

2024 YEAR IN BRIEF

- *The year, 2024, marked a positive development for the Albanian economy, characterized by low inflation rates, sustainable economic growth, and improvements in the labour market, reflected in an increase in employment and wages compared to the previous year. Furthermore, key indicators of the country's financial and economic balances improved, as displayed, among other things, by reduced external debt and public debt, as well as a low current account deficit.*
- *The country experienced a pronounced improvement regarding public debt assessment by international rating agencies. This improvement drove to a decrease in financing costs in international markets for both the public and private sectors.*
- *Monetary policy, aimed at achieving the price stability objective, implemented an accommodative stance throughout 2024. Its contribution was materialized in containment of inflation expectations; reduction of uncertainties; and improvement in the financial environment. In turn, lending costs were reduced, and credit grew at a rapid pace, also backed by increased demand and the positive approach of banks towards lending.*
- *The financial system, particularly the banking sector, recorded an improvement in liquidity, capitalization, and credit quality indicators. Systemic risks in the financial system are assessed as contained, while the sustainability of the banking sector to withstand potential shocks remains strong. Good soundness and stability enable the banking sector to play an effective role in financial intermediation and support the economy.*
- *The Bank of Albania continued to align the regulatory framework with the EU acquis, strengthen the macro-prudential policy framework, and enhance resolution capacities. In 2024, the regulatory framework on consumer protection from default risk was reviewed, ensuring that borrowers are able to meet their financial obligations without compromising their essential needs.*
- *The year 2024 marked a historic moment for the Bank of Albania and country. On 21 November, the European Payments Council (EPC) approved the inclusion of Albania in the geographical scope of the Single Euro Payments Area (SEPA) payment schemes, an important milestone towards financial integration with the European market.*
- *The use of payment processing systems increased significantly, while regulatory and infrastructural amendments in this area have fuelled the adoption of electronic payment instruments, enhancing efficiency and access to financial services.*
- *The Bank of Albania, as one of the key institutions of the country, has supported Albania's European integration process by meeting all reporting obligations and incorporating the European Commission's recommendations into its daily operations.*



- *The Bank of Albania, at the beginning of 2024, adopted the Strategy on Financial Education and Inclusion, its first institutional document aimed at promoting financial education, expanding financial inclusion, and fostering economic well-being and sustainability.*
- *The Bank of Albania has intensified its communication with the Albanian public through media and online platforms, guided by the principles of transparency and accountability.*

