



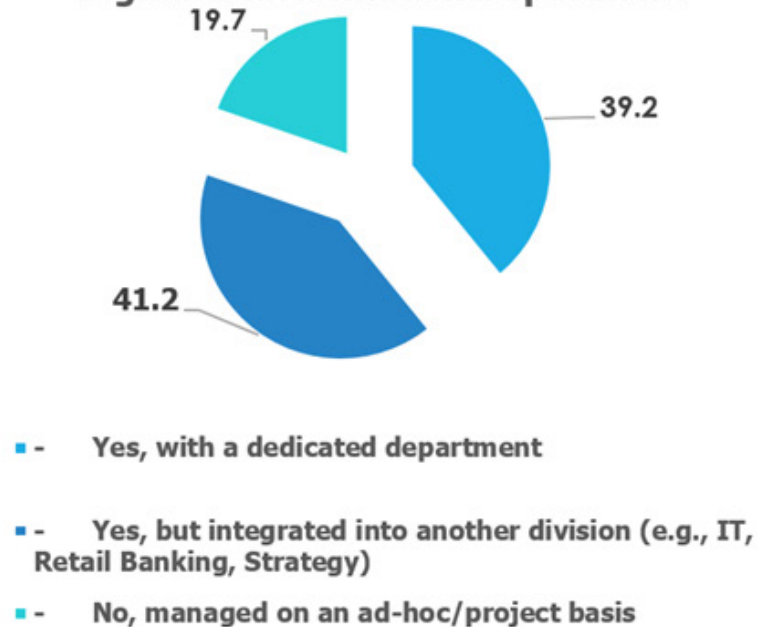
Digital Banking Survey 2025(2nd round) – From Digitalization to Digital Transformation

M. Topalli; L. Molishti

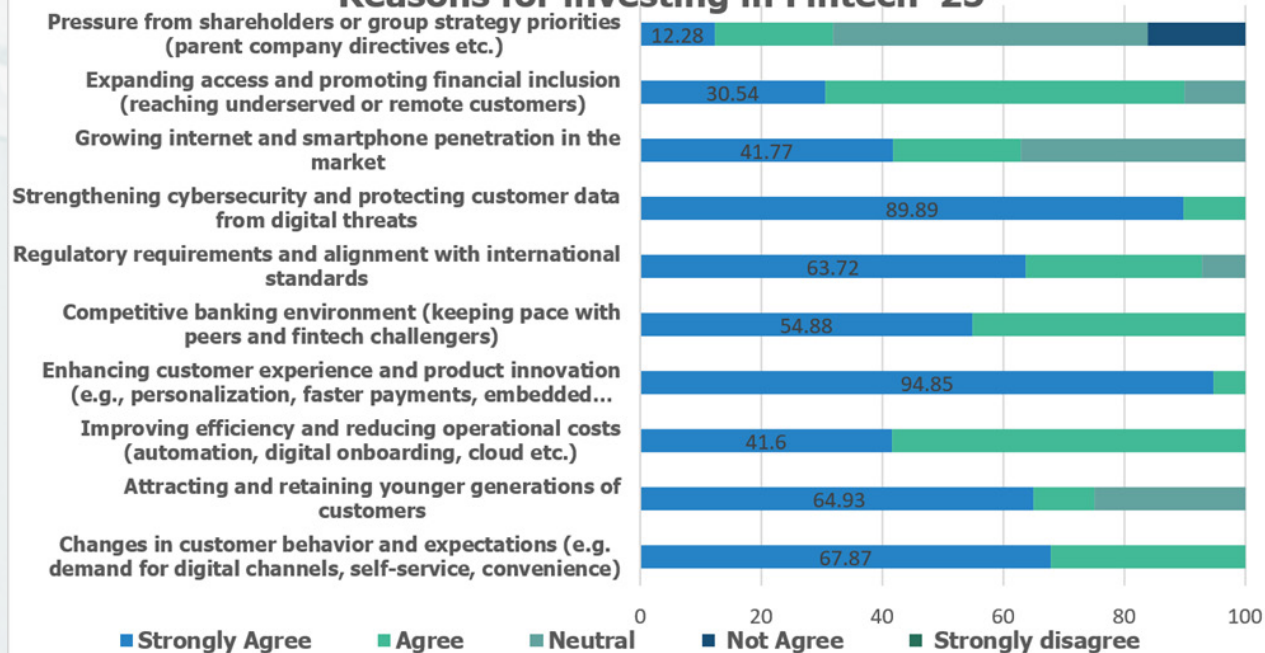
Albanian banks are moving from “Go Digital” approach toward → “Be Digital” approach

