The International Comparative Legal Guide to:
Real Estate 2011
A practical cross-border insight into real estate law
Chapter 2

Albania

Boga & Associates

1 Real Estate Law

1.1 Please briefly describe the main laws that govern real estate in Albania. Laws relating to leases of business premises should be listed in response to question 10.1. Those relating to zoning and environmental should be listed in response to question 11.1.

Real estate in Albania is mainly governed by the following laws:

1. Law no. 7850, dated 29.07.1994 “Civil Code of Republic of Albania” (as amended), that regulates the ownership and other real rights over the real estate.

2. Law no. 7843, dated 13.07.1994 “On the registration of immovable properties” (as amended) that provides the rules for the creation and operation of the Real Estate Registration Office, which is the keeper of the Real Estate Register where the ownership titles and other real rights over real estate are registered.

3. Law no. 9235, dated 29.07.2004 “On the restitution and compensation of property” (as amended) that regulates issues related to ownership rights affected by the state reforms on the expropriation, nationalisation or seizure of private property carried out after 1944 and provides the terms and procedures for the restitution or compensation of the property to former owners.

4. Law no. 7980, dated 27.07.1995 “On the acquisition land plots” (amended), that regulates the terms for the transfer of the ownership title over the urban land.

5. Law no. 8337, dated 30.04.1998 “On the transfer of the ownership title of agricultural land, forest, pasture and meadows”, that regulates the transfer of the ownership title over the agricultural land, forests, pastures and meadows, to Albanian individuals or legal entities.

6. Law no. 8743, dated 22.02.2001 “On the immovable property of the State” (as amended) that regulates the regime and administration of the state-owned immovable properties.

7. Law no. 8744, dated 22.02.2001 “On the transfer of public-owned properties to the local government units” (as amended) that regulates the transfer of ownership of state-owned immovable properties from the central government to the local government units.

8. Law no. 7501, dated 19.07.1991 “On the land” (as amended) that regulates the distribution of state-owned land to employees of state-owned farms and members of agricultural state-owned cooperatives.

9. Law no. 8312, dated 26.03.1998 “On undistributed agricultural land” that regulates the regime of the undistributed agricultural land, or land refused by the employees of state-owned farms and members of agricultural state-owned cooperatives.

10. Law no. 8318, dated 01.04.1998 “On leasing the state-owned agriculture land, woodland, meadowland and pasturages”, as amended that regulates the leasing of the state-owned property to individuals or legal entities.

11. Law no. 10263, dated 08.04.2010 “On use and exploitation of uncultivated agricultural land” providing for the rules and modalities for the exploitation of uncultivated agricultural land.

12. Law no. 8053, dated 21.12.1995 “On the transferring of ownership over agricultural lands without compensation” (as amended) that regulates the transfer of the agricultural land to the agricultural families, or individuals that are using the land.

1.2 What is the impact (if any) on real estate of local common law in Albania?

The Albanian legal system is based in Civil Law, common law has no impact.

1.3 Are international laws relevant to real estate in Albania?

Please ignore EU legislation enacted locally in EU countries.

International laws are not relevant to real estate in Albania.

2 Ownership

2.1 Are there legal restrictions on ownership of real estate by particular classes of persons (e.g. non-resident persons)?

According to Law no. 8337, dated 30.04.1998 “On the transfer of the ownership title of agricultural land, forest, pasture and meadows” (article 4), foreign individuals or entities are not entitled to purchase and own agricultural land, forest, pasture and meadows. The foreign individuals or entities may lease such land for a period up to 99 years.

In addition, Law no. 7980, dated 27.07.1995 “On the acquisition land plots”, provides that foreign individuals or entities may purchase and own constructible land, provided that the value of the investment constructed over the plot of land exceeds at least three times the value of such plot of land. The value of the land is defined upon a decision of the Council of Ministers. Until realisation of such investment, the foreign individual or entity may use the land under a lease contract.

Foreign entities or individuals may purchase the above-mentioned types of land, by establishing a company in Albania which, being an
Albania

3 Real Estate Rights

3.1 What are the types of rights over land recognised in Albania? Are any of them purely contractual between the parties?

The rights over the land recognised in Albania are ownership/co-ownership, easements, emphyteusis, usufruct, lease/sublease and mortgages.

