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#### LAW

### No. 9482, dated 03.04. 2006

### ON LEGALISATION, URBAN PLANNING AND INTEGRATION OF UNAUTHORISED BUILDINGS

(Amended by law no 9786, dated 19/07/2007, OJ No 103)
(Amended by Law no 9895, dated 09/06/2008, OJ No 102)
(Amended by Law no 10099, dated 19/03/2009, OJ No 43)
(Amended by Law no 10 169, dated 22/10/2009, OJ No 152)
(Amended by Law no 10 219, dated 04/02/2010, OJ No 15)
(Amended by Law no 141/2013, dated 02/05/2013, OJ No 83)
(Amended by Law no 50/2014, dated 14/05/2014, OJ No 87)
(Amended by Law no 62/2015, dated 11/06/2015, OJ No 111)
(Updated)

In reliance on Articles 78 and 83, par 1, of the Constitution, upon the proposal of Council of Ministers,

### **ASSEMBLY**

# OF THE REPUBLIC OF ALBANIA DECIDED: CHAPTER I GENERAL

## **PROVISIONS**

## Article 1 Object of the law

(Amended by law 9895, dated 09/06/2008)

Amended by law no 50/2014)

The object of the law is:

1. Legalization of illegal buildings and those built legally, having illegal additional construction







work.

- 2. Transfer of the property of parcel of construction where the unauthorized building has been built, according to the provisions of this law.
- 3. Urbanization of informal zones, blocks and buildings, as well as their integration into the territorial and infrastructural development of the county, thus improving their living conditions.
- 4. Procedures for giving effect to the legalization of the illegal buildings/constructions built legally having illegal additional construction work and the establishment and functioning of structures responsible for giving effect thereto.

## Article 2 Scope of application

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 141/2013, dated 02/05/2013) (Amended by Law no 50/2014, dated 14/05/2014) (Amended by Law no 62/2015, dated 11/06/2015)

- 1. This law is applicable to all buildings built without authorization until 27/06/2014, their designated use being housing, economic activity, or other social or cultural purposes, while possessed by individuals or incorporated legal entities, including unauthorised buildings wherefore the possessors did not conduct the self-declaration procedure for legalisation according to the time periods determined by law.
- 2. Repealed.
- 3. The accessory constructions being auxiliary to the unauthorised buildings shall be legalised provided they have been erected within the construction parcel bounds.
- 4. All other unauthorised buildings that do not meet the conditions set forth in paragraphs 1 and 3 of this Article shall be dealt with in compliance with the provisions of the Law no 9780, dated 06/07/2007 'On construction inspection', as amended.

## Article 3 Definitions

(Amended by Law no 9895, dated 09/06/2008) (Amended letter 'a' of the Law no 50/2014) (Repealed letter gj/1 by Law no 62/2015)

In this law the following terms will have this meaning:

- a) "Illegal construction" is the building, the scaffolding whereof has been completed, designated for living, exercising an economic activity and/or other functions (such as social-cultural, education, health care and other similar activities), which has not been built in compliance with the procedures provided for in the legal framework on the territory planning.
- Illegal constructions shall be considered to be excessive constructions and unauthorised additional constructions to the legally constructed buildings within the dwelling territories by the private natural and legal persons intended for sale/lease (houses, offices, stores, workshops, parking area etc.) or for personal use;
- b) "Zone with legalised buildings" is a territory of over 5 hectares occupied by legalised buildings, which does not enjoy special protection under the legal and substatutory acts in effect.
- c) "Dwelling area with legalised buildings" is the territory of above 5 ha inside, being approved officially regarding an urban (town) or rural (countryside) block of dwellings, being occupied by legalised buildings.
- ç) "Dwelling block with legalised buildings" is the territory with a surface of above 1 ha and up to 5 ha, within or outside the formal dwellings, being occupied by legalised buildings.
- d) "The boundary of the zone/dwelling area/dwelling block with legalised buildings" is the geographic line of the territorial layout of legalised buildings, wherefore the town-planning study shall be approved under the respective provisions by the CTA and/or the respective planning local authority.
- dh) "Formal dwelling area" is the territory incorporated within the restrictive lines (the yellow lines) officially approved for inhabited urban (town) or rural (village) areas. e) Repealed.
- ë) "Other territories" is the agricultural land (arable soil, fruit/vegetable plantations, fields of olives, vineyards) and non-arable land (forests, pastures and unproductive land).
- f) "Construction parcel" is the area occupied by the owner of the unauthorized building.
- g) "Owner of the illegal building" is the natural or legal person who has carried out himself or has been investor of the unauthorized building and who proves that he/she freely possesses or uses it and the construction parcel, regardless of whether s/he has ownership over them registered with the Immovable Property Registration Office (IPRO).
- gi) Repealed
- h) "Local Government Unit" is the commune and the municipality. In this law, the

municipal unit (for Tirana) and the region shall not be referred to in this law as 'local government units' but respectively as "municipal unit" and "region".

i) "ALUIZNI" is the special state agency established in compliance with this law, denominated as the Agency for the Legalization, Urbanization, and Integration of the Informal Zones/Buildings" which coordinates the work among the central state bodies and the local government units/municipal units and granting the legalisation permit under this law.