- Digital transformation is now a strategic imperative across Albanian banks
- Formal digital units and strategies are becoming standard practice
- Organizational readiness is improving, though adoption levels vary

Digital transformation Department



Reasons for investing in Fintech '25



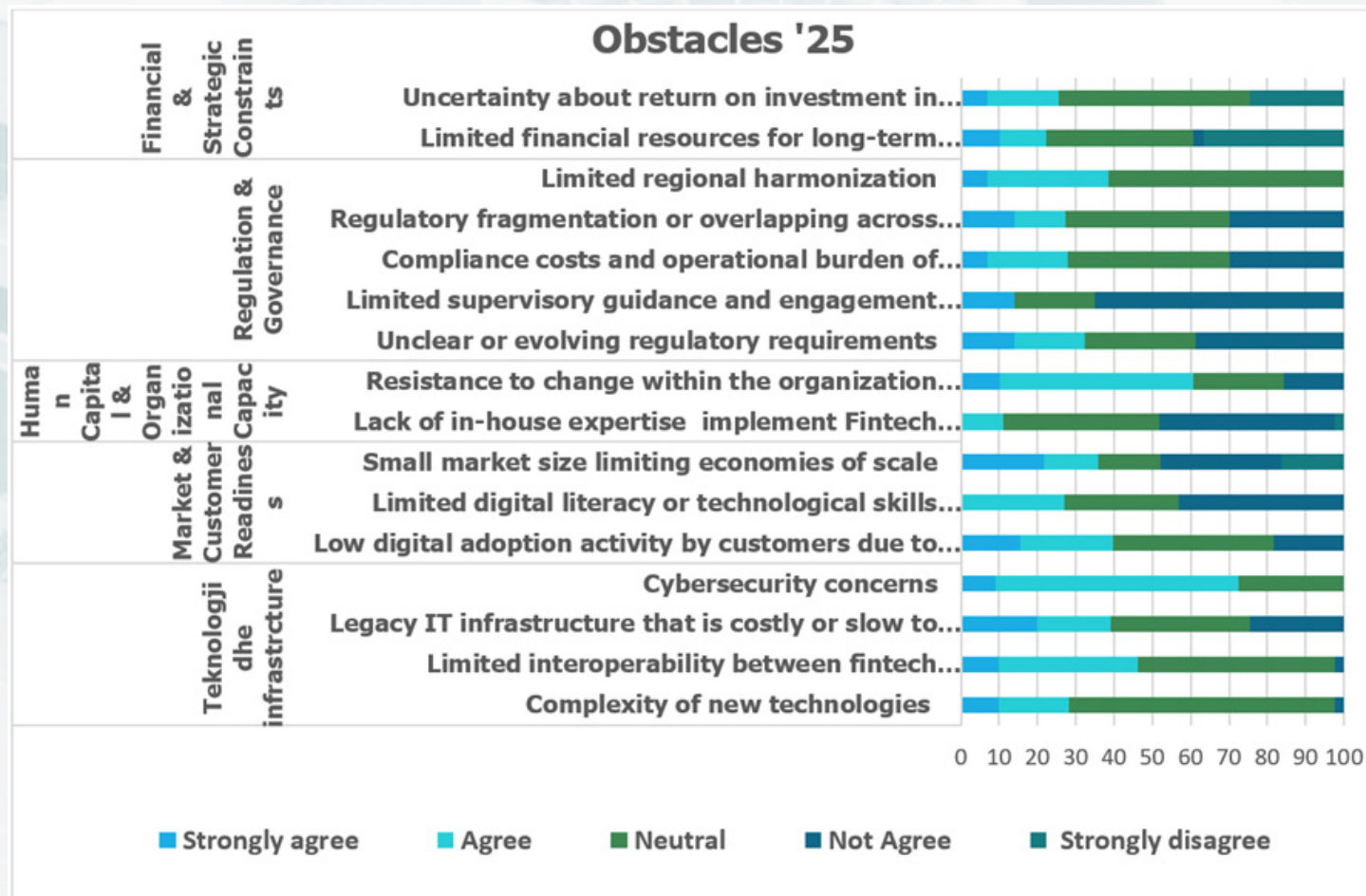
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New Challenges Emerge: Internal Barriers Now Dominate

