

Progress of Insurance Companies in Albania from 2018 to 2024.

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ABSTRACT

Insurance Companies that extend their activity in the territory of the state of Albania, represent an important voice of non-banking financial institutions within the economy of our country. One of the most important objectives of this paper, presented by the authors, has to do with the realization of an assessment of the financial performance of some of the most important companies operating in our country. With special attention to identifying potential opportunities for increasing the level of sustainability and increasing the level of profitability. The authors have used a multifaceted approach, including quantitative and qualitative data in the methodology to better analyze and analyze the main Financial Indicators that affect the insurance industry. The financial analysis carried out by the authors is based on the official financial statements of the Insurance Companies. This analysis uses financial reports to show the performance of the insurance companies that are taken into study. To carry out a complete assessment through these reports, information on the financial statements of the insurance companies studied is needed. Another important part of this paper is dedicated specifically to insurance related to health care insurance in our country.

Keywords: Financial System, Insurance Companies, Insurance, Financial Reports, Efficiency, Healthcare Insurance.

1. INTRODUCTION.

The concept of insurance itself has to do with a contractual relationship that is established between two parties, the insured person or economic entity that buys the insurance policy and on the other hand we have the non-banking financial institution of the insurer that sells the insurance policy. Throughout the insurance period, the insurer undertakes to compensate the insured in the event of a covered loss in exchange for the payment of the premium, depending on the terms and conditions of the contract they

have signed (Atkins, 2009). In the book *Mastering Operational Risk*, authors Tony Blunden and John Thirlwelle describe insurance as a contract of fate that depends on the occurrence of something unforeseen and over which the insured has no control (Blunden, 2013). The Insurance System, through the completeness and variety of Insurance services, significantly affects the growth and economic development in every country. In many cases, Insurance companies are important actors that accumulate and invest capital in high values. The role of insurance extends even wider, helping in many cases to promote financial stability, mobilize savings, increase trade facilities, especially in the international field, improve risk management and diversification, reduce the potential level of losses and promote, encourage and increase efficiency in capital distribution. Also, the insurance process itself serves in many cases as an important alternative and complementary tool to the efforts that governments make in the field of security. In particular, the process of life insurance is perceived as a service that people purchase to protect themselves and their loved ones from unexpected events that have a certain probability of occurring. This fundamental aspect of insurance has an impact not only on the economic side of individuals and businesses, but also has an important impact on the social field, emphasizing the relationship that exists between individuals and financial security (Skipper, 2001). The financial sector to which Insurance Companies belong is an important component of the Financial System, which offers a variety of services necessary to protect individuals and economic entities from various risks. Based on this context, the process of conducting a financial analysis of some of the insurance companies is an important task to understand the financial health, efficiency and ability of these financial companies to respond to challenges and market changes and the increase in the level of competition at the national level and beyond. Objectives summarized in relation to the paper: a) Analysis of the Financial Situation we face: Identification and evaluation of the structure of Assets and Liabilities that the Insurance Companies have in our network to better understand their current financial situation. b) Evaluation of the Operational Performance of Insurance Companies: Determination and evaluation of the level of operational performance of the Companies in this sector, having as primary focus, the revenues they have realized during the periods, the total expenses realized during the periods and the profit margins they have achieved for the relevant time periods. c) Analysis of Financial Trends of the sector where the Insurance Companies are located: The process of identifying the financial development trends of these economic entities, taking into account the revenue trend, the increase in efficiency and the improvement of the level of risk management. d) Comparison of the Performance of these companies with similar Competitors in the domestic market and their positioning in this market.

2. LITERATURE REVIEW.

Well-developed financial markets have a significant positive impact on total factor productivity, which translates to higher long-term growth. Based on Solow and Robert's paper (Solow, 1956), notes that: "...in the absence of a financial system that can provide the means to transform technical innovation into widespread application, technological progress will not have a significant and significant impact on economic development and growth". The objective of this paper is to investigate the financial

performance of the insurance sector and economic growth and thus fill a gap in the current literature on the financial analysis of insurance companies. Insurance is similar to banks and capital markets in that it serves the needs of business units and private households in financial intermediation. The availability of insurance services is essential for the stability of the economy and can make business participants accept increased risks. Insurance companies are playing an important role by increasing the internal flow of money to the insured and by creating a large amount of assets placed in the capital market and can therefore contribute to economic growth. The amount and complexity of the links of an insurer with other institutions and the environment are equal to those of banks. The literature on the insurance-growth nexus, however, is sparse and mainly due to the lack of adequate data sources, the importance of econometric analysis is weak. The role of insurance in the economy and its impact. The activity of the insurance company includes financial intermediation and risk transfer. The financial services provided and the possibility of risk transfer by insurance companies also have an impact on individuals and businesses, as these are “clients” with whom insurance companies cannot operate without them. Consequently, we can say that insurance companies play a role in financial stability as they cover or provide services and provide “peace of mind” to individuals and businesses. We can say that in most cases, the financial institutions of the category in which the insurance companies are a part have at least three main basic functions.

