

# MEDIUM-TERM DEVELOPMENT STRATEGY OF THE BANK OF ALBANIA 2026-2028

*The "Medium-term development strategy of the Bank of Albania 2026-2028" was approved by the Supervisory Council of the Bank of Albania, Decision No.63, dated 19.11.2025.*

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*The Medium-Term Development Strategy sets out the key challenges facing the Bank of Albania over the forthcoming three-year period. The strategy prioritizes the main objectives and plans the corresponding actions necessary for their implementation. These objectives are subsequently detailed in the annual work programmes of the Bank's departments.*

*The Strategy provides the overarching framework for the budgeting process in the Bank of Albania. The planning and forecasting of expenditures and revenues are conducted in a manner consistent with the duties set out in the Organic Law and aligned with the Bank's strategic objectives.*

*The approval of the Strategy by the Supervisory Council constitutes a key element of its role as the highest decision-making and supervisory body of the Bank of Albania. It also represents an essential element of a good governance institution, in terms of division of responsibilities, between governing bodies, to set priorities, determine the means for their fulfilment and monitor the performance achieved.*

# 1. MISSION, VISION AND VALUES

## MISSION

The Bank of Albania has the exclusive right to: i) formulate and independently implement the monetary policy – the principle objective of the Bank of Albania is to achieve and maintain price stability, which is the best contribution of the monetary policy for sustainable and long-term economic growth; (ii) issue and circulate the Albanian currency, by guaranteeing the quality of banknotes and coins, providing a secure and efficient supply to meet the needs of the economy for currency; (iii) hold and manage official international reserves of the Republic of Albania as a guarantee to withstand adverse shocks to the real sector of the economy and support financial stability.

As the issuer of the national currency, the Bank of Albania promotes the smooth operation of payment systems to ensure the safe and efficient circulation of the currency in the economy at minimum costs, prevent systemic risk, and safeguard the stability of financial institutions and markets.

The Bank of Albania promotes financial system stability - public confidence in institutions, markets, and financial infrastructure - through: regulating, licensing, and supervising banks and other financial institutions; as well as regularly identifying and analysing risks and threats to financial stability; and ensuring organised intervention in failing banks, to minimise the impact on the real economy and public finances of Albania.

**VISION**

The Bank of Albania is committed to upholding high standards of professionalism and good governance, with a view to guaranteeing fulfilment of the mission and boosting public confidence through:

- a) Strengthening independence for accomplishing the mission and achieving the legal objectives, in line with obligations stemming from the progressive alignment of our legislation and policies with the EU ACQUIS.
- b) Increasing accountability to the public for the fulfilment of the main duties by also including the adoption of the best accounting and auditing standards, regularly publishing financial reports, and ensuring the integrity of external and internal audit processes; and
- c) Enhancing transparency of the activity of the Bank of Albania, through open and clear communication with the public, in accordance with the law and its policies, to increase the predictability of the monetary policy and boost public confidence in the institution.

**VALUES**

To enhance public confidence in the institution, the activity of the Bank of Albania shall be guided by:

- a) Integrity and ethics, acting in conformity with legal norms, and the highest ethical standards, warding off inappropriate influences by persons or organisations outside the institution in the fulfilment of legal duties;
- b) Competence and professionalism;
- c) Effectiveness and efficiency: the desired results are achieved using minimum resources; and
- d) Teamwork, innovation, initiative and showing creativity for presenting innovative ideas.