#### **CHAPTER II**

## CENTRAL AND LOCAL BODIES ON LEGALIZATION, URBAN PLANNING AND INTEGRATION OF INFORMAL ZONES/BUILDINGS AND INFORMAL EXTENSIONS

#### Article 4

Agency for the Legalization, Urbanization, and Integration of the Informal Zones/Buildings (Amended by Law no 9895, dated 09/06/2008)

- 1. The Agency for the Legalization, Urbanization, and Integration of the Informal Zones/buildings (ALUIZNI) is the institution responsible for:
  - a) drafting and approving urban planning studies;
  - b) cooperation and unification of the procedures with the central state bodies and the local governance units for the process of the legalization, urbanization, and integration of zones/dwelling areas/blocks of dwellings with legalised buildings;
  - c) programming the funds from the State Budget for the legalization and urbanization of the informal zones;
  - ç) programming the funds from the state budget for legalising and town-planning the informal zones and the necessary adjustments or, as appropriate, in formal dwelling areas;
  - d) issuing legalization permits in accordance with article 28 of this law.
  - 2. For the implementation of the obligations provided by this law, ALUIZNI carries out:
  - a) organizing a national information and awareness campaign for the citizens in collaboration with the public mass media at the national level;
  - b) organizing a national information and awareness campaign for the citizens in collaboration with the public mass media at the national level;
  - c) establishing a database on the illegal constructions and the progress of the legalization process;
  - ç) prepares the manual of procedures, instructions, forms

2. The way of organization and functioning of this Agency, its central directorate, directorate at regional levels and offices at the separate units of the local governance, shall be defined by the Council of Ministers.

#### Article 5

## **Duties of the local government unit**

(Amended by Law no 9895, dated 09/06/2008)

According to this law, the local government units have the following duties:

- a) Establishment of the necessary structures for receiving, dealing with and checking the declarations of the illegal buildings, as well as for checking on the implementation of the duties defined by this law for the accomplishment of the legalization process. In Tirana Municipality, self-declaration is done with the 11 municipal units of the local government, established and organized according to Law no. 8654, dated 31.7.2000 "On the organization and functioning of Tirana municipality";
- b) Identification of those illegal buildings in the field regarding which no self-declaration has been made, identification of all the eventual cases of illegal buildings which have been built following the approval of this law and beginning of the procedures for demolishing them in compliance with law No. 9780, dated 16/07/2007, "On the construction inspection";
- c) Collecting the payment made by the subjects having the construction legalised in accordance with this law, except for the building site of the construction parcel;
- ç) Management of the collected revenues and monitoring their daily use in accordance with this law;
- d) Coordination of the work, as appropriate, with the Regional Council, ALUIZNI, the responsible ministries and CTA, for the development and progress of the process of legalization, urbanization and integration of the informal zones.

### **Article 6**

## Duties of the urban planning unit at the local government unit

According to this law, the urban planning unit at the local government unit has the following duties:

- a) Verification of the actual situation of the constructions in the field and, according to the documentation defined in paragraph 3 of Article 2 of this law, draws up or commissions the cartography and builds the necessary information systems;
- b) Technical update of the location plan in the field of the unauthorized buildings and the territories occupied by the latter, within the boundaries and the surface layout of the formal dwelling area, as well as of the informal zone (approved by the CTA) or

other territories;

- c) Drafting the designing tasks for the urban planning studies and drawing-up or commissioning the urban planning studies in compliance with this law;
- ç) Collecting the documentation during the self-declaration process and delivering it to the respective office of ALUIZNI to examine for the purpose of issuing the legalization permit.

To exercise the responsibilities defined by this law, these structures may employee additional personnel.

## CHAPTER III PROCEDURES AND TIMELINES

#### Article 7

#### **Self-declaration**

- 1. All those subjects who are in possession of unauthorized buildings are obliged to declare them within 60 days after this law has entered into force (the illegal object and the construction parcel) at the urban planning office of the respective unit.
- 1.1. The urban planning office at the local government unit is, in compliance with the tasks assigned to it by this law, obliged to accept the declarations for a period of 4 months from the starting date provided in paragraph 1 of this Article. For organs of local government organized in administrative units or regions, the self-declaration is performed within these units or offices of the region.

The illegal building and the area of the construction parcel are to be declared in compliance with the form attached to this law, which is its Annex A.

2. The self-declaration period is a voluntary process for all subjects during the first 2 months, while during the following 2-month period, the declaration process will be accompanied with sanctions as provided for by article 8 of this law. The sanctions applied according to article 8 of this law will be transferred to the account of the local government where the self- declaration was made.

#### Article 8

## Applicable sanctions for not respecting deadlines

When self-declaration is not done within the legal terms defined in par 1 and 2 of Article 7 of this law, the following fine shall be imposed:

- I. For the "informal dwelling areas" and "other territories":
  - a) within the third month, the self-declaration shall be accompanied with a fine of 10 ALL/  $m^2$  of occupied land;

- b) within the fourth month, the self-declaration shall be accompanied with a fine of 20 ALL/ m<sup>2</sup> of occupied land;
- c) by the end of the self-declaration deadline, the right of the subject for legalization shall expire.
- II. For the "formal dwelling areas" the same fees and timelines shall be applied, but they shall refer to:
  - a) the surface of the parcel, for the construction of "villas";
  - b) the surfaces (m² of construction) where extensions have been built for family use not for selling purposes;
  - c) the surface where the contraction is done, (m² of construction) multiplied by the coefficient 3, for commercial extensions built by natural or legal persons for selling/leasing purposes.

#### Article 9

## The responsible office for self-declarations

- 1. Self-declaration by those subjects which have built illegal buildings shall be made at the urban planning offices at the local unit in which territory the illegal building has been built. For Tirana Municipality, the self-declaration shall be made at the municipal units in which territory the building is located, as provided for by Article 3 of Law No. 8654, dated 31.07.2000 "On Organization and Functioning of Tirana Municipality."
- In those cases where:
  - a) the illegal construction is under ambiguous administrative circumstances, then it shall be self-declared at the closest local government unit applying as an orientation criterion the local unit which has registered the natural person or the inhabitants of the area in the voters' list for the elections to 17th legislature of the Assembly.
  - b) the illegal construction extends at the boundaries of more than one local unit, the construction will be declared at that local unit where the biggest area of the construction parcel is located.