- a) First of all, insurance companies provide protection to individuals and businesses by transferring risk to those institutions that have the ability to manage the risk through a payment called the “risk premium” (Lorent, 2008).
- b) Second, they improve the fair allocation of resources among individuals and businesses in order to reduce risk.
- c) Third, they diversify risk by selling a variety of contracts to individuals, but also to businesses, reducing the possibility of incurring losses immediately (Lorent, 2008).

Financial leverage, capital and management competence index were found to have a significant positive impact on size, ownership and age and they were found to have a significant negative effect on the retention ratio (Sukarya, 2020). In their paper, researchers Cudiamat & Stephen Siy, stated that: a high level of stability, especially in insurance institutions, is essential for economies that are in the process of developing above (Cudiamat & Stephen Siy, 2018). The paper examined the influence of the selected factors at the economic, industrial or macroeconomic level. The results show that most firm-level factors have an impact on ROA, while industry-level and macroeconomic factors do not have much impact on it. The results achieved by the researcher Spotorno, point out that: neither the distribution efficiency nor the banking affiliation significantly affected the level of performance (Spotorno et al, 2016). After the onset of major financial crises, both distribution efficiency and bank affiliation turn out to be crucial in driving performance. The study conducted by (Teklit & Jasmindeep , 2017) suggested that insurance company executives as well as policymakers in the country should take decisive measures by formulating policies and strategies aimed at improving the overall profitability of insurers. In their paper, Sumbasivam & Ayele, have examined the effects of specific factors of the economic subject, such as,

for example, the age and longevity of the company in the market, the size of the company, the volume of capital shares, the ratios of operating leverage and financial leverage, the ratio of liquidity, the growth and the level of precariousness of assets of insurance firms (Sumbasivam & Ayele, 2019). From the results of the data processing, the regression methods should be used, it results that: the size of the increase, financial leverage, the volume of capital of the economic entity, the size and level of liquidity that the company has are identified as important indicators and the most important determinants of profitability (Cevheroglu-Acar, 2018). The study of financial efficiency is one of the fundamental problems of economics, still valid due to the constant change in the conditions of business activity and the diversity of entities. We can say that, in general, the Return on Assets (ROA) or Return on Equity (ROE) are used as an important indicator to measure the level of financial performance of insurance companies in a given period of time (Bukowski, 2021). The indicators that positively affect the performance growth of the economic subjects of the category, as in the case of insurance companies, are closely related to economic development and the financial management process (Lament, 2021). These include, among others, the cost intensity of the activity performed, the profitability of investments, the level of reinsurance and the size of the insurance company.

3. METHODOLOGY.

The main purpose of this paper presented by the authors is to analyze the financial performance of insurance companies operating in the Albanian market, using Financial Reports, the level and degree of concentration of this sector and to understand whether the latter has any level of impact on the economy of our country. The time period considered in this paper is from 2018 to 2023. Part of the secondary data used in this paper were provided by the Albanian Financial Supervisory Authority Database. (AFSA, 2025). This study includes the calculation of financial reports for insurance companies and their analysis to achieve the objectives of the work. The data base of this study was taken: Primary data obtained from the annual reports of each insurance company over the years, Secondary data collected from various national and international reports. The three main categories discussed will be Financial Leverage, Sustainability and Profitability, and the Asset and Liability Management Process of insurance companies. Each category has its own financial reports in its composition, which will be in this order: a) Report on Capital. b) Return on Assets Report (ROA), c) Return on Equity Report (ROE) and d) Current Ratio. For each of the above-mentioned reports, data has been extracted from the financial statements of insurance companies and a discussion will be held for each of them.