# 2. MEDIUM-TERM OBJECTIVES

In pursuit of its main objective and other objectives set out in the Organic Law, the priorities of the Bank of Albania are:

MEDIUM-TERM OBJECTIVES	MEASURES
<b>2.1. INCREASING THE EFFICIENCY AND EFFECTIVENESS OF MONETARY POLICY AND THE QUALITY OF DECISION-MAKING</b>	
<b>A) Improving the monetary policy framework and instruments</b>	<ul style="list-style-type: none"> <li>– Improving and updating macroeconomic models to enhance their adaptability to structural developments in the Albanian economy and financial markets, while ensuring the integration of comprehensive analysis and relevant forecasting.</li> <li>– Developing a modern research agenda based on up-to-date scientific methodologies and techniques to strengthen the analytical framework and support policy formulation in line with current economic developments.</li> <li>– Assessing the effectiveness of monetary policy instruments to improve the operational framework and enhance its flexibility, while strengthening the transmission of monetary policy to the economy.</li> </ul>
<b>B) Harmonising economic policies</b>	<ul style="list-style-type: none"> <li>– Strengthening dialogue with fiscal authorities and cooperating in the formulation of Albania's economic development strategies to enhance policy coherence and safeguard macroeconomic stability.</li> <li>– Improving the analysis and forecasting of the impact of monetary and fiscal policies on the economy and public finances, in order to support evidence-based decision-making and integrated macroeconomic assessments.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<p><b>C) Increasing the contribution to the advancement of the European Union integration process</b></p>	<ul style="list-style-type: none"> <li>– Fulfilling European Union requirements for alignment with Economic and Monetary Union legislation.</li> <li>– Strengthening dialogue with European partners through periodic reporting and information exchange to ensure the fulfilment of obligations and commitments arising from the integration process.</li> <li>– Closely cooperating with the Albanian Government in the preparation of strategic documents and in supporting structural reforms aimed at the development of financial markets.</li> </ul>
<p><b>D) Improving communication with the public</b></p>	<ul style="list-style-type: none"> <li>– Developing and diversifying communication channels and approaches to enhance transparency and strengthen public engagement.</li> <li>– Enhancing the clarity and accessibility of reports and publications to improve the effectiveness of monetary policy communication.</li> <li>– Intensifying educational initiatives to promote public understanding of the Bank of Albania's role in maintaining price stability.</li> </ul>

## MEDIUM-TERM OBJECTIVES

## MEASURES

### 2.2. PREVENTING SYSTEMIC RISKS AND INCREASING THE RESILIENCE OF THE FINANCIAL SYSTEM

#### 2.2.1. Strengthening the role of macro-prudential policy

##### a) Addressing financial system risks, with a focus on enhancing methodologies and analyses supporting systemic risk mitigation

- Strengthening the implementation of macroprudential policy by enhancing macroprudential instruments aimed at addressing structural systemic risks. Approving the methodology for the implementation of systemic risk capital buffers.
- Completing and aligning the legal and sub-legal framework for the implementation of macroprudential policy with European Union standards.
- Monitoring and analysing: (I) the interconnections between the banking sector and other segments of the financial system; (ii) as well as joint and concentrated exposures to specific products and markets, in order to identify potential risk transmission channels and prevent their escalation into systemic risks.
- Enhancing capacities to assess and strengthen the resilience of the institution and the banking sector to the adverse impacts of climate change, including: (I) assessing the information and baseline data required to design a climate-related stress testing methodology for the banking sector; (ii) defining regulatory requirements to improve information on the banking sector's exposure to climate-related risks; and (iii) clarifying the role of macroprudential policy in mitigating risks arising from such exposures.
- Strengthening methodologies for conducting stress tests related to banking sector and financial system activities.
- Enhancing publications addressing financial stability and macroprudential policy issues.

