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DECISION

No 413, dated 25/06/2014

ON THE DETERMINATION OF THE CRITERIA AND PROCEDURES FOR THE SALE OF SITES AT LEASEHOLD, BEING INDISPENSABLE SURFACE, AND ADDITIONAL FUNCTIONAL SITES OF COMMERCIAL ENTERPRISES, BEING SEPARATE AND PRIVATIZED, SOLD PREMISES OR BUILDINGS OF FORMER AGRICULTURAL COOPERATIVES, AS WELL AS BUILDINGS HAVING BEEN BUILT BASED ON THE BUILDING PERMIT

(Amended by Decision 603, dated 31/08/2016)

(Amended by Decision 38, dated 24/01/2018)

In reliance on Article 100 of the Constitution, the Law no 9967, dated 24/07/2008, "On the approved of the normative act, having the effect of the law, no 4, dated 9.7.2008, "On the Privatization and Handover of Commercial Companies and State Institutions, Enterprises or Special Entities in Use, Labour Factors and Turnover Items of these Enterprises", of Law no 10270, dated 22.4.2010, "On the right to privatization of the state-owned land being in use and the tax on the right to use it", as well as Articles 3 and 4 of Law no 7980, dated 27.9.1995, "On the sale of urban land", upon the proposal of the Minister of Finance, the Council of Ministers

DECIDED:

I. PROCEDURES FOR THE SALE OF SITES AT LEASEHOLD, BEING INDISPENSABLE SURFACE, OF STATE-OWNED ENTERPRISES AND BUILDINGS, BEING SEPARATE AND PRIVATIZED, SOLD PREMISES OR BUILDINGS OF FORMER AGRICULTURAL COOPERATIVES, AS WELL AS BUILDINGS HAVING BEEN BUILT BASED ON THE BUILDING PERMIT

1. "Urban land, indispensable area" means urban land surfaces defined in the own-planning and documentation at the time of privatization of the enterprises or facilities, including the surface under

Ministry of Justice,
Boulevard "Zogu I"
Tirana, Albania
Tel: +355 4 22 40 333
E-mail: info@euralius.eu
Web: www.euralius.eu



the facility and the functional surface, if any, as well as the surface of the plot according to the plan and the documentation of the award of the building permit, in which the surface of the building or the construction site is defined.

2. *(Amended by Decision 38, dated 24/01/2018)* The sale of unsold urban land, as indispensable surface, of state-owned enterprises and facilities privatized by the former National Privatization Agency, its branches in the districts, by the former Central Agency of Restructuring and Privatization of Agricultural Enterprises, with its branches in the districts, as well as the urban lands of buildings or buildings sold, owned by former agricultural cooperatives, shall be made in accordance with this decision by the Directorate of Public Property Management in the Ministry of Finance and Economy, according to the plan and documentation at the moment of their privatization. This directorate also carries out the sale of land and other state facilities privatized before the creation of these agencies, as well as the land of buildings constructed on the basis of building permits issued by the local government bodies after 10.8. 1991 and onwards, according to the territorial plans and documentation at the time of issuance of the building permit, in which the building or building site is defined.
3. *(Amended by Decision 38, dated 24/01/2018)* The natural or legal person who will purchase the construction land of the enterprise or the facilities, as defined in point 2 of chapter I of this decision, must submit to the Ministry Finance and Economy, for the Directorate of Public Property Management, the following documents:
 - a) The written request for the purchase of the land;
 - b) The property card or certificate of the notarized ownership, if any, together with the indicative map of the building or buildings they own, issued by the local office of registration of immovable property;
 - c) Notarized copy of the privatization contract of the facility, of the enterprise, together with the privatization notice or the notarized copy of the construction permit, together with the approved construction permit according to the building permit, for cases of buildings constructed on the basis of building permits issued by the local government bodies after 10 August 1991 and onwards;
 - ç) The payment receipt for the payment of the land use tax, from 7.6.2010 until the moment of submission of the request for the purchase of the land.
4. *(Modified by Decision 38, dated 24/01/2018)* The Directorate of Public Property Management, at the Ministry of Finance, requests from the Property Restitution and Compensation Agency a confirmation of the status of the land, the respective selling price as defined in the map value, within the following deadlines:
 - a) within 10 (ten) days from the date of submission of the request specified in letter "a" of point 3 of this decision, when privatizations have been carried out by the former National Privatization Agency and its branches in districts, if the file of privatization is found appropriate, as well as if the documentation submitted by the applicant is in accordance with point 3 of chapter I of this decision.