4. RESULTS.

4.1 Global Insurance Market Trends 2024.

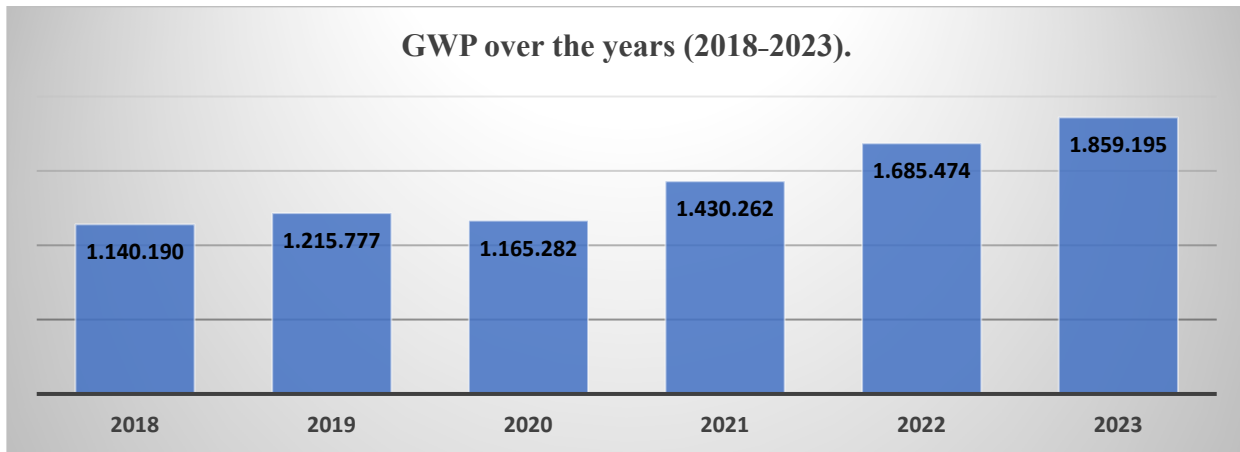
Based on the Report published by The Business Research Company, it results that the Financial market in which the Insurance Market participates at the Global level for the year 2024 was valued at 7751.02 Billion US Dollars and it is predicted that by the end of the current year in 2025 it will reach the value of 8307.01 billion US Dollars (TheBusinessResearchCompany, 2025). Based on the forecasts realized,

it is thought that this market will have an annual growth trend at the level of 6.9%. Based on the projection made by this company, it is thought that in the year 2029 this market will reach the value of 10832.92 billion US Dollars. Another important part is dedicated to the trend of the Healthcare Insurance Market. Based on the study published by Precedence Research (PrecedenceResearch, 2025), regarding Healthcare Insurance Market Size, it is shown that: The Global Healthcare Insurance Market during 2024 was worth 2.32 billion US dollars. While by the end of the current year 2025, this market is expected to reach a value of 2.5 billion US dollars. According to forecasts, this market is expected to reach a value of 4.83 billion US dollars by the end of 2034. In the first place in relation to the Healthcare Insurance Global Market are the countries that lie in the North American region. Specifically, these countries during 2024 owned 40% of the total Healthcare Insurance Global Market. The size of this market was estimated at a value of 970 million US dollars. In the second place are the countries that lie in Europe. Specifically, these countries during 2024 owned 28% of the total Healthcare Insurance Global Market. In the third place are the countries that lie in the Asian and peaceful continent. Specifically, these countries during 2024 owned 21% of the total Healthcare Insurance Global Market. In the fourth place are the countries that lie in Latin America. Specifically, these countries during 2024 owned 8% of the total Healthcare Insurance Global Market. In the fifth place are the countries that lie in MEA. Specifically, these countries during 2024 owned 3% of the total Healthcare Insurance Global Market.

4.2 Insurance Market in Albania.

The Insurance Market in our country is divided into two large groups based on the legal criteria in force: The first group includes life insurance, which accounts for 17.46 % of total insurance, and the second group includes other non-life insurance. In this group, 67.06% of total insurance is related to motor vehicles and 15.49% of total insurance policies belong to the Property and Other category. Based on data published by the Financial Supervisory Authority during January 2025, we can say that about 82% of total insurance policies purchased by consumers are related to other non-life insurance (AFSA, 2025). During the year 2024, the Insurance Market in Albania has had an increase in value of 7.03% compared to the previous year 2023. The volume of gross written premiums during 2024 from all Insurance companies operating in our country has increased by 1,608,786 thousand ALL compared to 2023, reaching 24,505,779 thousand ALL in total for 2024. The number of Life insurance contracts signed during 2024 between Insurance Companies and clients reached 152,740, marking an increase of 13.43% compared to the previous year 2023. During the year 2024, a total of 8,656,050 thousand ALL were paid in damages, or in other words 24.38 % more than a year ago. The total number of claims paid by insurance companies in 2024 increased by 10,155 and during this year reached the value of 73,482 of which: 70,482 are claims paid by non-life insurance companies and 3,476 by life insurance companies.

