



BANK OF ALBANIA



PROCEEDINGS OF THE 11TH MEETING OF THE NATIONAL PAYMENT SYSTEM COMMITTEE (NPSC)

The annual meeting of the National Payment System Committee (NPSC) was held on December 16, 2025. The meeting was chaired by the Committee Chair, Ms. Luljeta Minxhozi, First Deputy Governor of the Bank of Albania. The meeting was attended by representatives from the Albanian government, international institutions such as the World Bank and IFC, representatives of the international payment industry companies, banks, non-bank financial institutions, representatives of national card payment scheme operators in the country, as well as the staff of the Bank of Albania.

The event opened with a welcome speech by Ms. Luljeta Minxhozi, who stated that the past year marked a significant progress in Albania's payment infrastructure, with the greatest achievement being the accession to the Single Euro Payments Area (SEPA). This historic development reflects the growing institutional and technological maturity of the Albanian financial system. Joining SEPA enables euro payments with the same standards and costs as in the EU, simplifying cross-border payments, reducing costs, and strengthening the competitiveness of the banking sector. The benefits of these reforms are felt daily by the citizens, businesses, and investors, supporting economic growth and financial modernization through close inter-institutional cooperation.

During 2025, key payment infrastructures (AIPS, AIPS EURO, and AECH) were upgraded according to the ISO 20022 and SEPA standards, increasing system resilience and laying the foundation for fast payments, while regulatory measures encouraged the use of more affordable electronic payments for the public.

Another key achievement was the operationalization of Open Banking, which introduces a new model of financial services, fostering innovation, increasing competition through digital services and empowering clients with more choices, transparency, and ease of use.

Another strategic project being implemented is the TIPS Clone, which aims to create a national platform for instant payments, compatible with European standards. This project enables real-time payments 24/7, accelerates transactions for businesses and consumers, and creates opportunities for innovative products such as e-wallets and new payment schemes. It represents a key pillar of the "*Cashless Albania*" initiative and is implemented with support from the Bank of Italy, based on the best European practices.

At the same time, financial education remains the foundation of reforms; therefore, the Bank of Albania has strengthened educational programs, activities with educational institutions, cybersecurity campaigns, and personal finance management initiatives, aiming to make the use of modern payment instruments broader, safer, and more effective.

In conclusion, Ms. Minxhozi emphasized the crucial role that NPSC has in making progress in financial digitalization, reducing the use of cash, and expanding access to modern payment services. She highlighted that technological dynamics and the goal of European integration require stronger coordination, a proactive approach, and long-term vision.

In his welcome speech, the Deputy Minister of Finance, Mr. Endrit Yzeiraj, emphasized the rapid progress of payment technology in Albania and the increasing use of electronic channels such as internet banking and QR Code payments. He noted that, despite these developments, the Albanian economy is still dominated by cash usage due to factors such as informality, tax evasion, and the level of financial literacy. In this context, Mr. Yzeiraj emphasized that the goal of moving toward a “cashless” economy should be understood as a significant reduction in cash usage. Mr. Yzeiraj also briefed on recent measures taken by the government such as lowering the cap for cash transactions among businesses and asking merchants to provide customers with the possibility of paying with electronic instruments.

Following the welcome speeches, the meeting continued with technical-level discussions.

In the first panel, discussions focused on the economic impact of SEPA accession. The presentation titled “*Albania’s Membership in SEPA – Assessment of Economic Benefits*” was delivered by Mr. Felix Schwickert, German Economic Team. Mr. Schwickert presented an overview of the current situation, noting that Albanian banks became part of the Single Euro Payments Area (SEPA) on October 7, 2025, harmonizing euro electronic payments with European standards. This historic step was achieved following the completion of legal reforms and the acceptance of Albania in SEPA in November 2024, thus laying the foundation for further developments in payment infrastructure. SEPA membership brings significant benefits, including annual savings of up to €71.3 million for foreign trade and remittances, progress in integration with the European Union, and increased competition and transparency in the financial system. This development promotes the use of electronic payments, reduces costs, and contributes to strengthening financial inclusion, marking a key step toward the modernization and European integration of the Albanian economy.

In the second panel the meeting continued with a presentation by Mr. Michael Jennings, Head of Market Infrastructure Development and Administration (Banca d’Italia), who stated that the TIPS Clone initiative for instant payments in the Western Balkans (WB6) aims to establish a shared instant payments system for the WB6 countries, based on the European TIPS platform. The proposed solution envisages the cloning of the TIPS application into a separate and independent module, which will be used exclusively by the countries of the region. The system will support multi-currency payments, including the euro and local

currencies, where applicable. System capacity will be tailored to the expected transaction volumes in the WB6 region, while technical connectivity will be ensured through TIPS-certified network service providers, based on bilateral agreements negotiated by the respective central banks. The initiative aims to modernize the payments infrastructure, enhance regional interoperability, and further align the WB6 countries with European payment standards.

The discussions continued on the status and challenges of implementing Open Banking in Albania. Ms. Anjeza Beja and Mr. Pavel Shust from IFC's Digital Financial Services and Integrated Financial Services Project presented the achievements and challenges of Open Banking in Albania. Open Banking in Albania is being gradually developed, creating a new model of financial services. Some licensed banks already operate according to standards, allowing secure access to financial data. This system fosters competition, empowers consumers, and encourages digital innovation. The main challenges remain technology, user education, and cybersecurity.

In the final panel, a presentation was given by a Mellon Group, represented by Mr. Manos Perdikaris, on the topic "Structural Shift from Cash to Electronic Payments – The Case of Greece." He explained the Greek experience on the widespread use of POS since 2015 to 2024, where every business that uses POS devices is required to connect in real-time to the fiscal system. Card transactions and electronic invoices are automatically sent to the tax authorities (AADE), ensuring direct monitoring and transparency. Businesses do not pay fixed fees for using POS, but only a small transaction commission from the service provider. This model facilitates the use of electronic payments, reduces tax evasion, and does not add extra financial burden to businesses.

The meeting of the National Committee on Payment Systems **concluded** with the remarks of Ms. Ledia Bregu, Director of the Department of Payment Systems, Accounting and Finance, who praised the Committee's achievements in the field of payments and thanked the banking and non-banking community for their commitment to the successful implementation of this year's projects. She emphasized the importance of coordination and joint engagement for the implementation of the TIPS Clone system and the undertaking of the relevant investments by banks and non-banks. Furthermore, the action plan for meeting the benchmarks within the framework of European integration will also require some additional regulatory changes, which will be developed in consultation with the payments community.