#### Article 10

## The procedure for initiating the legalization process of illegal buildings

(Amended by Law no 10099, dated 19/03/2009)

The procedures to be followed for the beginning of the legalization process are as follows:

- a) The subjects who have built illegal buildings shall make the self-declaration at the urban planning office in accordance with Article 7 of this law.
- b) Within the same period of time when the self-declaration takes place, the body

defined in Article 7 of this law shall identify the illegal buildings in the field in order to include them in the legalization process. The urban planning unit at the local government shall prepare within the timelines set by this law the report on the actual situation together with the technical and legal argument for the zone.

- c) For the informal zones and informal centers of dwelling as defined in this law, the report on the factual situation together with the technical and legal argumentation shall be submitted at the Regional Council with 30 days from the expiration of the deadline for self-declaration. The examination and approval of the informal zones at the Regional Council shall take place within 30 days from the submission of the respective documentation. The zones are proposed to the CTA for approval at its closest meeting.
- ç. For the informal centers of dwelling and the informal dwelling blocks, inside or adjacent to the restricting lines (the yellow lines) officially approved for the urban (city) or rural (village) inhabited centers, the report on the current situation together with the technical and legal argumentation shall be submitted at the urban planning office of the respective local government unit within 30 days from the expiration of the deadline provided for in article 7. The examination and the approval of the documentation shall take place at the municipal/communal council and the CTA of the respective municipality/commune within 30 days.
- d) For the informal parcels/objects up to 1ha, the illegal blocks of dwelling and illegal buildings, isolated or in other territories, and "the illegal extensions to legal buildings", decision shall be made by the respective urban planning office and the respective ATR of the local government unit. The report on the factual situation, technical argumentation, review and approval shall be made at the urban planning office and the council of local government within 6 months from the expiration of the time period established by Article 7 of this law.

For illegal objects in "other territories", the respective urban planning office requires the approval of the regional council and regional agricultural and food directorates, and regional environmental agencies. The regional council and regional agricultural and food directorates and the regional environmental agencies reply to the urban planning office within 30 days from submission of the request and documentation.

The urban planning office shall immediately hand over the respective documentation to the regional council and the regional agricultural and environmental directorates not later than 30 days from the submission of the documents.

In case the urban planning offices or regional councils do not exercise within the timelines the responsibilities defined in this Article, ALUIZNI shall take over exercise of such responsibilities. The timelines, way and deadlines for assuming such

responsibilities shall be set out upon the decision of the Council of Ministers.

## Article 11 Examination at the CTA

- 1. In those cases where, according to Article 10 of this law, the construction's legalization process is approved by the CTA, the local government unit or the Regional Council shall submit to ALUIZNI the technical-legal documentation for the illegal buildings in their territory within 30 days from the completion of procedures at the local government unit or the Regional Council.
- 1.1. ALUIZNI shall present to the Council of Territory Adjustment of the Republic of Albania (CTARA) within 15 days the examined documentation along with its peer review. The documentation shall afterwards be reviewed and approved in its next meeting.

The technical-legal documentation referred to in par 1 of this Article shall be defined by an instruction of the Minister covering the territorial planning activity.

- 2. CTARA determines upon decision the name and the boundaries of the informal zone/dwelling centre of over 5 ha.
- 3. CTAs and the elected local government bodies determine upon decision the name and boundaries of the informal dwelling block over 1 ha up to 5 ha.

### Article 12

### Coordination of work between local government units and ALUIZNI

- 1. The local government units shall submit to ALUIZNI on regular monthly basis full data on the number of the objects that have been self-declared, examined, the requests for legalization together with the accompanying documentation, the variety and typology of informal buildings and/or zones, the volume of investments, the payments of the tax on the new buildings for the impact on infrastructure, the sanctions in the sense of this process, as well as reports on the difficulties encountered and emerging problems to be addressed, etc.
- 2. The modalities of completing this data, as well as their storage shall be defined by the instructions of the Minister who covers territory issues.

#### Article 13

## Suspension of procedures in polluted areas

(Amended by Law no 9895, dated 09/06/2008)

1. The Council of Ministers has the right to suspend the implementation of the legalization

procedures for illegal buildings in territories with a high level of environmental pollution, as well as to implement or plan strategies for the elimination of the environment pollution in the area within the specific timelines. The Regional Councils shall present concrete proposals for suspending the legalization procedures due to high pollution level within 30 days from the expiration of the deadline established by article 7 of this law.

Within 30 days from the submission of the entire documentation, the Council of Ministers examines the proposal presented and reaches a decision on the such an issue.

- 2. Local government units should identify and register, within two months from entry into force of this law, all inhabitants located in problematic areas known for their level of pollution and should notify in writing ALUIZNI.
- 3. The chairperson of the local government unit in collaboration with the construction and town-planning inspectorate of the municipality/commune/region shall undertake special measures to avoid the construction of new buildings in these areas.

## Article 14 Legal effects of the CTARA decision-making

- 1. The decision of the planning local authority and the CTARA, pursuant Articles 10 and 11 of this law, shall give effect to:
  - a) the change of the land category to building site;
  - b) the change of the utilization purpose to dwelling/economic zone;
- 2. The CTA and CTARA decisions are notified to the section for land protection and administration at the Regional Council, which keeps record of the changes to the fund of agricultural land.

