

Challenges And Development of The Insurance Market in Albania

Dr. Zamira Veizi¹, Dr. Robert Çelo²

^{1,2}Economy Faculty, “Eqrem Çabej” University, Gjirokster, Albania

Abstract

Insurance at its core is nothing but the avoidance of risk. Insurance is considered the transfer of risk from one entity to another in exchange for payment. An insurer, or an insurance carrier, is the company that sells the insurance. The insured, also known as the policyholder, is the individual or entity that purchases the policy. The insurance market in Albania has experienced substantial changes and developments in recent years. The Financial Supervision Authority (FSA) has played a key role in the regulation and supervision of insurance companies in the country. This analysis focuses on the structure and performance of the insurance market in Albania, including the main product categories such as motor insurance, life insurance, health insurance, property insurance and civil liability insurance.

One of the main challenges for the insurance market in Albania is the low level of penetration compared to European standards. Analyzes show that health insurance has seen an increase in interest, while life insurance remains a segment with growth potential. Public awareness and promotion of insurance culture are important factors in improving this aspect.

The study also addresses legal changes and innovations in the market, including changes in the legal framework and insurance technology. This analysis is based on various sources, including AMF reports, financial data of insurance companies, and insurance market trends. Understanding these aspects provides a complete overview of the developments and challenges of the insurance market in Albania and brings a basis for the discussion on the growth opportunities of this sector in the future.

Keywords: insurance market, market trends, premium, mandatory insurance, voluntary insurance