- b) within 10 (ten) days of the date of reception, respectively of the privatization documentation, by the Regional Agricultural Directorates, for the privatizations carried out by the former Central Agricultural Restructuring Agency, of the documentation of granting the construction permit from the local government bodies and the documentation of the facilities or buildings of the former agricultural cooperatives.
 - c) *(Added by Decision 603, dated 31/08/2016)* The Local Office of Immovable Property Registration shall, within 10 (ten) days from the date of receipt of the request from the Directorate of Public Property Management at the Ministry of Finance, send a confirmed copy of the documentation of the sale of the object according to the liquidation procedures for which the privatization of the land is required.
5. *(Amended by Decision 38, dated 24/01/2018)* The Property Restitution and Compensation Agency shall reply to the Directorate of Public Property Management within the Ministry of Finance within 10 (ten) days from the date of receipt of the request.
- 5.1. *(Added by Decision 38, dated 24/01/2018)* The Directorate of Public Property Management at the Ministry of Finance and Economy receives the necessary information on the legal status of the property that is required to be privatized through the digital (electronic) system of the local immovable property registration office. Whenever it deems it reasonable, the Directorate of Public Property Management at the Ministry of Finance and Economy asks, in writing, the local office of immovable property registration for information or documentation relating to the object or objects that the claimant has owned, as well as the status of land that is required to be privatized.
6. The Directorate of Public Property Management in the Ministry of Finance performs the sale of the land and the conclusion of the contract only when the land is owned by the state, regardless of whether the land in question has a decision on recognition by the property restitution and compensation commissions for the former owners or the Property Restitution and Compensation Agency.
7. The local government organs or any other state body in the territory of which the facility is located shall, within 10 (ten) days from the date of receipt of the request by the Directorate of Public Property Management at the Ministry of Finance, forward to this directorate the certificate that the claimant has paid the rent of the land from the date of the conclusion of the contract of sale of the building until 7.6.2010, as well as the co-ownership co-ordinator for objects with two or more floors. The regional tax directorates shall, within 10 (ten) days from the date of receipt of the request from the Directorate of Public Property Management, in the Ministry of Finance, confirm the payment for the land use tax from 7.6.2010 until the moment of submission of the demand for land acquisition.
8. The value of the lease of land received by the local government bodies or other state bodies with which the entities have entered into a lease contract, is divided as follows:
- 70% for the state budget;
 - 30% for the local government body or the state body concerned.
9. The Directorate of Public Property Management at the Ministry of Finance shall, after obtaining the necessary documentation from the local government bodies, the Property Restitution and
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Compensation Agency, the local immovable property registration office, the regional agricultural directorates and the local state archives, notify the applicant to appear before this institution, where he will receive information on the value of the land he wants to get privatized, as well as to obtain authorization for the payment of the urban land value. Payment is only made in ALL, within 30 (thirty) days from the date of issue of the authorization.

Revenues collected from the privatization process or sales of state-owned land shall be transferred 75 percent to the state budget and 25 percent to the budget of the local government unit.