## CHAPTER IV PROPERTY TRANSFER OF THE CONSTRUCTION PARCEL

### Article 15

## **Registration of property in IPRO**

(Amended by Law no 9895, dated 09/06/2008) (Repealed by law no 50/2014)

## Article 15/1

Compensation of owners in excess of the respective plots as private property being affected by the illegal buildings

(Added by Law no 9895, dated 09/06/2008) (Repealed by law no 50/2014)

- 1. In case the construction parcel of the illegal building is already registered with the immovable property registers in the name of private subject not possessing the building, the amount and worth of compensation in excess of the respective plots as private property affected by the building shall be approved upon the decision of the Council of Ministers.
- 2. Where the construction parcel, being scope of compensation, has been transferred to the ownership of the local governance units under the law no 8744, dated 22/02/2001 'On the transfer of the public immovable properties to the local governance units', as amended, ALUIZNI shall, prior to conducting the procedures of transferring the ownership and compensation, seek the approval of the respective local unit.
- 3. For the effect of calculating the amount of compensation, the surface shall be dealt with as a construction site and the price shall be set out based on the property value approved upon the decision of the Council of Ministers. The apportionment of the compensation fund shall be done in compliance with the law no 10 239, dated 25/02/2010 'On the establishment of the special fund of properties compensation', as amended.

### **Article 16**

## Specific regulation for those who possess the parcel according to a legal but unregistered act

(Amended by Law no 9895, dated 09/06/2008)

- 1. If the subject who has the illegal building possesses the contract of transfer of property for the construction parcel, stipulated or certified before a public notary with the legal owner, himself or the person who has transferred the property right, regardless of the number of effected transactions, he submits it to the regional directorates of ALUIZNI.
- 2. For all this category of persons who possess such contracts, the transfer of property for the construction parcel shall be registered based on the contract by paying only the effective tariff for the registration at the Immovable Property Registration Office without the overdue fee and applicable taxes.
- In the meaning of this Article, the term "contract" shall refer to every juridical action for the transfer of immovable property, recognized by the provisions of the Civil Code in the form of a special contract, including the accords stipulated or certified before a public notary with subject the possession of immovable property.
- 3. The owner who has completed the transfer of the construction parcel in compliance with par 2 of this Article shall be exempted from the right to get compensated for the property according to this law or the Law "On Restitution and Compensation of Property".

#### Article 17

## **Property Transfer for Construction Parcel**

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014) (Amended par 1 by Law no 62/2015)

- 1. Property transfer for the construction parcel of the illegal building shall take place in accordance with the provisions of the Civil Code. The construction parcel whereon the ownership title is being transferred shall be determined:
  - a) in the event of illegal buildings with residing use shall, as a rule, be the surface of the parcel, whereon the transfer of the ownership title is requested, shall be up to the level of the three-fold of the construction basis, however it shall not be wider than 500 (five hundred) m2.
  - b) Regarding the illegal buildings with a social-economic use, only the criterion of the three-fold of the surface of the construction basis shall apply.
  - c) Where due to the measurements or location of the construction site free surfaces emerge, which cannot be used for construction separately, they shall be sold to the possessor of the illegal building against the value of the property, being approved upon the Decision of the Council of Ministers. The transfer of the ownership title over these surfaces shall occur only if the possessor of the illegal building expresses his will by way of a request in writing.
  - ç) The list of possessors of the illegal buildings and the surfaces of the construction parcels, wherefore the transfer of ownership shall occur, shall be approved upon the decisions of the Council of Ministers.
  - d) The procedures and the rules to be followed by ALUIZNI regarding the transfer of the ownership title over the construction site shall be determined upon the decisions of the Council of Ministers.
- 2. The sale price of the construction site for the illegal buildings of a social-economic designation is that which is set out based on the property value, being approved upon the Decision of the Council of Ministers.
- 3. The designation of the illegal building shall be determined after the identification in the field by the institution carrying out such procedures.
- 4. The payment of the value of the construction side shall be made in ALL, in its full monetary value and with privatisation bills. The taxes, fees and other financial duties being connected to the transfer of the ownership title shall be paid only in ALL.

The privatisation bills being benefitted by the former politically persecuted persons and other persons in the course of the privatisation of the state-owned property shall be

granted the same treatment as the other bills of privatisation.

5. The value of the construction parcel being sold to the possessor of the illegal building shall be paid immediately at the moment of the written notification of ALUIZNI, while benefiting a reduction of the amount.

Regarding the illegal buildings of a residing use, the Council of Ministers shall, where the possessor is under the conditions of insolvency, depending on the declared cases, determine the alternative ways and procedures for paying the value of the parcel.

6. The favouring price for the sale of the construction parcel regarding the illegal buildings of a residing and mixed use (social-economic and residing), the categories of the possessors benefitting reductions in payment, percentages of the use of privatisation bills, and the detailed rules on the way and calculation of the time periods for the payment and reduction of the payment of the value of the construction site shall be determined upon the decision of the Council of Ministers.

## Article 71/1

## Method of payment for the construction parcel of the illegal building

(Amended by Law no 10 169, dated 22/10/2009) (Amended by Law no 50/2014)

### **Article 18**

(Amended by Law no 50/2014)

#### Article 19

## Selling price within the informal lines

(Amended by Law no 10 169, dated 22/10/2009) (Amended by Law no 10 219, dated 04/02/2010) (Amended by Law no 50/2014)

### **Article 20**

## Selling price within the yellow lines

(Amended by Law no 10 169, dated 22/10/2009) (Amended by Law no 10 219, dated 04/02/2010) (Amended by Law no 50/2014)

## Article 21

Selling price within yellow lines for extensions to the buildings

(Amended by Law no 10 169, dated 22/10/2009)

(Amended by Law no 10 219, dated 04/02/2010) (Amended by Law no 50/2014)

#### Article 22

Payment in 'other territories' (Amended by Law no 50/2014)

#### Article 23

### Tax of impact on infrastructure

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014)

Local tax on the impact on infrastructure is calculated and collected by the local units in compliance with par 2/1 of Article 27 of Law no 9632, dated 30/10/2006, "On local tax system," amended.