Easements, usufruct, emphyteusis and lease/sublease may be created based on the contracts entered into between the parties. However with the exclusion of the lease/sublease contracts entered into for a period shorter than nine years, all other contracts creating the above rights are subject to registration with the Real Estate Registration Office.

4 System of Registration

4.1 Is all land in Albania required to be registered? What land (or rights) are unregistered?

The land in Albania should be registered with the local real estate registration offices. The lease contracts entered for a period less than nine years are not subject to registration with the Real Estate Registration Offices.

4.2 Is there a state guarantee of title? What does it guarantee?

No state guarantee of title is available in Albania.

4.3 What rights in land are compulsory registrable? What (if any) is the consequence of non-registration?

Under the Albanian legislation the following rights in land are compulsory registrable: ownership right; easements, emphyteusis; usufructs; mortgages; and also leases/subleases granted for a period longer than nine years. The acts creating the above-mentioned rights should be registered with the competent local real estate registration office within 30 calendar days from their execution. Failure of the party responsible for the registration to comply with this mandatory requirement is subject to a daily fine equal to 10% of the registration fee. The registration fees are approved upon the decision of the Council of Ministers.

4.4 What rights in land are not required to be registered?

Registration of the leases/subleases granted for periods of less than nine years is not mandatory.

4.5 Where there are both unregistered and registered land or rights is there a probationary period following first registration or are there perhaps different classes or qualities of title on first registration? Please give details.

First registration means the occasion upon which unregistered land or rights are first registered in the registries.

In Albania there is no probationary period following first registration or different classes or qualities of title on first registration.

4.6 On a land sale, when is title (or ownership) transferred to the buyer?

Under article 83 of the Albanian Civil Code it is provided that the act/contract for transferring the ownership title and other real rights over an immovable property should be prepared and certified by the notary public and registered otherwise shall be considered as null and void. Thus the Civil Code relates the moment of the ownership title transfer with the registration with the real estate registers of the act providing for the said transfer. The Supreme Court of Albania, upon the unifying Decision no. 1, dated 06.01.2009, has further interpreted the said article. According to this interpretation the ownership titled over the immovable property is transferred to the buyer upon the signature of the sale purchase contract. However, it is to be noted that only after the registration of the contract with the Real Estate Registration Office, the ownership right may bring effects on third parties (i.e. transfer of the ownership, registration of mortgage, easements and other real rights in favour of another party).

4.7 Please briefly describe how some rights obtain priority over other rights. Do earlier rights defeat later rights?

The priority of rights is based on their registration with the Real Estate Registration Register. The rights registered earlier defeat rights registered later.

5 The Registry / Registries

5.1 How many real estate registries operate in Albania? If more than one please specify their differing rules and requirements.

Only one real estate registry exists in Albania and is kept by the Real Estate Registration Office. Such office is composed by the central offices operating in Tirana and the local offices operating in the districts of Albania. Such offices are public legal entities.

5.2 Does the Land Registry issue a physical title document to the owners of registered real estate? Can any transactions relating to registered real estate be completed electronically? Can information on ownership of registered real estate be accessed electronically?

The Real Estate Registration Office issues to the owner of the property the Ownership Certificate, which is accompanied by the Property Map and the Property Records, reflecting all information on the property. However in practice the ownership certificate is issued to the owners of properties that are included in the new registration system, while for the properties that are not yet included in this system, the Real Estate Registration Office issues a document that certified the ownership title, called “Ownership Attestation” accompanied by the property map.

It is not possible to perform electronically any transaction with the real estate or to electronically access the information on ownership of registered real estate.

5.3 Can compensation be claimed from the registry/registries if it/they makes a mistake?

The law on registration of immovable properties provides for the
right of the interested party to request financial compensation for mistakes made by the local office responsible for the registration of real estate during the registration of title.

5.4 Are there restrictions on public access to the register? Can a buyer obtain all the information he might reasonably need regarding encumbrances and other rights affecting real estate?

Law no. 7843, dated 13.07.1994 “On the registration of immovable properties” (as amended), in its article 30, provides that the information recorded with the Real Estate Registration Office is freely accessible by the public.

6 Real Estate Market

6.1 Which parties (in addition to the buyer and seller and the buyer’s finance provider) would normally be involved in a real estate transaction in Albania? Please briefly describe their roles and/or duties.

