minister Ibrahimaj, colleagues and distinguished guests,

It is a great pleasure to be here today and to join such an esteemed audience who share a common objective: making payments faster, safer and more inclusive for our citizens.

Payment systems are not merely technical tools.

They are strategic public infrastructure.

They are a fundamental pillar of financial stability and a key channel for monetary policy transmission. In a world where payments are changing faster than ever, protecting trust in the payment system is of crucial importance and a paramount duty of the Central Bank. It is for this reason that we have embarked on a long process of reforming the payments landscape, making sure that innovations in payments are applied in a diligent manner.

Allow me to start today with a big historical achievement – Albania's accession into the Single Euro Payments Area in November 2025. This is not simply a technical achievement - it is a statement about where we belong and where we are headed. SEPA encourages modernization of Albania's financial system and strengthens its integration into the broader European economy.

Today, 11 banks are making SEPA credit transfers, bringing several benefits to Albanian citizens and the economy. During the first six months of operations, Albanian households and businesses have sent and received around 363 thousand SEPA transfers with a total value of 4.3 billion euros. These figures exceeded by far the initial projections.

According to World Bank data from early 2026, the average cost of cross-border transfers for small-to-medium value- transfers have dropped from an average of 0.76% to just 0.08%, while for large transfers, only 0.02% (resulting thus in a 23-fold reduction). This has a strong impact on remittances, a major source of income for many Albanian households, and the projection is to reach a 70 million euros in the first year of its operation.

SEPA simplifies and standardises payment procedures, enhances transparency and reliability by eliminating the need for intermediary banks, and supports trade by facilitating business transactions with EU partners

The simplicity and security of SEPA payments also contribute to the digitalization of payments. To support this objective, the Bank of Albania has introduced caps on

SEPA transfer fees favoring digitally initiated payments. **As a result, around 68% of outgoing transfers have been initiated online."**

Let me walk you briefly through the reforms that have transformed our payments landscape.

1. **Regulatory changes**-our main achievement was the transposition of the EU Second Directive on Payment Services (PSD2) to the law in 2020. The law provided access to the payment market for a variety of services and institutions, resulting in increased competition and transparency for the consumers as well as reduced costs.

Some other direct effects of the law were:

- **Licensing 10 e-money institutions** competing with cheaper and faster products in digital payments. In response, the traditional banks invested in developing their own digital banking platforms and incentivised customers to make "cashless" transactions.
- **Another direct effect was the introduction of two new payment services: payment initiation services and account information services**, along with stronger security standards aiming to reduce fraud and improve banking security through the implementation of more robust authentication measures. Today, we have 2 licensed e-money institutions which implement the concept of "open banking", paving the way to what is called "open finance" in the near future.

Currently, the law is being revised to be fully harmonized with the EU Directive on interchange fees, which will facilitate cashless payments for our citizens but also for the growing number of tourists visiting Albania.

- **Another reform is related to infrastructural changes**; we aim to align the payments systems to the latest international standards in order to make them compatible with internationally widespread schemes.

Here are some tangible results:

2.1 Bank of Albania is operating real-time AIPS Euro for interbank euro-denominated payments within Albania since 2022. This will facilitate euro domestic payments as transaction costs using correspondent banks were relatively high. In addition, Bank of Albania has imposed floor and ceiling fee limits on these transfers to avoid arbitrary fees.

2.2. Bank of Albania has introduced the "direct debit" scheme integral to its retail payment system, using the same requirements as the SEPA direct scheme. Prior to that, periodic payments such as utilities were made either at physical outlets or using accounts of the same bank.

- **Another reform is related to financial education, which is essential** for making informed decisions especially with the increasing complexity of financial services and technological innovations, targeted mostly to young generation, but not only, through undertaking a series of activities together with the banking community.

We understand that this is a long-term effort, but we remain committed, aiming to have a financially literate population in the coming years.

Some overarching results of our above-mentioned reforms are:

- In 2025, nearly 67% of all payments executed through banks were carried out using debit and credit cards, and 20% were carried out via internet or mobile, hence marking a significant shift toward electronic instruments.
- The number of electronic payments per adult in the population reached 29 payments, tripling compared to 2020 levels. For the first time, card payments have begun to surpass cash withdrawals in frequency, signalling a structural shift in consumer payment behaviour.
- Around 78% of adult population owns a bank account, compared to 40% in 2018, while also the number of e-money accounts has increased exponentially.

These figures are not merely statistics. They represent an important transformation in how Albanians are interacting with money when making payments.

We remain fully aware that the journey is not complete and there are still challenges to address.

Cash is still the default payment method in rural areas, among older generations, due to different reasons:

1. informal economy;
2. unfamiliarity with digital payments which are still considered risky, or simply out of reach.

The transition to digital payments must therefore be managed carefully, ensuring that it remains inclusive and does not create new forms of exclusion.

Another ongoing challenge is fraud and cybersecurity, which in fact is the permanent challenge of digitalisation –

The more we digitalise, the more attractive the system becomes to cyber threats, fraud and financial crime. They evolve as fast as we build defences.

Some of the tangible actions we undertook in this regard:

- We strengthened our supervisory frameworks,
- deepened cooperation with international partners,
- enhanced our anti-money laundering measures, and
- continue to be vigilant, playing our role as regulatory authority.

Looking ahead, the Bank of Albania is preparing for the next stage of payments modernization.

The development of instant payments. Through participation in a regional platform known as the TIPS Clone-developed with the Bank of Italy and shared among several Balkan central banks-**Albania will enable real-time, secure, and low-cost payments.**

Designed to be interoperable with European infrastructure, this system supports both regional integration and future EU accession.

Dear colleagues and guests,

The Balkan Payment Forum marks the beginning of a dialogue platform in a region whose history has long been shaped by fragmentation and transition, but which today is increasingly united by a shared ambition for economic convergence and European integration. As the first of what I believe will become a recurring gathering in the Balkans, this Forum is intended to serve as a central hub for discussions on payments, financial infrastructure, and digital transformation, bringing together policymakers, central banks, financial institutions, and innovators from across the region and beyond.

It is particularly and personally meaningful that this event coincides with my first public appearance as First Deputy Governor of the Bank of Albania, underscoring both continuity and renewal in our institutional commitment to reform and cooperation.

This forum represents the Balkans' evolution from a crossroads of our national histories into a common road of shared ideas, vision, and actions, where alignment with EU standards and best practices in payments and financial stability is not only discussed, but actively shaped through trust, cooperation, and forward-looking regional dialogue.

Thank you for your attention!

I wish you productive discussions and fruitful cooperation!