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L A W

No.7980, dated 27.7.1995

ON THE SALE OF SITES

(Amended with Law no. 8260/1997)

Pursuant to article 16 of Law no.7491, dated 29.4.1991" On the main constitutional provisions", with the proposition of the Council of Ministers,

THE PEOPLE'S ASSEMBLY OF THE REPUBLIC OF ALBANIA

D E C I D E D:

Article 1

Site is called the entire land that is located within the boundaries of the cities (municipalities), even though if it is used for construction, garden, arable land, etc. as well as the land outside the boundaries, which at the moment of the treatment is used or will be used for construction, providing that the documentation, which verifies its alienation, as it is not agricultural land, meadow or pasture, etc. anymore, is completed.

A site is considered busy, when legal investments (foundations, excavations, installations, sanitation, buildings, etc.) are made in it, exceeding as a value the price of that land. The busy site lays on a surface as much as it is necessary for the normal functioning of the object that is constructed, and on surfaces, which, according to the urban planning rules, cannot be used by another person (for example the surfaces in front of the windows of the existing buildings, between the buildings, etc.).

Article 2

The Albanian natural and legal persons are entitled to freely buy and sell sites among themselves without any limitations.

Article 3

Until the physical compensation of the former owners is completed, the transfer of the free sites from a state property to a private property is permitted only in the following cases:

- a- For the construction of the buildings for the vacation of the former owners' residences as well as for the homeless people, constructed by the Housing Authority or other persons.
- b- With the decision of the Council of Ministers for sales, for investments which are very important for the country.

Article 4

The transition of the busy state property sites to a private property is mandatory, when:

- a. The site is of the objects which are private or that will be privatized. The transition shall be made in the favour of the owners of these objects.
- b. The site shall be used for expansion or reconstructions by private persons who benefit this right from the urban planning prospective, as it is described in the second paragraph of article 1. The transfer shall be made in favour of the owners of the objects that are expanded or restructured.
- c. The site has investments, which have remained unfinished. The transfer shall be made in favour of the owner of the finished object.
- ç. In any other case according to the decisions of the Council of Ministers.
All the former owners may use their right for physical compensation to liquidate the sites in the above cases.

Article 5

(Added with Law No. 8260/1997)

The foreign natural or legal persons who make or have made investments in the territory of the Republic of Albania, in compliance with Law No. 7764, dated 2.11.1993 "On foreign investments", are entitled to buy a site for investments, state or private property, or the site of the investments that have been made or that are being made.

The foreign natural or legal persons are entitled to buy a site after they have managed to make the investments in compliance with the construction permit, up to a value not smaller than three times the value of the site, according to the stipulation of the Council of Ministers. From the moment of receiving the construction permit until the moment of the transfer of the site in ownership, the foreign natural or legal person pays the rent for using the site. This rent is determined in the contract which stipulates preliminarily the eventual purchase price of the site as well as the time limit until when this price is valid.

The foreign physical or legal persons, who have bought or constructed objects worth three times over the price of their site, are also entitled to buy the site of these objects.

The states or the international organizations, under the same conditions as the Albanian natural or legal persons, are entitled to buy a site which is a private or state property to construct the headquarters of their missions, to buy the site where they have constructed or continue to construct them. Benefiting from this right is done based on reciprocity, where the state, which recognizes the right to the Albanian state, benefits.

Article 6

The sale or renting the private sites through the Albanian natural or legal persons shall be carried out through a contract according to the provisions of the Civil Code.

Article 7

The sites with museum, archaeological, historical values, the national parks the reservations of the flora and fauna, the sites with special environmental values and the ones of a military character are excluded from the sale for the foreign natural and legal persons.

Article 8

The sale price of the state sites is determined by the Council of Ministers.

The sale price of the private sites is determined with an agreement between the parties.

Article 9

The rent of the state site which is given for use to the foreign natural or legal persons, according to article 5 of this law, shall be determined by the Council of Ministers.

Article 10

In Law no.7512, dated 10.8.1991 "On the sanctioning and the protection of the private property, of the free initiative of the independent private activities and privatisation", in the second paragraph of article 21, amended with law no. 7653, dated 23.12.1992, the second sentence "In special cases, for different investments, the site may be sold to the foreign nationals upon the approval of the People's Assembly", the first paragraph of article 36 of law

no. 7693, dated 6.4.1993 "On urban planning", as well as any other provision which is in contradiction to this law, are repealed.

Article 11

The Council of Ministers is responsible for the issuance of the respective sublegal acts for the implementation of this law.

Article 12

This law enters into force on 28th July 1995.

Announced with the Decree No.1178, dated 8.8.1995 of the President of the Republic of Albania, Sali Berisha.