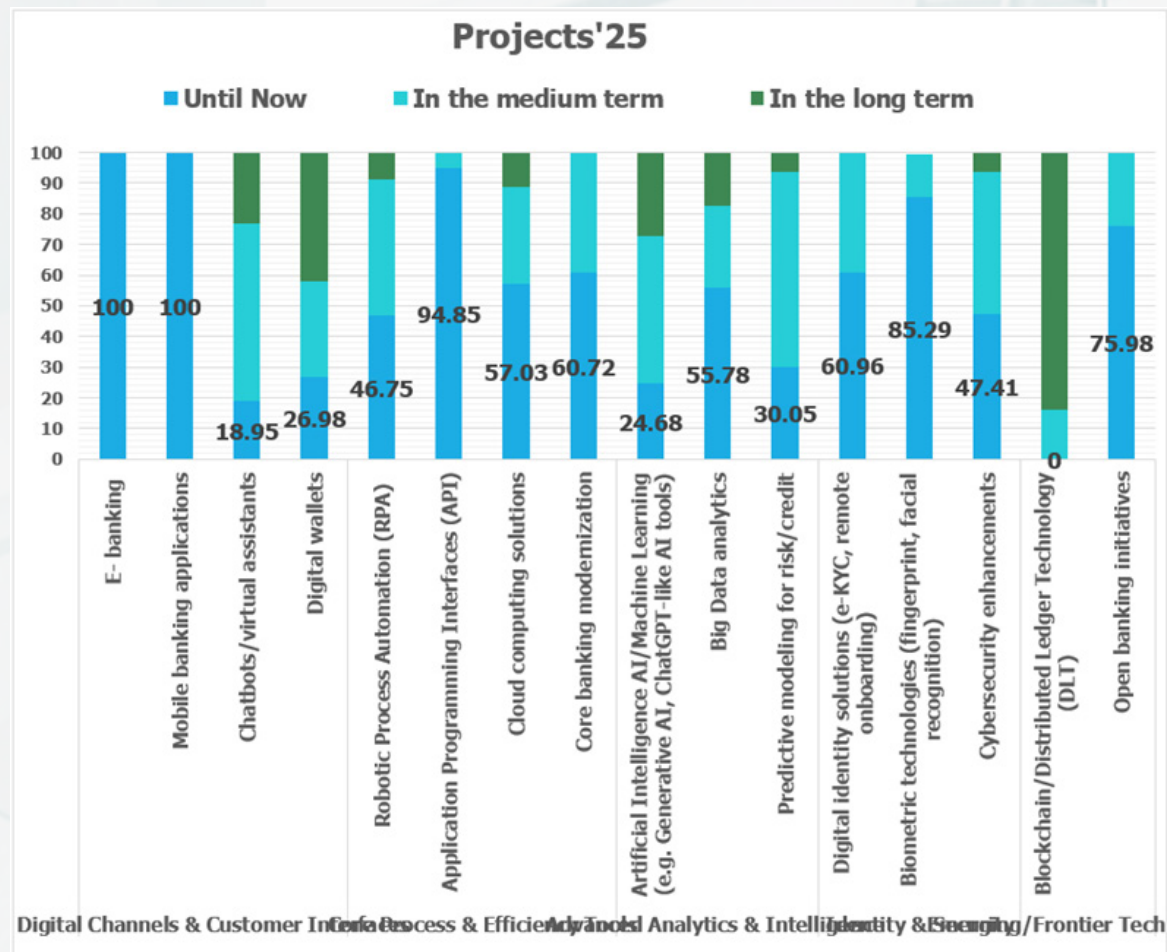
Top 3 Obstacles (2025):