Figure 1: GWP over the years (2018-2023).



Source: The data used in this chart was provided by The Albanian Financial Supervisory Authority (May 2025).

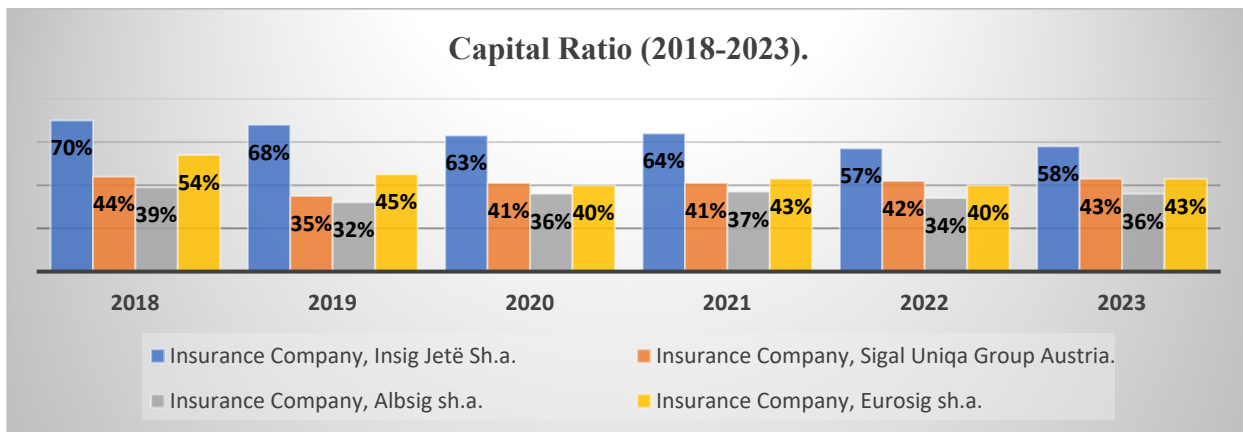
Based on data published by, The Albanian Financial Supervisory Authority, it is shown that: the GWP indicator for all Insurance Companies operating in Albania for 2018 was in the value of 1140190 monetary units. During 2019, the GWP indicator marked an increase in the value of 75587 monetary units compared to the previous year. During 2020, this indicator was in the value of 1165282 monetary units. During 2021, the GWP indicator was worth 1,430,262 monetary units, this indicator marked an increase in value of 264,980 monetary units compared to the previous year 2020. During 2022, the GWP indicator was worth 1,685,474 monetary units, or in other words, this indicator increased by 14.2% compared to the previous year 2021. During 2023, the GWP indicator reached a value of 1,859,195 monetary units, or in other words, this indicator increased by 10.3% compared to the previous year 2022.

4.3 Below are summarized some of the main indicators used to analyze financial reports.

4.3.1 Analysis of Financial Reports Capital Ratio.

Based on the Financial Leverage indicator for Insurance Companies that we have considered during this 6-year time interval, specifically from 2018 to 2023, we can say: Based on various international and domestic literature, the Capital Ratio is an efficient financial method that serves to assess the level of Financial Leverage that an Economic Entity has used in a certain period of time. In terms of the Capital Ratio, we mean that: the economic entity under consideration is securing its assets through the active acquisition process using debt instruments or equity instruments. In many studies, the Capital Ratio Indicator in a company should be at a value of no less than 50%. To be considered that the economic entity is using sufficient capital to finance the business. This indicator is calculated through the ratio: Capital Ratio = Shareholders' Equity/Total Assets.

Figure 2 : Capital Ratio (2018-2023).



Source: Data Processed by the authors with Microsoft Excel (May 2025).