MEDIUM-TERM OBJECTIVES	MEASURES
<b>2.2.2. Safety and soundness of banking system</b>	
A) Aligning the supervisory framework with European Union legislation	<ul style="list-style-type: none"> <li>– Adopting Basel III standards and their EU implementing acts to strengthen the resilience of the banking sector, enabling it to absorb shocks while continuing to finance economic activity and growth.</li> <li>– Ensuring equivalence and further aligning the legal and sub-legal framework with European Union legislation.</li> <li>– Approving a new Law on Banks in alignment with European Union legislation.</li> </ul>
B) Consolidating risk-based supervision	<ul style="list-style-type: none"> <li>– Developing the necessary methodological and operational instruments to improve the calibration of differentiated capital requirements according to each bank's risk profile. These new methodological tools will be implemented in parallel with the existing framework during a transitional period.</li> </ul>
C) Improving governance and risk management of bank entities particularly	<ul style="list-style-type: none"> <li>– Enhancing governance quality by strengthening the role and independence of risk management structures and internal audit functions.</li> <li>– Closely monitoring credit risk and asset quality, with particular focus on exposures sensitive to macroeconomic developments. Provisioning and classification of exposures to vulnerable sectors. Managing provisioning and classification of exposures to vulnerable sectors.</li> </ul>
D) Increasing supervisory collaboration	<ul style="list-style-type: none"> <li>– Exchanging information and conducting joint examinations with local authorities—such as the Financial Supervision Authority, the Deposit Insurance Agency, and the Financial Intelligence Agency—as well as with foreign counterparts.</li> <li>– Continuing participation in supervisory colleges of major European banking groups and establishing cooperation agreements with other central banks.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
E) Reviewing the reporting framework	<ul style="list-style-type: none"> <li>– Reviewing the reporting process of banks’ financial statements in accordance with International Financial Reporting Standards (IFRS) for prudential reporting purposes, ensuring consistency with supervisory parameters and maintaining the continuity of reported data over time.</li> </ul>
f) Integrating ESG and climate factors into the supervisory process	<ul style="list-style-type: none"> <li>– Incorporating ESG and climate factors into the supervisory process.</li> <li>– Assessing financial risks arising from climate and environmental issues in banks’ financial statements.</li> </ul>
g) Consumer protection	<ul style="list-style-type: none"> <li>– Implementing initiatives to safeguard consumer interests and strengthen confidence in the financial system through effective regulation and close cooperation with other public institutions.</li> </ul>
h) Addressing cyber and IT risks	<ul style="list-style-type: none"> <li>– Periodically reviewing the quality of banks’ audits to assess exposure to cyber risks.</li> <li>– Implementing digital technologies, with a focus on third-party dependencies, assessing entities’ resilience to cyberattacks, and monitoring the banking system’s adaptation to the integration of artificial intelligence.</li> </ul>
i) Ensuring adequate supervision of Fintech and digital developments	<ul style="list-style-type: none"> <li>– Strengthening supervision and carefully managing risks arising from financial and technological innovations.</li> <li>– Developing appropriate structures and infrastructure to monitor risks associated with these activities.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<b>2.2.3. Bank resolution in insolvent banks</b>	
a) Strengthening the ability of the banking sector to plan and implement resolution	<ul style="list-style-type: none"> <li>– Annually updating resolution plans that define the preferred intervention strategy for each bank, including tools and powers to be applied in the event of resolution, and establishing the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) for each bank.</li> <li>– Developing technical manuals to assist the banking sector in preparing contingency plans in accordance with legal requirements.</li> </ul>
b) Minimum requirements for regulatory capital instruments and eligible liabilities	<ul style="list-style-type: none"> <li>– Monitoring banks' compliance with individual requirements for regulatory capital instruments and eligible liabilities, ensuring full completion of the minimum requirement by 2027.</li> <li>– Requiring banks to regularly update the methodology for determining the minimum requirement in line with the approach of the Single Resolution Board.</li> </ul>
c) Addressing impediments to bank resolution	<ul style="list-style-type: none"> <li>– Implementing, according to annual priorities, recommendations to strengthen banks' resolution capabilities, based on self-assessment results and evaluations by the Bank of Albania.</li> <li>– Continuously monitoring banks' actions to address identified impediments and updating assessments of their resolution capabilities.</li> </ul>
d) Improving the regulatory and methodological framework	<ul style="list-style-type: none"> <li>– Harmonising resolution practices with developments in European Union legislation.</li> <li>– Updating the law on bank resolution to ensure compliance with European Union legislation.</li> </ul>