1. Cybersecurity concerns – 72% (↑ from 31% in 2024)
2. Organizational resistance – 60% (↑ from 31%)
3. System integration gaps – 45% (↑ from 22%)

💡 2024 focused on customer barriers (cash preference, digital literacy) → 2025 = internal readiness.



Technology Adoption



Leaders and Emerging Players

Fully Adopted:

- Mobile & Internet Banking: 100%
- E-Banking: 90%

Rapid Growth:

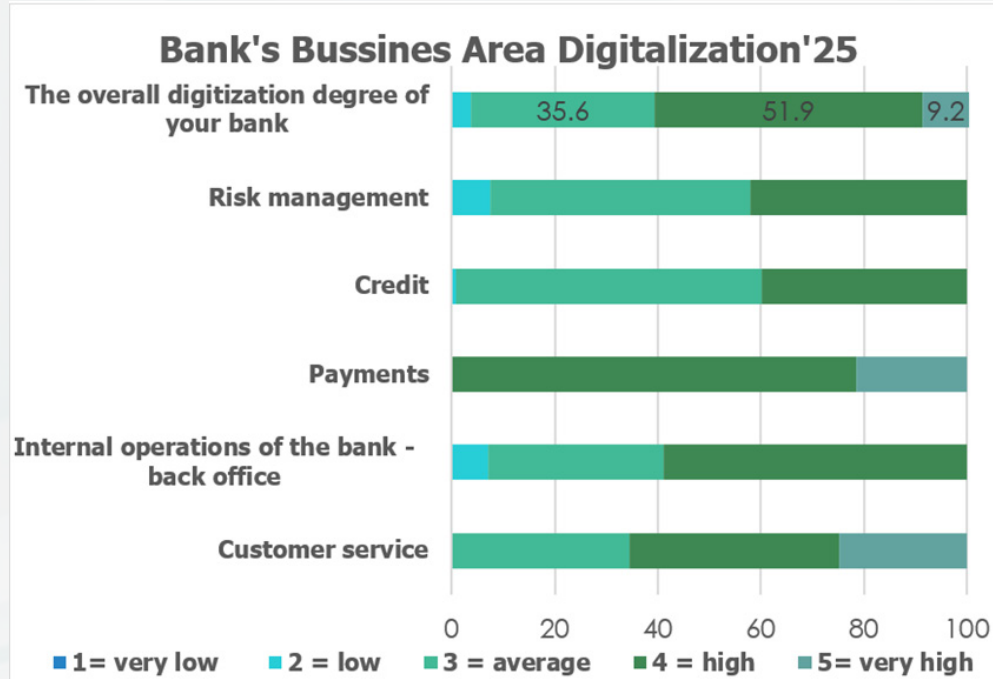
- Open Banking: 76% (was 20% in 2024) ↗
- Digital Identity: 61% (was 34%)

Future Focus:

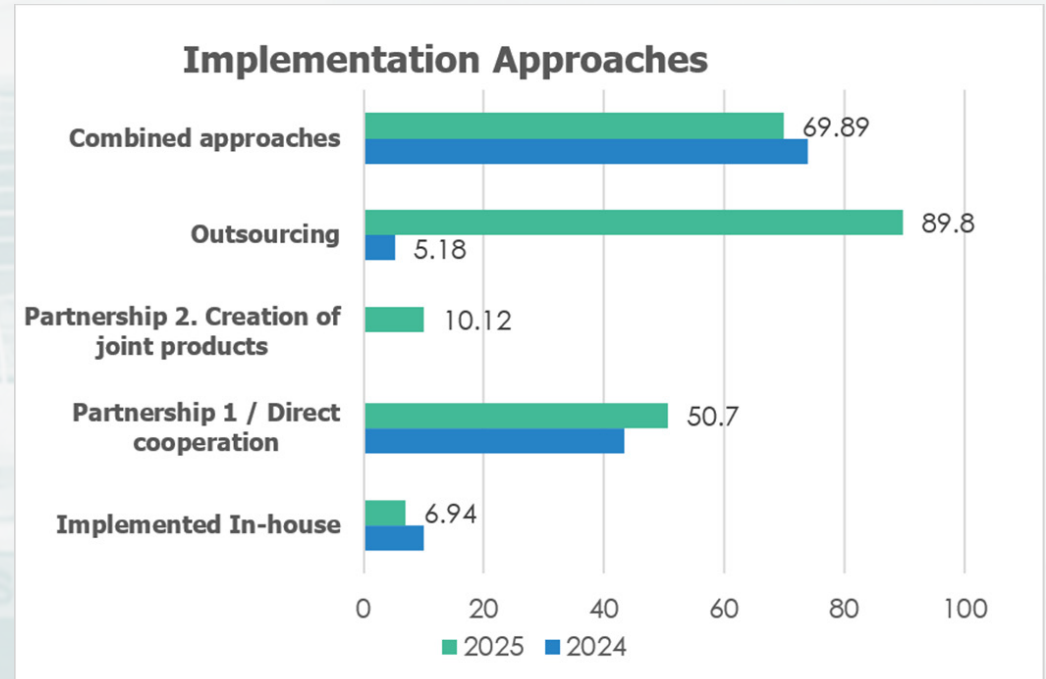
- Blockchain: 84% plan long-term adoption

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Front-End Strong, Back-End Catching Up