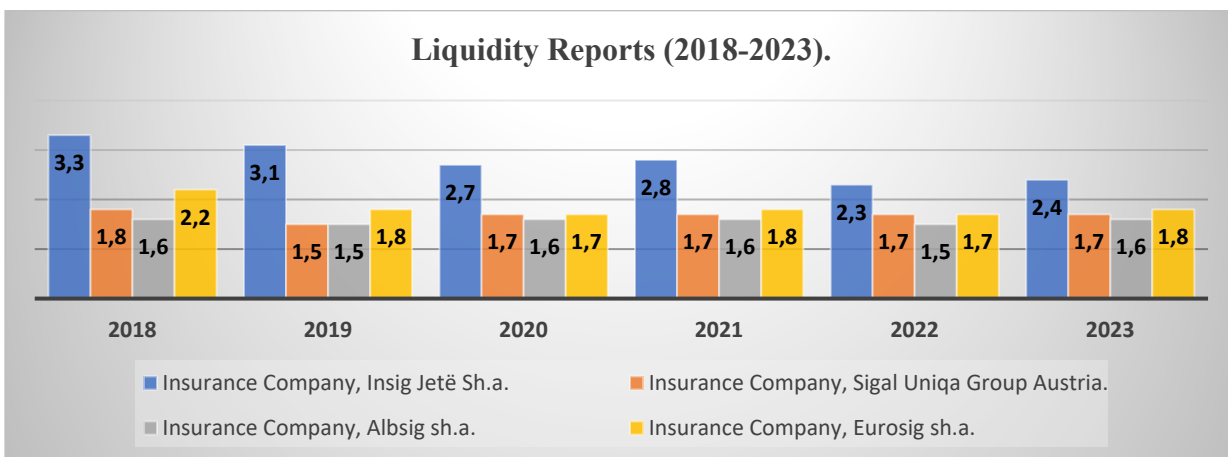
Based on chart number 2, we can say that: The Capital Ratio for the company Insig Live Sh.a. during 2018 had a Capital Ratio level of 70%. During 2019, this indicator was at the value of 68%, so we have a decrease of 2% compared to a year ago. During 2020, this indicator was at 63%, while a year later it was at 64%. During 2022 was the year in which the Capital Ratio indicator for the Insurance company, Insig Live Sh.a. was at 57%, this is the lowest value of this indicator for the 6-year period. During 2023, the Capital Ratio for the company Insig Live Sh.a. was at 58%. We can say that: This decline presented in this time interval of six years shows that the insurance company, Insig Live Sh.a. has started to reduce the level of capital use as a financing instrument and is focusing more on increasing debt as a financing method. Based on graph number 1, we can say that: The Capital Ratio for the company Sigal Uniqa Group Austria during 2018 had a Capital Ratio level of 44%. During 2019, this indicator was at 35%, so we have a 9% drop compared to the previous year. During 2020, this indicator was at 41%, while a year later it was at 41%. During 2022 was the year in which the Capital Ratio indicator for the company Sigal Uniqa Group Austria was at 42%. During 2023, the Capital Ratio for the company Sigal Uniqa Group Austria was at 43%. We can say that: the insurance company in question is trying to improve the composition of its financial structure. Based on graph number 1, we can say that: The Capital Ratio for the company Albsig sh.a during 2018 had a Capital Ratio level of 39%. During 2019, this indicator was at 32%, so we have a 7% drop compared to the previous year. During 2020, this indicator was at 36%, while a year later it was at 37%. During 2022 was the year in which the Capital Ratio indicator for the company Albsig sh.a was at 34%. During 2023, the Capital Ratio for the company Albsig sh.a was at 36%. We can say that: the insurance company in question is mainly using debt as its primary financing method. Based on graph number 1, we can say that: The Capital Ratio for the company Eurosig sh.a during 2018 had a Capital Ratio level of 54%. During 2019, this indicator was at 45%, so we have a 7%

drop compared to the previous year. During 2020, this indicator was at 40%, while a year later it was at 43%. During 2022 was the year in which the Capital Ratio indicator for the company Eurosig sh.a was at 34%. During 2023, the Capital Ratio for the company Eurosig sh.a was at 43%. We can say that: the insurance company in question is mainly using debt as a primary means of financing. The above insurance companies, during the time interval from 2018 to 2019, have used more foreign sources as a form of financing.

4.3.2 Analysis of Financial Liquidity Reports.

The notion of Current Ratio is related to a financial ratio that measures the ability of an economic entity to meet its short-term obligations with its short-term assets.

Figure 3 : Current Ratio (2018-2023).



Source: Data Processed by the authors with Microsoft Excel (May 2025).