e) Monitoring the Resolution Fund	<ul style="list-style-type: none"> <li>– Annually updating the calculation of the Resolution Fund's target level, as well as banks' contributions to meet it.</li> <li>– Monitoring the management of the Fund's financial assets in accordance with the investment policy approved in cooperation with the Albanian Deposit Insurance Agency.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<p>f) <b>Strengthening cooperation with relevant domestic and European authorities</b></p>	<ul style="list-style-type: none"> <li>– Participating in resolution meetings and colleges to exchange information and enhance cooperation regarding the planning and implementation of resolution for banks or banking groups with cross-border operations.</li> <li>– Improving the methodological framework and automating processes to support analyses and assessments related to bank resolution.</li> <li>– Strengthening technical cooperation with other public authorities overseeing competition and securities markets during the bank resolution process.</li> </ul>
<p><b>2.3. PROMOTING THE SMOOTH OPERATION OF PAYMENT SYSTEMS</b></p>	
<p>a) <b>Safe, efficient, and effective operation of AIPS, AECH, and other payment systems</b></p>	<ul style="list-style-type: none"> <li>– Continuously monitoring and updating, as needed, the payment systems managed by the Bank of Albania to ensure they remain safe, efficient, and compliant with international standards.</li> <li>– Updating the regulatory framework in the area of payments to align with European Union legislation and market needs.</li> <li>– Implementing a solution for Instant Payments with Banca d'Italia to meet the preconditions necessary for future connection to the TIPS system and to foster innovation and efficiency in the domestic market.</li> <li>– Strengthening efforts to consolidate the supervisory function for securities settlement systems, in cooperation with the Financial Supervision Authority, for the implementation of the Law on Capital Markets.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<p>b) Creating a comprehensive market for AECH, with safe and efficient infrastructures and a wide range of payment instruments and services</p>	<ul style="list-style-type: none"> <li>– Cooperating with the National Payment System Committee.</li> <li>– Implementing regulatory amendments and infrastructural adjustments to promote safe and efficient electronic payments.</li> <li>– Collaborating with state authorities to implement the national strategy that encourages the use of electronic payments and reduces cash usage.</li> <li>– Supporting initiatives by market stakeholders to develop innovations that promote electronic payments.</li> <li>– Assisting financial service providers in advancing toward SEPA (Single Euro Payments Area) membership by facilitating communication with the relevant schemes.</li> <li>– Collaborating with international institutions and regional central banks to modernise and expand retail payment interactions.</li> </ul>
<p><b>2.4. PRESERVATION OF PUBLIC CONFIDENCE IN ALBANIAN BANKNOTES AND COINS</b></p>	
<p>a) Ensuring the safe and efficient fulfilment of the economy's needs for money, in terms of both value and structure</p>	<ul style="list-style-type: none"> <li>– Producing banknotes and coins based on the economy's demand for money—under both normal and extraordinary conditions—while maintaining logistical and strategic reserves and forecasting future needs.</li> </ul>
<p>b) Improving the quality of banknotes in circulation</p>	<ul style="list-style-type: none"> <li>– Encouraging and managing the use of systems certified and authorised by the Bank of Albania for the acceptance and processing of banknotes.</li> <li>– Processing, packaging, and destroying banknotes through automated and modern processes.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
c) Protection against counterfeiting	<ul style="list-style-type: none"> <li>– Continuously improving the logistical basis for analysing suspicious banknotes and coins.</li> <li>– Increasing cooperation with other public authorities and central banks in the fight against counterfeiting.</li> <li>– Continuously updating the knowledge of personnel involved in handling banknotes and coins and providing training to the financial system on banknote security features and anti-counterfeiting measures.</li> </ul>
d) Improving the physical administration of monetary values	<ul style="list-style-type: none"> <li>– Enhancing the conditions and facilities for storing and safeguarding physical monetary values.</li> <li>– Constructing a new facility to support money issuance in accordance with the approved implementation project.</li> <li>– Reviewing, as necessary, procedures for administering such values in line with the highest standards.</li> </ul>
<b>2.5. FOREIGN EXCHANGE RESERVE MANAGEMENT</b>	
a) Diversification of investment instruments	<ul style="list-style-type: none"> <li>– Increasing investment capacities in line with the growth of foreign exchange reserves.</li> <li>– Diversifying the foreign exchange reserve portfolio by adding new classes of financial instruments: (i) Reverse REPO; (ii) ESG (Environmental, Social, and Governance) issuances; (iii) inflation-linked bonds.</li> <li>– Implementing a new system to support the functions of managing foreign exchange reserves, implementing monetary policy, and providing payment and transfer services, in accordance with the cybersecurity framework and ISO 27001 standards.</li> <li>– Training personnel and exchanging experiences with counterpart institutions and partner banks.</li> <li>– Updating the regulatory framework to include new investment alternatives for the Global Master Repurchase Agreement model with banks for REPO instruments.</li> </ul>