10. When the building is with two or more floors and there are several owners, then the sale of the land shall be in be co-ownership, according to the respective parts.
11. In the cases when the Privatization Directory of the Public Administration Department, in the Ministry of Finance misses out the privatization file of the object, the plan, the delivery act or other documents of the privatization moment, for objective reasons, a copy of the confirmed assessment file (privatization or documentation missing from the file) of the object or enterprise will be asked from from the branches of public companies, local immovable property registration offices in whose jurisdiction the facility is located, the General Directory of Archives or the Local State Archive, the notarial archives, or any other institution where the relevant documentation for these objects is stored. Likewise, the documentation for granting the building permit, the plan being approved after the grant of the building permit, will also be dealt with regarding the buildings constructed on the basis of building permits issued by the local government bodies after 10 August 1991 as well as buildings or facilities, formerly owned by former agricultural cooperatives.
(Added by Decision 603, dated 31/08/2016) If even the above-mentioned bodies do not find the evaluation file (privatization or documentation missing the file) of the facility, then the Directorate of Public Property Management at the Ministry of Finance shall accept the privatization file submitted by the buyer of the object or enterprise (sale contract, delivery act, authorization for transfer of ownership, genplan or blueprint and respective payment receipt), known by a final court decision.
12. For cases where only the genplan for the building is missing, according to the definition in point 2 of chapter I of this decision, then on the basis of the privatization file or the construction permit, the entity that owns the object is required to complete the plan with the genplan by a licensed expert, of the plot area according to the respective privatization or construction file.
13. This decision does not apply to the site evaluation procedures of buildings or enterprises, the documentation of which is located in the Directorate of Public Property Management at the Ministry of Finance.

II. PROCEDURES FOR THE SALE OF ADDITIONAL FUNCTIONAL PLOTS OF ENTERPRISES, COMPANIES OR PRIVATIZED STATE-OWNED OBJECTS AND CONSTRUCTION BUILT ON THE BASIS OF CONSTRUCTION PERMITS ISSUED BY LOCAL GOVERNMENT AUTHORITIES AFTER THE DATE 10.8.1991 AND ONWARDS

1. *(Modified by Decision 38, dated 24/01/2018)* "Functional additional surface area" means the area required by the owners of enterprises, privatized facilities and buildings constructed on the basis of
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building permits issued by local government after August 10, 1991 and on, for extension, service or restructuring of the activity.

2. *(Amended by Decision 38, dated 24/01/2018)* The Directorate of Public Property Management at the Ministry of Finance and Economy carries out the procedure for the sale of additional functional areas of buildings, as defined in point 2 of Chapter I of this the decision, including the premises privatized by this directorate.
3. *(Amended by Decision 38, dated 24/01/2018)* The request for the execution of this procedure is submitted by the applicants to the Directorate of Public Property Management at the Ministry of Finance and Economy together with the genplan for purchase, prepared by licensed experts, as well as the documentation as defined in point 3, of chapter I of this decision, (excluding the mandate for payment of the land tax).
4. *(Amended by Decision 38, dated 24/01/2018)* The Directorate of Public Property Management, at the Ministry of Finance, if it finds that the submitted documentation is in compliance with point 3 of chapter II of this decision, shall, within 10 (ten) from the date of the receipt of the request, ask the Property Restitution and Compensation Agency for the confirmation of the respective selling price determined in the value map and the status of the land in the respective area.

The Agency for Restitution and Compensation of Property shall, within 10 (ten) days from the date of receipt of the request from the Directorate of Public Property Management, in the Ministry of Finance, perform a detailed verification of this documentation to prove that the land required to be sold is not restituted by a decision of the Property Restitution and Compensation Commission and is owned by the state, as well as confirms the estimated price of the land area to be sold, according to the map of value.