#### Article 24

## Implementation of legalization in pilot zones

For those informal zones included in the "Pilot Zones" of the Urban Land Management Project funded by the World Bank, the tax on the impact on infrastructure is equal to the difference of the tax provided for by this law, and the amount of the financial contribution the possessor of the illegal building has given for the adjustment of infrastructure in his zone up to the moment of legalization, in case this difference is positive.

## Article 25

## Cases of subject possessing more than one informal building

(Amended by Law no 50/2014)

- 1. In the case where a subject possesses more than one informal building, he has the right to choose for which building he will benefit ownership transfer of the construction site and legalization against the price, tax of impact on infrastructure and fee of legalisation.
- 2. For the other buildings there shall be applied the price according to the property value map, approved upon he decision of the Council of Ministers, the tax of impact to infrastructure referring to the effective rate and the service fee, regardless of the categorization of the buildings in question and the size of the respective parcel of the building site.
- 3. The notary declaration on waiving the right over the construction parcel regarding this possessor shall bring no consequence, and the subject shall be treated in accordance with par 1 of this article.

#### Article 26

### Settlement of disputes on rights of the subject

- 1. If disputes emerge during the legalization concerning the property ratios on the object and/or on the inclusion of other people who claim rights on the construction parcel to be legalized according to this law, such disputes shall be dealt with in court.
- 2. The procedures for the legalization of the object shall be suspended during the review of the judicial conflict and shall restart according to the terms of this law after the final decision by the court, provided that the illegal building has been declared within the timeline provided for in Article 7 of this law.

#### Article 27

## The technical and legal documentation for the legalization of residential buildings

(Amended by law no 9786, dated 19/07/2007)
(Amended by Law no 9895, dated 09/06/2008)
(Amended by Law no 10 169, dated 22/10/2009)

(Amended by Law no 50/2014)

(Amended letter d by Law no 62/2015)

The technical-legal documentation for legalising the illegal buildings shall include:

- a) A plan of the object at the scale of 1:500;
- b) A plan of each floor of the building and the areas in square meters that will be legalized at a scale of 1:100.
- c) Family certificate.
- ç) A certificate of the payment of the tax on infrastructure impact in all the cases when the subject according to this law and the legislation in force is not exempted from paying that tax.
- d) A construction parcel property certificate or any other legal act for acquiring ownership, as long as the possessor possesses them. The same documentation is required even for the authorised construction, apartment and service unit, in the event of authorised additional construction done to such buildings.
- dh) A personal declaration stating that the subject is responsible for any consequence that may come from natural causes and/or the use of the residential building. According to this law, the state is not responsible for compensation or indemnification in cases of accidents because of the factors impacting the quality of works in the building.
- e) an expertise act from a licensed expert or entity regarding the reliability of the building regarding the constructions in excess of 4 floors;

- ë) A notarized agreement for the parts owned respectively according to par 2 of Article 30 of this law, in case such an agreement is concluded.
- f) request of the possessor regarding the way of payment for the construction parcel of the illegal building, in compliance with Articles 19, 20 and 21 of this law.

The possessor of the illegal building shall, regarding the documentation referred to above, the service fee. An exemption from this rule shall be only for the buildings of residing designation, wherefore the amount of the service fee shall be covered by the State Budget.

## Article 28

## Issuance of the legalization permit

Upon completion of all the documentation as specified in article 27 of this law, the respective ALUIZNI office provides the subjects with a legalization permit within 30 days from the date the request was submitted. The same procedure, but with the specific changes as defined in this law, shall be applied for the "extensions to the legal buildings". The criteria, procedures and form of the legalization permit are defined by a Decision of the Council of Ministers. The declaration form is attached to this law as Annex A of the law.

#### Article 29

### Documentation for the registration of the building with the IPRO

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014)

The Legalization permit together with the associating documents shall be forwarded by ALUIZNI office for registration under the provisions of Article 499 of the Law no 33/2012 'On the registration of the immovable properties'.

#### Article 30

### **Registration of property**

(Added par 2/1 by Law no 141/2013, dated 02/05/2013) (Amended by Law no 50/2014) (Amended letter d by Law no 62/2015)

1.1. For the registration of the legalised property with the register of the immovable properties. IPRO shall apply the provisions of the effective legislation regarding the marital property regimes'.

The last paragraphs shall be amended as follows:

'The rules of functional cooperation between ALUIZNI and IPRO, as well as the procedures or restrictions being implemented for giving effect to the registration of legalised properties shall be determined upon the decision of the Council of Ministers.'

- 2. When an illegal building is possessed by more than one natural or legal person, the registration of the respectively owned parts (parcel of land and object) is done as follows:
  - a) into undivided, ideal parts in accordance with the number of the subjects.
  - b) into respectively equally divided owned parts, according to the agreement signed freely between parties and deposited within the time period of self-declaration, defined in Article 7 of this law. If they agree among themselves, the subjects other than the respectively owned parts may also assign the respective physical parts.
  - 2/1 The provisions of this Article shall also be applied where the possessor or one of the possessors possessing the construction designated as a residence do not pay the financial duties foreseen in the law regarding the value of the construction parcel of the illegal building. The registration shall, in such a case, regarding the property or respective part of the debtor possessor, be made under letter 'a' of Article 54 'Registration of the legal mortgage', of the law no 33/2012 'On the registration of the immovable property'.