## MEDIUM-TERM OBJECTIVES

## MEASURES

### 2.6. DRAFTING AND SHARING OF STATISTICS

#### a) Methodological approximation of statistics with the international standards and the legislation of the European Union

- Enhancing the quality and coherence of reporting under the Excessive Deficit Procedure (EDP) and the key indicators of the Macroeconomic Imbalance Procedure (MIP), in cooperation with INSTAT and the Ministry of Finance.
- Aligning the statistical procedures of the Bank of Albania with the updated international methodological framework, in line with the new global guidelines—BPM7, SNA 2025, ESA 2025, and GFSM.
- Strengthening the legal framework and quality standards for regulatory reporting of banking supervision data, as well as for the production and use of statistics, in accordance with the European Banking Authority (EBA) standards.
- Bolstering the legal basis of the statistical function in line with the principles of professional independence, quality, and confidentiality, in accordance with European Union standards.
- Cooperating with INSTAT and the Ministry of Finance for accession to the IMF's SDDS Plus standard, in order to enhance the transparency, credibility, and international comparability of macroeconomic statistics.
- Ensuring compliance with EU legislation on the collection, storage, and reporting of data, with particular emphasis on the privacy and confidentiality of statistical information.
- Establishing joint mechanisms with INSTAT and the Ministry of Finance to ensure data quality and coherence, thereby supporting consistent reporting to Eurostat and other European Union institutions.

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<b>b) Integrated data management and interoperability</b>	<ul style="list-style-type: none"><li>– Establishing a well-defined data governance framework that ensures quality, security, and data management protocols to maintain the integrity and reliability of statistical information, in compliance with the models of the European Central Bank and the European System of Central Banks.</li><li>– Increasing coordination with regulatory bodies to enhance data collection processes and reduce reporting burdens.</li><li>– Developing and maintaining a centralized data repository to enable unified collection, storage, and analysis of statistical, prudential, and analytical data. The platform will serve as a single access point for diverse uses, enhancing the storage, processing, and dissemination of statistical data in accordance with EU standards.</li><li>– Adopting best practices for data management, focusing on the integration and interoperability of data sources to improve aggregation, accessibility, and analytical capabilities across systems, in line with the standards of the European System of Central Banks.</li><li>– Including modules on data governance frameworks that support the secure sharing of data, ensuring quality, consistency, and compliance with regulatory requirements.</li></ul>