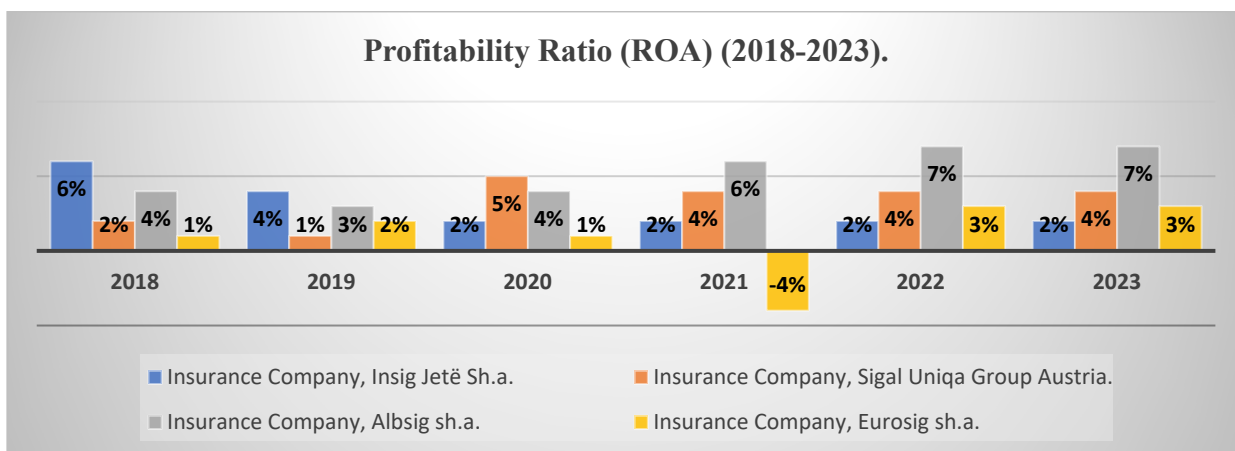
Based on chart number 3, we can say that: The liquidity ratio for the company Insig Live Sh.a during 2018 had a liquidity ratio of 3.3 times. During 2019, this indicator was at a value of 3.1 times, so we have a decrease of 0.4 times compared to the previous year. During 2020, this indicator was at a value of 2.7 times, while a year later it was at a value of 2.8 times. During 2022 was the year in which the liquidity ratio indicator for the company Insig Jetë was at a value of 2.3 times. During 2023, the liquidity ratio for the company Insig Jetë was at a value of 2.4 times. Based on chart number 2, we can say that: The liquidity ratio for the company Sigal Uniqa Group Austria during 2018 had a liquidity ratio of 1.8 times. During 2019, this indicator was at a value of 1.5 times, so we have a decrease of 0.3 times, compared to the previous year. During 2020, this indicator was at a value of 1.7 times, while a year later it was at a value of 1.7 times. During 2022 was the year in which the liquidity ratio indicator for the company Sigal Uniqa Group Austria was at a value of 1.7 times. During 2023, the liquidity ratio for the company Sigal Uniqa Group Austria was at a value of 1.7 times. The current ratio for the insurance company Sigal Uniqa Group Austria has followed a slight increase, indicating a significant ability to

cover short-term liabilities. Based on chart number 2, we can say that: The liquidity ratio for the company Albsig sh.a during 2018 had a level of Liquidity ratio at the value of 1.6 times. During 2019, this indicator was at the value of 1.5 times, so we have a decrease of 0.1 times compared to the previous year. During 2020, this indicator was at the value of 1.6 times, while a year later it was at the value of 1.6 times. During 2022 was the year in which the indicator of Liquidity ratio for the company Albsig sh.a was at the value of 1.5 times. During 2023, the liquidity ratio for the company Albsig sh.a was at the value of 1.6 times. The current ratio for the insurance company Albsig, indicate a good ability to cover the company's short-term liabilities. Based on chart number 2, we can say that: The liquidity ratio for the company Eurosig sh.a during 2018 had a level of Liquidity ratio at the value of 2.2 times. During 2019, this indicator was at the value of 1.8 times, so we have a decrease of 0.4 times compared to the previous year. During 2020, this indicator was at the value of 1.7 times, while a year later it was at the value of 1.8 times. During 2022 was the year in which the indicator of Liquidity ratio for the company Eurosig sh.a was at the value of 1.7 times. During 2023, the Liquidity ratio for the company Eurosig sh.a was at the value of 1.8 times. The current ratio for the insurance company Eurosig has shown a slight upward trend, indicating an improved ability to cover short-term liabilities. The insurance companies treated in relation to this indicator have shown an improvement in their ability to cover their short-term liabilities with their recoverable resources. This improvement suggests a stability of their finances and a better ability to manage liquidity.