Normally in a real estate transaction, the following parties are involved:

(i) real estate agents, who identify the marketable real estate properties and act as intermediary between the seller and buyer;
(ii) lawyers, who advise the parties on the legal aspects of the transaction, draft the sale purchase contracts and often conduct a due diligence on the property title on behalf of the buyer; and
(iii) notaries, who notarise the sale purchase contracts, since under the Albanian Civil Code, the transfer of the ownership title over the property should be made upon a notary deed.

6.2 How and on what basis are these persons remunerated?

Usually the remuneration of the real estate agents consists of a percentage of the transaction value. The lawyers may receive as remuneration a percentage of the transaction values or fixed fees, while the tariffs of the notaries are approved upon decision of the Ministry of Justice.

6.3 How has the real estate market in Albania recovered or reacted following the global credit crunch and worldwide recession in 2008/2010? Please include both local and international investors in your answer.

The global credit crunch and worldwide recession has considerably affected the Albanian Real Estate market. The number of purchases by international and local investors has notably decreased compared to 2008. The credit crunch has also affected the financing of real estate purchases, since the banks seem reluctant to grant loans and have approved restrictive lending conditions and are applying higher interest.

7 Liabilities of Buyers and Sellers in Real Estate Transactions

7.1 What (if any) are the minimum formalities for the sale and purchase of real estate?

The minimum formalities for the sale and purchase of real estate are the following:

(i) Execution between the buyer/s and seller/s of a sale purchase contract that should be signed in front of the notary public and notarised by the latter.
(ii) Payment of tax related to the transfer of the ownership title over the real estate.
(iii) Registration of the executed sale purchase contract with the Real Estate Registration Office of the area where the property is located.

7.2 Is the seller under a duty of disclosure? What matters must be disclosed?

The seller must disclose all issues related or affecting the ownership title over the real estate such as mortgages, real rights registered over the property, any encumbrances and liens or court claims. For such purpose the seller is required to submit to the notary public along with the ownership certificate or ownership attestation also the property records issued not earlier than 72 hours before the execution of the sale purchase contract. The property record reflects any easements, mortgages or other encumbrances registered over the property.

7.3 Can the seller be liable to the buyer for misrepresentation?

Yes they can.

7.4 Do sellers usually give contractual warranties to the buyer? What would be the scope of these? What is the function of warranties (e.g. to apportion risk, to give information)? Are warranties a substitute for the buyer carrying out his own diligence?

Sellers usually warrant the transfer of an ownership title from encumbrances, liens or burdens of any kind. Based on such warranties the buyer may hold the seller liable, in case of misinterpretation of the later. The warranties may be interpreted as a substitute for the buyer carrying out his own due diligence on the ownership title. However, while carrying out a real estate transaction the buyer is recommended to conduct a due diligence over the ownership title.

7.5 Does the seller warrant its ownership in any way? Please give details.

Please refer to our answers to questions 7.2 and 7.4 herein above.

7.6 What (if any) are the liabilities of the buyer (in addition to paying the sale price)?

The buyer is liable for paying all the expenses related to the sale purchase contract (e.g. the notary tariff) and also the fees related to the registration of the said contract with the Real Estate Registration Office.

8 Finance and Banking

8.1 Please briefly describe any regulations concerning the lending of money to finance real estate. Are the rules different as between resident and non-resident persons and/or between individual persons and corporate entities?

The Albanian legislation does not contain specific regulations
concerning the lending of money to finance real estate. Real estate financing is not treated differently from the financing of other business activities. The same general rules apply to resident and non-resident persons and/or between individual persons and corporate entities.

8.2 What are the main methods by which a real estate lender seeks to protect itself from default by the borrower?

The most common protection sought by lenders in order to secure the credit obligation of the borrower is by the registration of a mortgage over immovable properties under the ownership of the borrower.

Another method recently introduced in the Albanian lending market is the bridge insurance. When the borrower lacks the collateral for securing a loan, a bridge insurance agreement may be entered into between the lending institution (i.e. bank or non-banking financial institution licensed by the Bank of Albania) the borrower and an insurance company. The insurance company guarantees the repayment of the loan to the lending institution, against the insurance premium payable periodically by the borrower. Normally such agreement stays in force until the moment when the borrower guarantees the loan repayment with collateral.