Partnership Over Pure In-House



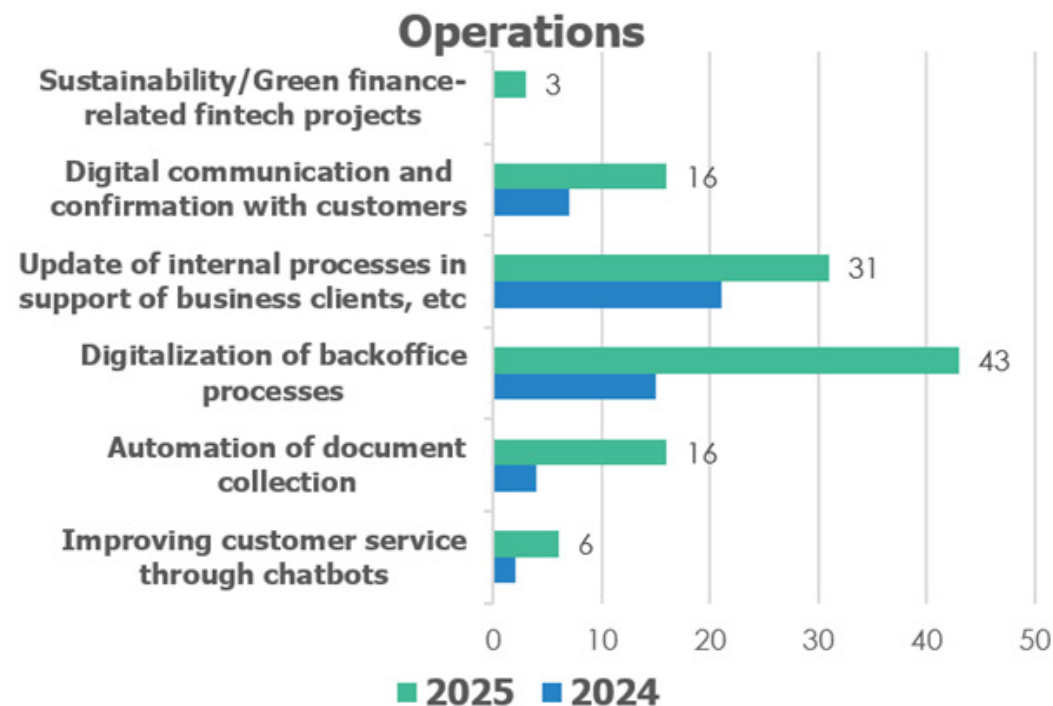
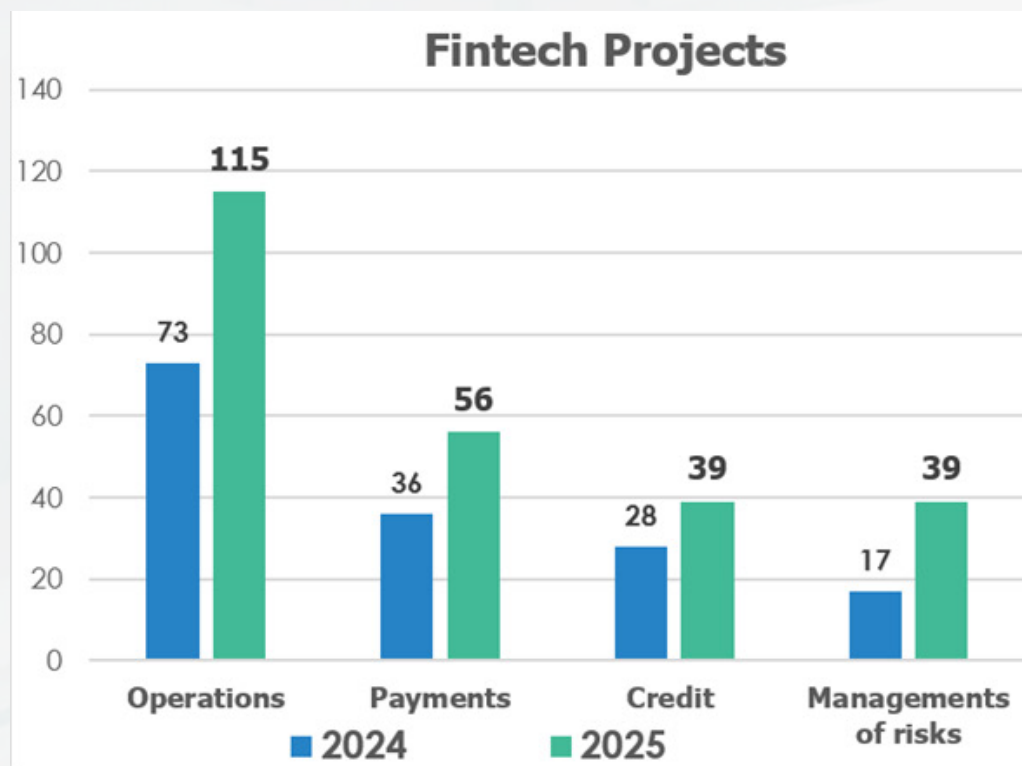
Function	Digitalization
Payments	✓ 100% High
Customer Service	✓ 64% High
Credit	□ 42% High
Back-Office/Risk	● Lagging

Current Model:

- 90% outsource some functions
- 70% use hybrid (in-house + partnerships)
- 7% pure in-house (planning shift to 60% over 3 years)