The detailed rules, restrictions and procedures being applied for the purposes of registering the legalised properties shall be set out upon the decision of the Council of Ministers.

#### Article 31

## Urbanization of the zones/dwelling areas/dwelling blocks with legalised buildings (Amended by Law no 9895, dated 09/06/2008)

- 1. Urbanisation of the zones/dwelling areas/dwelling blocks with legalised buildings shall take place based on urban planning studies upon the conclusion of the legalization process.
- a) The local governance unit shall, in cooperation with ALUIZNI, propose to the local authority or CTR for approval the boundary of the zones/dwelling areas/dwelling blocks with legalised buildings;
- b) The drafting of urban planning studies is carried out or commissioned by the local government units in accordance with the legal provisions in force. In any case the urban planning studies should respect the plans approved by the local planning authority of the municipalities/communes for the public spaces and avenues, road investments, infrastructure and social-cultural objects.
- c) The local planification authority of the Regional Council approves the urban planning study for the territory of the informal zones/centres of dwelling and the other territories in the

respective region. The municipality/commune operates for all the territories within the yellow lines.

- ç) The approval of the town-planning studies for the zones/dwelling areas with buildings legalised by CTARA shall occur in its upcoming meeting, following their approval by the respective local government unit and submission to the CTARA. Regarding the urban planning studies zones/dwelling areas/dwelling blocks with legalised buildings, ALUIZNI shall prepare the respective feedback.
- d) The minimum town-planning norms and standards shall be drafted for the legalised zones/buildings.

ALUIZNI and the Institute on Urban Studies and Designs are in charge of drafting these norms and standards within 2 months from the approval of this law. Minimum urban planning norms and standards shall be approved by the CTARA.

2. The zone community can also provide contribution for the urbanization of informal zones, during the process of drafting and implementation of urban studies, in accordance with a cofunding and control contract signed for this purpose.

### Article 32

## Allocation of revenues collected from the legalization of illegal buildings

(Amended by law no 9786, dated 19/07/2007) (Amended by Law no 9895, dated 09/06/2008) (Amended par 1 by Law no 10 169, dated 22/10/2009) (Amended by Law no 50/2014)

- 1. Revenues collected out of the transfer of the construction parcel property title shall be divided as follows:
  - a) 70% of the revenues shall go to the compensation of properties under the provisions of the Law no 10 239, dated 25/02/2010 'On the creation of the special fund of properties compensation', as amended;
  - b) 30% to the State Budget for covering the service fee expenses, for the identification in the field and preparing the documentation for legalising the illegal buildings of residing designation.
- 2. Revenues collected from the payment of the service fee for the illegal buildings of social-economic designation, as well as any other penalties, associating the legalisation process, shall be used y ALUIZNI in compliance with the effective legislation.
- 3. The way of collecting these revenues, the value of the service fee and administration shall be determined upon the decision of the Council of Ministers.

## Article 33 Binding provision

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014)

Failure of the possessor to fill out the respective documentation under the provisions of this law incurs the exemption from the process of legalization, urbanization and integration of the informal buildings.

#### Article 34

### Recognition of the parcel of construction for compensation purposes

(Amended by Law no 50/2014)

- 1. Those subjects who become owners of the construction parcels, in compliance with the provisions of this law and who are at the same time subject of Law no. 9235, dated 29.7.2004, "On Restitution and Compensation of Property", as amended, shall benefit from restitution or compensation only at the amount such as to correspond to the difference between the value of the expropriated immovable property and the value of the construction parcel. In case that such difference is negative, they do not benefit from the Law no. 9235, dated 29.7.204, "On Restitution and Compensation of Property". This provision is not applicable if the transfer of property of the construction parcel has been carried in compliance with par 1 of Article 16 of this law.
- 2. The value referred to in par 1 of this article shall be determined according to the approved methodology for the State Committee on Restitution and Compensation of Property and the payment made in accordance with this law for the transfer of property of the construction parcel will be included in the value of the property.
- 3. The Council of Ministers defines the criteria and procedures for the coordination of work for the identification of these subjects among the State Committee on Restitution and Compensation of Property, the local government bodies and the IPRO.

## Article 35 Special Treatment

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014)

1. The illegal buildings constructed on third party private construction sites shall, as long as general local plans or detailed plans provide for constructions above 6 stories from the level zero, not be subject to legalisation procedures.

- 2. Regarding these buildings, there shall be proceeded as follows:
  - a. The status of the construction parcel shall not change until the moment of the development of the property (construction site) under the general local plan and/or detailed local plan being approved and the illegal building shall, until this moment, be used by the possessor.
  - b. The owner of the construction site and/or investor and the possessor of the illegal building shall enter into a notary agreement, which is to determine making available to the possessor the immovable construction property at the moment of completion of the building. The construction surface which is made available shall, under no circumstances, be smaller than the surface determined for the housing of unsheltered families under the effective legal norms for this category. The notary agreement shall be handed over to the responsible authority and ALUIZNI at the moment of submission of the request for the development permit for the property.
  - c. Where the agreement under letter 'b' of this paragraph is not achieve, the owner of the construction site and /or investor shall be obliged to provide accommodation to the family possessing the illegal building, under the timing and procedure provided for in the Law no 9232, dated 13/05/2004 'On the social programs for housing the inhabitants of the urban zones', as amended.