8.3 What minimum formalities are required for real estate lending?

The minimum formalities required for real estate lending are the following:

(i) evaluation of the financial conditions and credit history of the borrower;
(ii) evaluation of the immovable property to be mortgaged as a guarantee for the loan repayment;
(iii) execution of the loan agreement between the lender and the borrower; and
(iv) execution of the mortgage contract and registration of such contract with the Real Estate Registration Office.

8.4 How is a real estate lender protected from claims against the borrower or the real estate asset by other creditors?

Usually the lenders secure the repayment of the loans by registering mortgages over the immovable properties of the borrowers. The Albanian Civil Code provides that the mortgage becomes effective as of the date of its registration with the Real Estate Registration Office and that the number of registration with the Real Estate Registration Office determines the priority rank of creditors over that property.

In case of a borrower’s default the creditors may request the seizure and execution of the mortgaged property. The creditor that has registered the first mortgage over the property shall be totally repaid and afterward the other creditors shall be paid according to their rank. In addition, as mentioned in question 8.3 above, the lending institutions, before granting a loan, make an assessment of the financial conditions of the borrower and of the collateral.

9 Tax

9.1 Are transfers of real estate subject to a transfer tax? How much? Who is liable?

The tax is applicable in case of transfer of ownership title on buildings and other real estate properties. It is payable by the person that transfers the ownership title. Individuals are not subject to this tax, since they are subject to payment of the tax on personal income deriving from the transfer of ownership title (see question 9.4 below).

The tax for buildings located in Tirana, which are used for business purposes amounts to ALL 2,000/sq.m; when the buildings located in Tirana are used for dwelling purposes, the tax amounts to ALL 1,000/sq.m. The tax is lower in other districts.

Tax on transfer of ownership title on real estate property, other than buildings, is 2% of the sale price. Donors of real estate property to governmental entities, religious institutions or not for profit organisations are exempted from the tax on transfer of ownership title, but are held liable to pay the fee for which the tax agent is entitled to (3% of the taxable amount).

Also exempted from the application of the tax on transfer of ownership title are the National Housing Entity, the Ministry of Finance and central and local government bodies.

9.2 When is the transfer tax paid?

The transfer tax should be paid prior to filing for registration with the Real Estate Registration Office, the deed (contract) providing for the transfer of the ownership title of the immovable property.

9.3 Are transfers of real estate subject to VAT? How much? Who is liable? Are there any exemptions?

Transfers of real estate are not subject to VAT.

9.4 What tax or taxes (if any) are payable by the seller on the disposal of a property

The tax payable by the individuals while selling immovable property consists of 10% of the capital gained by the transfer of ownership title. The capital gain is calculated as the difference between the sale price and purchase price of the real estate (details on the modalities for determining such gain are provided in a specific instruction of the Ministry of Finance and Ministry of Justice).

The tax on the income gained from the transfer of the ownership title over immovable properties by legal entitles is calculated together with the tax on the overall income generated by the said entity during the relevant financial year. Legal entities conducting business in Albania are subject to a corporate income tax (profit tax) at a rate of 10%.

Since 1992 Albania has entered into agreements “For the Avoidance of Double Taxation with respect to Taxes on Income and on Capital” with several countries. They establish the rules that apply to taxation of income in the attempt to avoid double taxation.

9.5 Is taxation different if ownership of a company (or other entity) owning real estate is transferred?

The Albanian Legislation does not contain such a provision. The taxation is the same even when the ownership of a company is transferred.
10 Leases of Business Premises

10.1 Please briefly describe the main laws that regulate leases of business premises.

The Albanian legislation does not provide specific regulation for the lease of business premises. Lease contracts are governed by articles 801 to 840 of the Albanian Civil Code.

10.2 What types of business lease exist?

The Albanian Civil Code regulates the general lease contract used for residential and business premises, the lease of immovable properties of an agricultural nature, the lease of productive objects (immovable or movable) and the financial lease.

10.3 What are the typical provisions for leases of business premises in Albania regarding: (a) length of term; (b) rent increases; (c) tenant’s right to sell or sub-lease; (d) insurance; (e) (i) change of control of the tenant; and (ii) transfer of lease as a result of a corporate restructuring (e.g. merger); and (f) repairs?

As mentioned above the lease of business premises is regulated under the provisions of articles 801 to 840 of the Civil Code providing as follows:

(a) Length of term

Business premises can be leased for a period up to 30 years, excluding the cases when a special law provides for a different term. In case the parties have not provided in the contract for a lease term or have agreed on a longer lease term, the lease shall be valid for a period of 30 years.