MEDIUM-TERM OBJECTIVES	MEASURES
<p>c) <b>Real-time data communication and visualization</b></p>	<ul style="list-style-type: none"> <li>– Developing capabilities for real-time data reporting and using visualization tools to support immediate insights and faster decision-making processes.</li> <li>– Building dashboards that provide real-time insights on key indicators, supporting an initiative-taking approach to the implementation of central bank policies.</li> <li>– Informing the public and stakeholders in a transparent and initiative-taking manner about statistical activities, including data collection, methodologies, and publication schedules.</li> <li>– Expanding access to data and statistical reports through platforms and formats that are easily accessible to users.</li> <li>– Aligning with European Union practices on publication deadlines for statistical reports, thereby ensuring transparency and coherence in public communication.</li> <li>– Engaging stakeholders through public consultations, seminars, and workshops to gather feedback and ensure that statistical initiatives align with public needs.</li> </ul>
<p><b>2.7. SCIENTIFIC RESEARCH</b></p>	
<p>a) <b>Integrating the results of economic studies and empirical analysis in decision-making</b></p>	<ul style="list-style-type: none"> <li>– Researching new phenomena, including global and regional developments in finance, payments, digitalization, technological innovation, and exchange rates, as well as their impact on households, enterprises, the economy, and the financial system, and assessing their implications for the work of the Bank of Albania.</li> <li>– Analysing climate risks, developing models to assess their effects on the Albanian economy, and using these insights to inform monetary policy and financial stability decision-making.</li> <li>– Incorporating findings from research projects in artificial intelligence, machine learning, deep learning, and web scraping into analyses and decision-making processes.</li> </ul>

MEDIUM-TERM OBJECTIVES	MEASURES
b) Increasing the capacity and usefulness of research projects	<ul style="list-style-type: none"> <li>– Enriching research methods with contemporary techniques for the analysis of macroeconomic and microeconomic phenomena.</li> <li>– Organising scientific conferences and joint national and international activities with academia to promote research productivity.</li> <li>– Publishing scientific research in reputable international economics and finance journals.</li> </ul>
<b>2.8. PUBLIC COMMUNICATION</b>	
a) Synthesising information	<ul style="list-style-type: none"> <li>– Synthesising technical information into simplified texts to enhance the understanding of the policies and decision-making of the Bank of Albania.</li> </ul>
b) Increasing presence on social media	<ul style="list-style-type: none"> <li>– Creating new forms of communication to reach a broader audience through social media.</li> <li>– Using layered communication, tailored to stakeholder groups, with short messages, moving images, and infographics, complementing the analyses and speeches of the Bank of Albania.</li> </ul>
<b>2.9. FINANCIAL EDUCATION</b>	
a) Publishing the history of the central bank and monetary history in Albania	<ul style="list-style-type: none"> <li>– Studying and discussing the history of the Bank of Albania and the national currency.</li> <li>– Organising tailor-made exhibitions to present the history of the central bank and the national currency.</li> <li>– Completing the historical archive of the Bank of Albania.</li> </ul>
b) Implementation of the Bank of Albania's strategy for financial education and financial inclusion	<ul style="list-style-type: none"> <li>– Organising activities to enhance financial literacy and inclusion in Albania, through public education on: (i) the objectives and policies of the Bank of Albania; (ii) economic and financial phenomena; and (iii) understanding banking and financial market instruments.</li> <li>– Collaborating with other institutions to bring this strategy to a national level.</li> <li>– Supporting educational programs for the implementation of the Bank of Albania's Strategy for Financial Education and Inclusion.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<b>2.10. ADEQUATE HUMAN, PHYSICAL AND FINANCIAL RESOURCES TO FULFILL THE LEGAL OBJECTIVES</b>	
a) <b>Strengthening good governance practices across the institution</b>	<ul style="list-style-type: none"> <li>– Adopting a new Organic Law aligned with European Union legislation and consistent with the obligations arising from prospective membership in the European System of Central Banks.</li> </ul>
b) <b>Sustainable development of Human Resources</b>	<ul style="list-style-type: none"> <li>– Adopting human resources management best practices in compliance with contemporary management standards.</li> <li>– Providing quality training for the implementation of new work processes and methods.</li> <li>– Introducing new technological capacities to enhance operational efficiency and optimise work processes, enabling higher performance and continuous innovation.</li> </ul>
c) <b>Improving the good management processes of assets and financial resources</b>	<ul style="list-style-type: none"> <li>– Reflecting new requirements and changes in the applicable International Financial Reporting Standards (IFRS) for the bank, on the basis of which the financial statements of the Bank of Albania are prepared and published.</li> <li>– Providing staff training on new developments in accounting standards and their interpretation by the International Accounting Standards Board.</li> <li>– Reviewing, on an ongoing basis, the overall accounting framework to align with evolving standards and to provide a comprehensive framework in accordance with IFRS.</li> <li>– Conducting staff training on accounting rules and regulations implemented by the European Central Bank.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<p><b>d) Information Technology</b></p>	<ul style="list-style-type: none"> <li>– Further modernising the payment and settlement systems, as well as other internal systems, through: (i) expanding functionalities; (ii) further automating processes; (iii) improving technologies in response to industry developments; and (iv) increasing their resilience to technology risks and cyber threats.</li> <li>– Improving and optimising the network infrastructure through innovative technologies for environmental protection and energy efficiency, and the use of Cloud technology for specific functions.</li> <li>– Strengthening information technology security through the implementation of regulatory, technical, and procedural measures in compliance with current legislation and international standards and practices.</li> <li>– Enhancing the performance of information technology systems and services, as well as the processes for managing and monitoring them, to increase efficiency, effectiveness, and resilience to technology-related risks.</li> </ul>
<p><b>e) Strengthening the role of the internal control system in achieving legal objectives and complying with management policies</b></p>	<ul style="list-style-type: none"> <li>– Enhancing the efficiency of risk control and risk management mechanisms to support sound institutional governance.</li> <li>– Developing professional capacities and adopting new digital methodologies to enable more effective auditing through data analysis techniques.</li> <li>– Implementing an internal audit quality assurance program in accordance with international internal audit standards to ensure auditing integrity and independence.</li> <li>– Continuously improving operational risk management through: (i) integration with the functions of units and updating of new processes; and (ii) implementation of the results of the operational risk assessment in strategic planning.</li> </ul>