## CHAPTER V LEGALIZATION OF EXTENSIONS TO THE BUILDINGS

#### Article 36

### Legalisation of extension to the buildings

(Amended by Law no 9895, dated 09/06/2008)

This law is also applicable for the legalization of the buildings with construction permit from the LOCAL PLANNING AUTHORITY OR CTARA, whereto side or top extensions have been made beyond the construction permit, as well as for the legalisation of extensions to the buildings constructed before 1993.

Hereunder is included also the legalisation of the buildings approved upon the decision of the LOCAL PLANNING AUTHORITY of the local governance unit or CTA, which contain changes regarding the special limitations.

### Article 36/1

## Special regulation for the side extensions and / or floor extensions as well as filling in the data base

(Amended by Law no 50/2014)

In the event of the buildings with a building permit being constructed prior to 1993, whereto side and/or floor extensions have been made, the inclusion of their possessors into the legalisation process shall occur upon a request, provided that one of the possessors has applied for legalisation in compliance with the timing and procedures provided for in this law.

#### Article 37

## Initiation of the legalization procedure

(Amended by Law no 9895, dated 09/06/2008)

Every subject who has built buildings as specified in Article 35 of this law is obliged to self-declare them with the urban planning office at the respective local planning authority within the timeline defined in Article 7 of this law and submit the specific documentation for legalization. During the self- declaration process, besides the copy of the existing permit (if the building has been built after '93) the subject shall provide also following documents:

- a) Notary declaration wherein the licensed designer of the construction, the constructor and the investor unanimously guarantee the structural safety of the object under legalization, accompanied by the peer review of the specialized institutions as defined in the order of the minister which covers territory planning activities.
- b) In those cases where the subject cannot provide the document referred to in letter "a" of this article, the subject shall then be obliged to present an act of expertise on the structural safety of the object issued by a licensed expert or agency.
- c) The agreement with the owner of the building site on the extension, in case it is built on private territory.

When there is no special agreement on the unauthorized extension between subject and the owner of the building site, the required documentation shall include as a component the agreement on the construction of the main investment. The rights and obligations of the parties for the main investments shall be equal with the rights and obligations of the parties on the unauthorized extension.

Regarding the buildings set out in Article 36 of this Law, the town planning office of the local governance unit shall forward to ALUIZNI the technical-legal argumentation of qualification, documentation referred to above, as well as any other documentation

it is in possession of regarding the buildings, in compliance with the time period set out in Article 10, letter 'a' of this Law.

#### Article 38

Within two months from the entry into force of this law, the Institute of Cultural Monuments submits to ALUIZNI the inventory of the cultural zones or monuments, along with the respective boundaries within which the legalization process of unauthorized extensions or buildings is excluded, due to the special protection they enjoy by law. The Institute of Cultural Monuments shall prepare separate materials for each region and shall distribute them through ALUIZNI to the region's local government bodies, to the municipalities and Tirana municipal units. The material prepared by the Institute of Cultural Monuments shall be made public for three times consecutively in special editions of the Bulletin of Public Announcements.

## Article 38/1

## Legalisation of illegal buildings constructed within the approved tourism line

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014)

The illegal buildings having been built within the tourism boundary line shall be subject to the procedures contained in this law under the criteria set out in the planning instruments and approved in compliance with the effective legislation for the territory planning.

## Article 39

### **Exemptions from legalization**

(Amended by Law no 50/2014)

The illegal buildings, side and/or floor extensions to the authorised buildings which, based on the legal and bylaw acts in effect, affect the main works of public infrastructure, national motorways, territory of public institutions and integrity of cultural monuments shall not be legalised.

The criteria procedures and documentation applicable for the qualification of the illegal buildings, side and/or floor extensions to the authorised buildings shall be set out upon the decision of the Council of Ministers.

## Article 40 Suspension of the legalization procedures

In those cases where, as result of the judicial review of a dispute between the subject and the owner of the private/adjacent building site, the court has decided on imposing a security measure, the legalization procedures for the extension to the object shall be suspended and be resumed in compliance with this law when the security measure losses its effect, provided that the illegal extension has been declared within the timeline defined in par 1.1 of Article 7 of this law.

#### Article 41

## Criteria for the legalization of the extensions

(Amended by law no 9786, dated 19/07/2007) (Amended by Law no 9895, dated 09/06/2008) (Repealed by Law no 50/2014)

## Article 42 Applicable procedures and criteria

- 1. When the extensions have been completely or partially built on public territories, the subject submits the request for the legalization of the extension and public building site on which the extension has been built, according to this law. The same mechanisms as provided by this law shall be applied by the urban planning office for the transfer of ownership of the construction parcel where the extension has been built.
- 2. In the meaning of this law, the illegal buildings or extensions in the territories of schools and other public institutions shall not be legalized.
- 3. No other informal building, as defined in section 2 of this article, shall be legalized within these territories.

### **Article 43**

## Penalties for the legalization of extensions of the building subject

(Amended by Law no 9895, dated 09/06/2008) (Amended by Law no 50/2014)

- 1. The subjects, either construction companies and/or investors who have built lateral extensions or extensions of higher floors, changing the physical premises, for the purpose of property transfer or leasing, shall pay to the account of ALUIZNI, the following fines:
- a) Per each (m<sup>2</sup> of living area) a fine of 2% of the minimum fiscal price;
- b) Per each (m<sup>2</sup> surface area for social-economic) a fine of 5% of the minimum fiscal price,

- c) Per each (m² surface area of changed destination of use) 10% of the minimum fiscal price.
- d) The minimum fiscal price and the market value shall, in the sense of par 1 of this Article, be determined upon the decision of the Council of Ministers.