Why? Speed to market + expertise access

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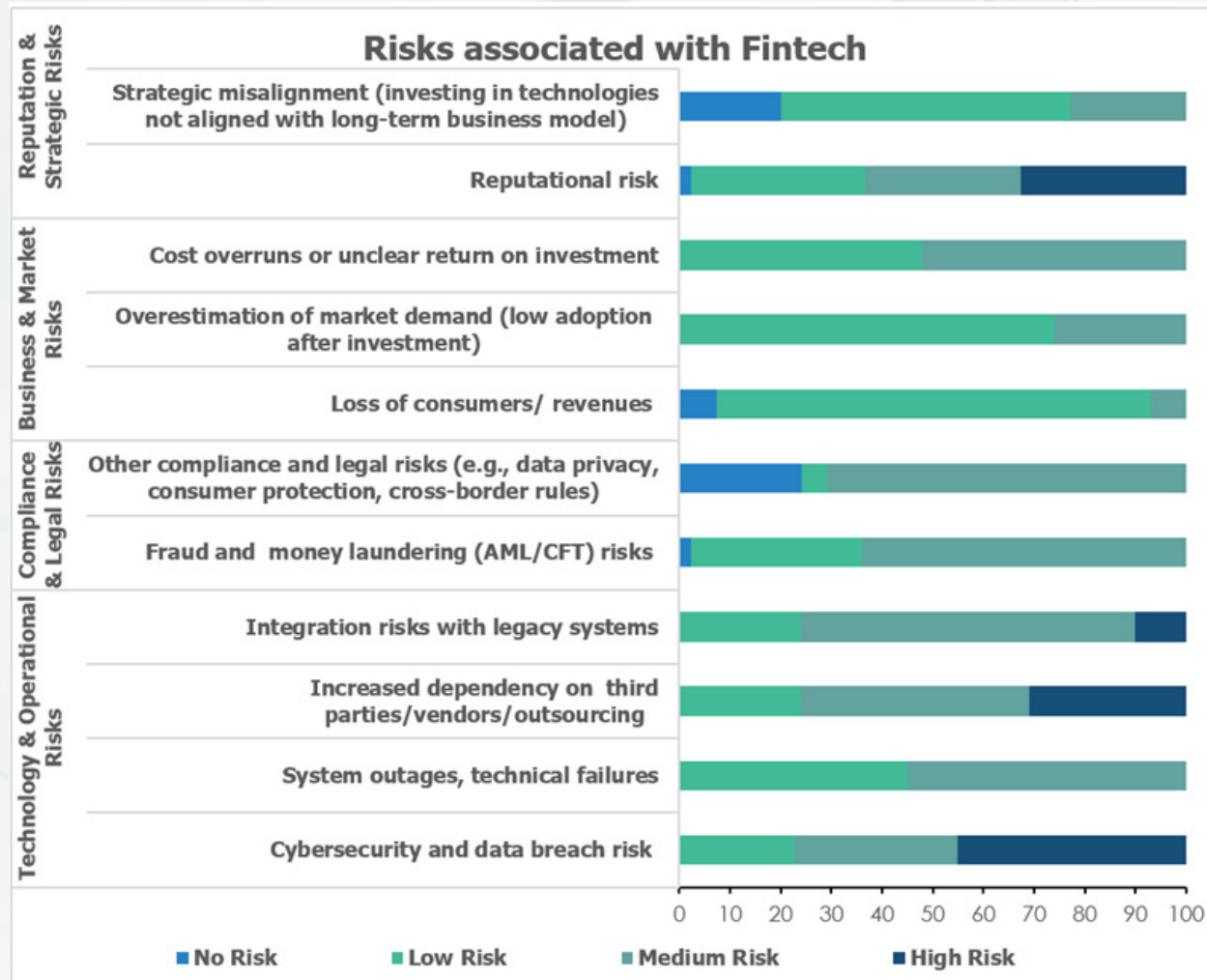
115 Fin Tech Projects Underway: Investment Trend: Back-office digitalization projects tripled (15 → 43 projects)

Where the Money Goes:

- Payments – 56 projects (incl. 6 for SEPA)
- Back-Office – 43 projects (3x increase!)
- Digital Lending – 39 projects
- Internal Processes – 31 projects