<b>MEDIUM-TERM OBJECTIVES</b>	<b>MEASURES</b>
<b>2.11. CYBER SECURITY</b>	
<p>a) Strengthening the cyber resilience of the Albanian banking system</p>	<ul style="list-style-type: none"> <li>– Improving and modernising the regulatory framework for overseeing cyber risk and aligning it with European legislation.</li> <li>– Adopting international standards for assessing the adequacy of perimeter controls against cyberattacks and ensuring the continuity of operations of licensed entities.</li> <li>– Applying international standards (ISO 27002:2022) to assess banks' preparedness in terms of protection against cyberattacks and continuity of operations.</li> <li>– Increasing cooperation with banks on cyberattack preparedness and actively contributing to the banking industry for information exchange and real-time coordination of incident responses.</li> </ul>
<p>b) Strengthening the cyber resilience of the Bank of Albania's infrastructure</p>	<ul style="list-style-type: none"> <li>– Adopting European legislation for the integration and management of cyber risk across all processes of the Bank of Albania.</li> <li>– Increasing the resilience of payment and settlement systems of systemic importance, as well as other internal systems.</li> <li>– Modernising the defence lines to enhance the effectiveness of detecting and responding to cyberattacks.</li> <li>– Strengthening technical and human cybersecurity capacities to support secure and innovative operations.</li> <li>– Enhancing business continuity and response plans to address cyber risks, in line with international cybersecurity standards and best practices.</li> </ul>
<p>c) Collaborating/interacting with national and international institutions</p>	<ul style="list-style-type: none"> <li>– Strengthening cooperation and information exchange with institutions responsible for cybersecurity in Albania and with the banking system.</li> <li>– Increasing collaboration with key international partners to strengthen capacities in cyber risk management.</li> </ul>

MEDIUM-TERM OBJECTIVES	MEASURES
d) Increasing awareness	<ul style="list-style-type: none"><li>– Increasing public confidence in the safe use of digital tools in financial activities, through the integration of cybersecurity into financial education.</li><li>– Raising employee awareness of their role in ensuring the security of the Bank of Albania's information systems.</li></ul>