### Article 43/1

(Added by Law no 50/2014)

- 1. Regarding the constructing entities being under the circumstances of Article 99 of the Law no 9901, dated 14/04/2008 'On commercial companies', as amended, or those not filling out the documentation set out in such a law, the procedures for granting the legalisation permit shall continue with the possessors of the illegal construction, lateral and/or floor extension. The Council of Ministers shall, as appropriate, determine the special procedures of legalisation to the benefit of the entities set out in this paragraph, as well as the rules for completing the procedures by the entities and/or construction companies not filling out the respective documentation.
- 2. Regarding the entities, construction companies and/or investors, the obligation for the payment of fines shall, under Article 43 of this law, not lapse. This obligation shall be levied by the tax authorities in accordance with the effective legal framework.

## CHAPTER VI FINAL PROVISIONS

## Article 44 Appealing

The interested entities shall, against the decision of the ALUIZNI Department regarding the qualification for the legalisation, exemption from legalisation and granting the legalisation permit, being issued in compliance with this law, file a complaint in compliance with the provisions of the Administrative Procedures Code and the effective legislation.

## Article 45 Transitory provisions

(Amended by Law no 9895, dated 09/06/2008)

1. Declarations made on basis of Law no 9304, dated 23.10.2004 "On the legalization and urban planning of informal zones" shall be presumed valid. When the declared informal buildings have evolved in surface and volume because of the new informal activities within

the timeline defined in this law the subject is obliged to re-declare them from the very beginning. Failure to declare new extensions shall result in the denial of right to legalization and demolition of the object in accordance with the Law no. 8408, dated 25.9.1998, "On construction Police".

- 2. For "informal zones" approved by a decision of THE LOCAL PLANNING AUTHORITY based on law No. 9304 dated 23.10.2004 "On the legalization and urban planning of informal zones", the responsible structures according to this law shall act as specified in this law.
- 3. Within 1 month from the approval of the informal zones/centre of dwelling, the Council of Ministers defines the way of administration of their territory and the priority in the treatment of these zones.
- 4. For the continuation of the process of self-declaration and definition of the "informal zones" there shall be applied the procedures defined in the Instructions no 1, dated 06.01.2005, "On the procedures of gathering and processing data on the construction of houses in "informal zones" and no. 3, dated 13.05.2005 "On the procedures of the approval of "informal zones" of the Council of Ministers.
- 5. The issue of permits for building sites or construction to the private subjects in the territories determined as territories with illegal buildings shall be prohibited until the approval of the general regulatory urban plan.

## Article 45/1 Transitory provisions

(Added by Law no 141/2013, dated 02/05/2013) (Amended by Law no 50/2014) (Amended by Law no 62/2015)

- 1. Regarding the illegal buildings being constructed under the provisions of par 1 and 2 of Article 2 of this law, ALUIZNI shall make the concrete identification of the construction situation in the field. The vector map and orthophotos obtained out of the satellite image and available to the responsible state authority shall be applied for this procedure.
- Detailed rules under par 1 of this Article as well as the determination of the time period within which the illegal buildings have been built shall be put in place upon the decision of the Council of Ministers.
- 2. The self-declarations for legalisation being filed with the local governance units under Article 7 of this law, including those having irregularities in the elements of the form, as well as the requests for legalisation being deposited under the Law no 141/2013 'On some amendments and addenda to the Law no 9482, dated 03/04/2006, 'On the legalisation, town planning and integration of illegal buildings, as amended, shall be considered to be as such.

3. The illegal buildings, including those in the field of implementation of this law, shall not be subject to the procedures, time periods and conditions connected to the self-declarations before the local governance units.

#### Article 46

## Issuance of sub legal acts

- 1. The Council of Ministers is in charge of issuing the sub legal acts in compliance with the Articles 2, 4, 15, 17, par 2, 18, 28, 34 and 45 of this law.
- 2. The Minister covering the area of territory planning shall be in charge of issuing the sub legal acts in compliance with Articles 11 and 12 of this law.

## Article 47 Abrogation

Law no 9304, dated 23.10.2004, "On the legalization and urban planning of informal zones" and Law no 9209, dated 23.03.2004, "On legalization of extensions to the buildings" shall be abrogated.

#### **Article 8**

### **Temporary provision**

(Provided for in the Law no 10 169, dated 22/10/2009)

- 1. The persons having made the payments for the construction sites of the illegal building prior to the entry of this law into effect benefit the facilities provided for in this law.
- 2. In order to benefit making the payment in privatisation bills for the remaining part of the obligation or the repayment of the amounts pad in ALL, in exchange of handing over the privatisation bills, the persons should file a written request, with ALUIZNI within 3 months of the entry of this law into effect.
- 3. The reimbursement procedures and time periods shall be regulated upon the decision of the Council of Ministers.

### **Article 4**

### **Temporary provision**

(Provided for in the Law no 10 219, dated 04/02/2010)

- 1. The persons having made the payments for the construction sites of the illegal building prior to the entry of this law into effect benefit the facilities provided for in this law.
- 2. In order to benefit making the payment in privatisation bills for the remaining part of the obligation or the repayment of the amounts pad in ALL, in exchange of handing over the

privatisation bills, the persons should file a written request, with ALUIZNI within 3 months of the entry of this law into effect.

3. The reimbursement procedures and time periods shall be regulated upon the decision of the Council of Ministers.

## Article 48 Entry into force

This law enters into force 15 days after its publication in the Official Journal.

Promulgated upon the Decree no 4831, dated 25/04/2006, of the President of the Republic of Albania, Alfred Moisiu.