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Risk Perception Evolves



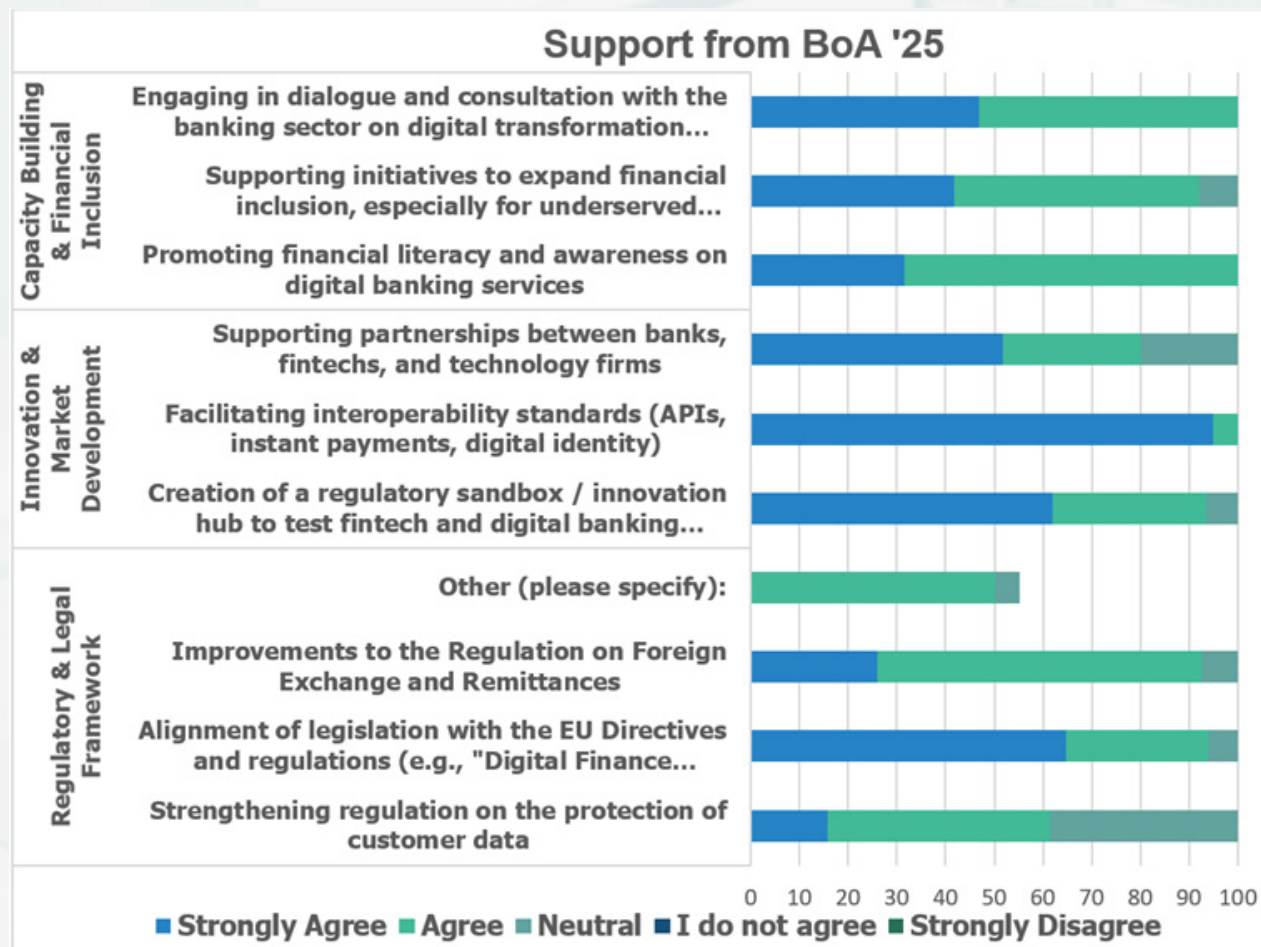
What keeps banks awake at night

Top Risks in 2025:

- Cybersecurity: 45% (steady concern)
- Reputational risk: 33% Δ (new in 2025 – was 0%)
- Third-party dependency: 31% (\uparrow from 10%)

✓ **Fintech competition? 86% rate it LOW risk**

What Banks Want from BoA



The Bank of Albania support the digital transformation of banking system in Albania.

Top Request:
Leadership on Standards

#1 Priority: Facilitate interoperability standards – 95%
(APIs, instant payments, digital identity)

Other Key Requests:

- Regulatory sandbox: 62%
- Digital dialogue & consultation: 47%

Banks see BoA as an innovation partner, not just a regulator.