4.3.3 Analysis of financial Profitability Ratio (ROA).

It is a financial report that serves to measure a company's level of profitability by assessing how effectively it uses its assets to generate profits.

Figure 4 : Profitability Ratio (ROA) (2018-2023).



Source: Data Processed by the authors with Microsoft Excel (May 2025).

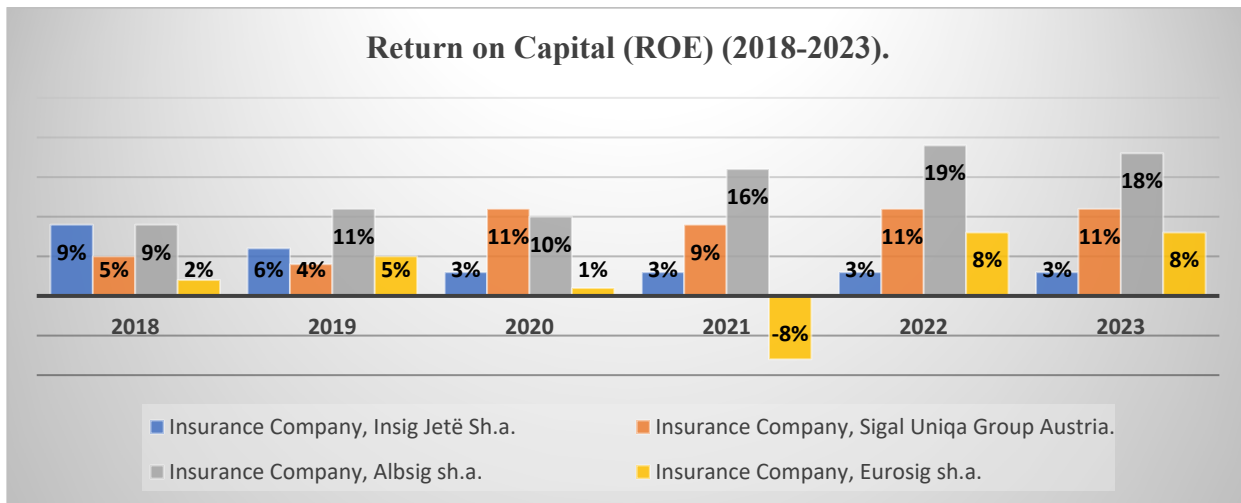
Based on chart number 4 , we can say that: The Return on Assets (ROA) for the company Insig Live Sh.a during 2018 had a level of Return on Assets (ROA) of 6%. During 2019, this indicator was at a

value of 4%, so we have a decrease of 2% compared to the previous year. During 2020, this indicator was at a value of 2%, while a year later it was at a value of 2%. During 2022 was the year in which the Return on Assets (ROA) indicator for the company Insig Live Sh.a was at a value of 2%. During 2023, the Return on Assets (ROA) for the company Insig Live Sh.a was at a value of 2%. Based on chart number 3, we can say that: The Return on Assets (ROA) for the company Sigal Uniqa Group Austria during 2018 had a Return on Assets (ROA) level of 2%. During 2019 this indicator was at 1%, so we have a 1% drop compared to the previous year. During 2020 this indicator was at 5%, while a year later it was at 4%. During 2022 was the year in which the Return on Assets (ROA) indicator for the company Sigal Uniqa Group Austria was at 4%. During 2023 the Return on Assets (ROA) for the company Sigal Uniqa Group Austria was at 4%. Based on chart number 3, we can say that: The Return on Assets (ROA) for the company Albsig sh.a during 2018 had a level of Return on Assets (ROA) of 4%. During 2019, this indicator was at a value of 3%, so we have a decrease of 1% compared to the previous year. During 2020, this indicator was at a value of 4%, while a year later it was at a value of 6%. During 2022 was the year in which the Return on Assets (ROA) indicator for the company Albsig sh.a was at a value of 7%. During 2023, the Return on Assets (ROA) for the company Albsig sh.a was at a value of 7%. Albsig Insurance Company sh. has shown higher efficiency in using assets to earn profits over the past 6 years. Based on chart number 3, we can say that: The Return on Assets (ROA) for the company Eurosig sh.a during 2018 had a level of Return on Assets (ROA) of 1%. During 2019, this indicator was at a value of 2%, so we have an increase of 1% compared to the previous year. During 2020, this indicator was at a value of -4%, while a year later it was at a value of 43%. During 2022, the indicator of Return on Assets (ROA) for Eurosig sh.a was in the value of 3%. During 2023, the Return on Assets (ROA) for the company Eurosig sh.a was at a value of 3%.