5. The documentation and surfaces of the additional functional site for enterprises, privatized stated owned facilities and buildings built on the basis of building permits issued by the local government bodies after 10 August 1991 and onwards are verified and confirmed by a commission, which is composed of representatives from the Directorate of Public Property Management, the Ministry of Finance, the prefecture of the respective district (the office of the urban planning office) and the local office for the registration of immovable property. The area of the additional plot that is obtained by the requesting entities should be in accordance with the measure set out in the table attached to this decision. In this commission, the representatives of the local office for immovable properties registration and the representative of the prefect of the region must confirm and guarantee that the additional functional building that is required to be privatized is state property and not transferred to the inventory of the units of local government, according to law no 8744, dated 22.2.2001, "On the Transfer of State-owned Immovable Properties to Local Government Units", as amended.
(Added to Decision 603, dated 31/08/2016) The Directorate of Public Property Management at the Ministry of Finance may ask the relevant municipality if the urban land, which is required to be privatized, is used for public interest or is its property, transferred under Law no 8744, dated 22.2.2001, "On the Transfer of State-owned Immovable Properties to Local Government Units", as amended. In cases where there is information on the urban land that will be sold, since it is part of

the inventory list for local self-government units but not already transferred, the Public Administration Directorate will notify the Ministry of Interior (AITPP).

- 5.1 *(Added to Decision 38, dated 24/01/2018)* The Directorate of Public Property Management at the Ministry of Finance and Economy receives the required information on the status of the land that is required to be privatized through the digital (electronic) system of local immovable property registration office. Whenever it deems it reasonable, the Directorate of Public Property Management at the Ministry of Finance and Economy asks, in writing, the local office of immovable property registration for information or documentation relating to the object or objects that the claimant has owned, as well as the status of land that is required to be privatized.
6. The commission established pursuant to point 5 of chapter II of this decision shall, after verifying the documentation and the surface of the additional functional site being required, keep a record of each case and sign the genplan of land belonging to the surface of the additional plot.
7. The sale of the additional functional plot is carried out only in ALL and the proceeds obtained out of this sale exceed 100% in the state budget.
8. The transfer of ownership over the surface of the additional functional site is done through the sales contract, which is signed by the director of the Directorate of Public Property Management, the Ministry of Finance, and the buyer after completing the full payment of the land value determined in authorization for transfer of ownership.

III. FINAL PROVISIONS

1. Decision no 738, dated 8 September 2010, of the Council of Ministers, "On the determination of criteria and procedures for the sale of land being in use, the necessary and additional functional area of enterprises, companies or state-owned facilities, being separate and privatised, and the buildings constructed on the basis of building permits" shall be abrogated.
2. The Ministry of Finance, the Ministry of Internal Affairs and the Ministry of Justice are tasked with implementing this decision.
- II. *(Added to Decision 603, dated 31/08/2016)* The Ministry of Finance, the Directorate of Public Property Management, the Ministry of Internal Affairs and the Ministry of Justice are responsible for implementing this decision.
3. *(Additionally to Decision 38, dated 24/01/2018)* Where ever the names "Ministry of Finance" and "Agency for Restitution and Compensation of Property" appearing in this decision shall be replaced with "Ministry of Finance and Economy" and "Agency for Property Treatment".
- II. *(Added to Decision 38, dated 24/01/2018)* The Ministry of Finance and Economy, the Ministry of Interior and the Ministry of Justice are responsible for implementing this decision.

This Decision shall enter into effect following its publication in the Official Journal.

PREMIER
Edi Rama



THE ADDITIONAL SURFACE QUANTITY THAT MAY BENEFIT THE ENTITIES FOR SEPARATE PRIVATISED BUILDINGS AND FOR BUILDINGS BUILT ON THE BASIS OF CONSTRUCTION PERMITS

Surface of privatised buildings (under the building + functional)	Extension of surface
Surfaces 1 m ² up to 50 m ²	Up to 150 m ²
Surfaces from 51 m ² up to 100 m ²	Up to 200 m ²
Surfaces from 101 m ² -500 m ²	Up to 400 m ²
Surfaces from 501 m ² -1000 m ²	Up to 600 m ²
Surfaces from 1001 m ² -5000 m ²	Up to 2500 m ²
Surfaces in excess of 5000 m ²	Up to 5000 m ²