4.4.4 Analysis of Financial Performance based on the Return on Capital Indicator (ROE).

It is a financial report that serves to measure the level of profitability of a company in relation to its shareholders' capital. ROE shows the return generated by the company for each monetary unit of invested shareholder capital.

Figure 5 : Return on Capital (ROE) (2018-2023).



Source: Data Processed by the authors with Microsoft Excel (May 2025).

Based on graph number 5, we can say that: The ROE ratio for the company Insig Live Sh.a during 2018 had a ROE ratio of 9%. During 2019, this indicator was at 6%, so we have a decrease of 3% compared to the previous year. During 2020, this indicator was at 3%, while a year later it was at 3%. During 2022, the ROE ratio for the company Insig Live Sh.a was at 34%. During 2023, the ROE ratio for the company Insig Live Sh.a was at 3%. Based on chart number 4, we can say that: The ROE ratio for the company Sigal Uniqa Group Austria during 2018 had a ROE ratio of 5%. During 2019, this indicator was at 4%, so we have a decrease of 1% compared to the previous year. During 2020, this indicator was at 11%, while a year later it was at 9%. During 2022 was the year in which the ROE ratio for the company Sigal Uniqa Group Austria was at 11%. During the year 2023, the Return on Equity (ROE) for the company, Sigal Uniqa Group Austria Insurance Company - ROE has increased over the years, showing good performance. Based on graph number 4, we can say that: The ROE ratio for the company Albsig sh.a during 2018 had a ROE ratio level of 9%. During 2019, this indicator was at 11%, so we have an increase of 2% compared to the previous year. During 2020, this indicator was at 10%, while a year later it was at 16%. During 2022 was the year in which the ROE ratio indicator for the company Albsig sh.a was at 19%. During 2023, the ROE ratio for the company Albsig sh.a was at 18%. Albsig sh.a has shown the ability to use the shareholders' funds to create value during this 6-year period. Based on graph number 4, we can say that: The ROE ratio for the company Eurosig sh.a during 2018 had a ROE ratio level of 2%. During 2019, this indicator was at a value of 5%, so we have an increase of 3% compared to the previous year. During 2020, this indicator was at a value of 1%, while a year later it was at a value of 8%. During 2022 was the year in which the ROE ratio indicator for the company Eurosig sh.a was at a value of 8%. During 2023, the ROE ratio for the company Eurosig sh.a was at a value of 8%. In conclusion, we can say that in assessing the financial performance of insurance companies: a) Insig Live Sh.a . Insurance Company, b) Sigal Uniqa Group Austria Insurance

Company, c) Albsig sh.a. Insurance Company and d) Eurosig sh.a. Insurance Company. Each of these insurance companies exhibits unique strengths and weaknesses based on the results of the main financial ratios that were implemented for the 6-year period. Sigal Uniqa Group Austria Insurance Company stands out for its improved capital structure, demonstrating a careful management of financial assets. Insig Live Sh.a . Insurance Company stands out in its liquidity management, constantly increasing its ability to cover its short-term obligations to potential clients. Albsig sh.a. Insurance Company demonstrates the efficient use of assets and creating value for the company's owner.

5. CONCLUSIONS AND RECOMMENDATIONS.

Insurance companies operating in Albania should be encouraged to assess their financial and social performance using the main categories and relevant indicators in line with their institutional objectives.

Full transparency in the Reporting of Financial Statements for insurance companies is essential, especially when the data is used for research purposes. From the process of analyzing the data of companies operating in the Insurance sector in our country, it is observed that these Non-Bank Financial Institutions are improving and consolidating especially during the last years.

Insurance companies operating in our country are making steps forward in improving some of the main financial indicators such as: Financial Leverage, Operating Leverage, Increasing the profitability ratio, Increasing the level of sustainability and asset and liability management.

Based on the analysis of data related to these economic entities, the authors provide some recommendations: Regarding the level of use of Financial Leverage, we can say that: Finding an appropriate level of balance between the debt financing used by these companies and the levels of capital is essential for these financial entities.

Strategic Decision-making by Insurance Company managers, especially regarding the borrowing process, can present opportunities to improve the level of income in the future by managing costs with a higher level of efficiency.

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