(b) Rent increases

The Civil Code does not provide specific regulations with regard to a rent increase. This issue is subject to the agreement of the parties.

(c) Tenant’s right to sell or sub-lease

The tenant may sublease the leased premises in case the lease agreement provides such right for the tenant. The tenant may not sell the premises or assign the lease agreement without the approval of the landlord.

(d) Insurance

Lease of business premises is not subject to compulsory insurance, however, the parties may provide the condition of the premises insurance in the lease agreement.

(e) (i) Change of control of the tenant

There are no specific provisions that address the change of control of the tenant. (e) (ii) Transfer of lease as a result of a corporate restructuring (e.g. merger)

There are no specific provisions that address the change of corporate restructuring.

(f) Repairs

The tenant is responsible for the ordinary maintenance and/or repairs of the leased premises, whilst the landlord is responsible for the extraordinary repairs. The tenant is entitled to reimbursement for the costs of any extraordinary repair made on the premises, provided that he has duly notified the landlord for the necessity of such repairs.

10.4 What taxes are payable on rent either by the landlord or tenant of a business lease?

The taxes paid by the landlords consist of the tax on income from the rent amounting to 10% of the rent price. The landlord is also obliged to pay the annual tax on immovable property. Such tax is calculated based on the surface of the property. The tenant is not liable for paying any tax on rent.

10.5 In what circumstances are business leases usually terminated (e.g. at expiry, on default, by either party etc.)? Are there any special provisions allowing a tenant to extend or renew the lease or for either party to be compensated by the other for any reason on termination?

The lease is terminated upon expiry of the lease term. The Civil Code does not provide for specific termination rules or relevant compensation. Such matters are usually regulated by the lease agreement entered into between the parties.

The tenant that has complied with the obligations deriving from the lease agreement is entitled to be preferred by the landlord for the signature of a new lease agreement.

10.6 Does the landlord and/or the tenant of a business lease cease to be liable for their respective obligations under the lease once they have sold their interest? Can they be responsible after the sale in respect of pre-sale non-compliance?

The landlord and the tenant cease to be liable with regards to obligations under the lease after selling their interest to a third party, unless otherwise is provided under the warranties of the sale purchase contract/agreement.

In addition article 717 of the Civil Code provides for the right of the buyer to denounce any vices/defect of the purchased object within 10 days from their discovery, but not later than two years from the purchase or the date of delivery, if not otherwise stipulated in the contract warranties. Within the said period, with the limitation provided in the agreement, the seller remains liable towards the buyer.

10.7 Green leases seek to impose obligations on landlords and tenants designed to promote greater sustainable use of buildings and in the reduction of the “environmental footprint” of a building. Please briefly describe any “green obligations” commonly found in leases stating whether these are clearly defined, enforceable legal obligations or something not amounting to enforceable legal obligations (for example aspirational objectives).

No green obligations are commonly found in the lease contracts/agreements used in Albania.

11 Zoning and Environmental Issues

11.1 What are the main laws which govern zoning and related matters concerning the use and occupation of land? Please briefly describe them and include environmental laws. Can the state force land owners to sell land to it? If so please briefly describe including price mechanism.

The main laws governing zoning, environment and related matters concerning the use and occupation of land, include the following:
Law no. 8405, dated 17.09.1998 “On urban planning” (as amended) providing for the rules for the construction and architecture of buildings in the territory of the Republic of Albania.

Law no. 10119, dated 23.04.2009 “On territorial planning” (as amended) that is expected to become fully effective as from January 2011 and will substitute the above-mentioned Urban Planning law. This law provides for the basic principles, responsibilities, rules and procedures of territorial planning.

Law no. 8402, dated 10.09.1998 “On supervision and discipline of construction works” (as amended) that provides for the implementation and supervision of construction works in compliance with zoning and environmental regulations.

Law no. 9780, dated 16.07.2007 “On the inspection of construction” (as amended) that aims to ensure the compliance with the norms and standards of the construction, urban and water resources legislation throughout the territory of Albania.

Law no. 8934, dated 05.09.2002 “On environmental protection” (as amended) that regulates the relationship with the environment and sets the rules for the preservation of a clean environment.

Law no. 8990, dated 23.01.2003 “On environmental impact assessment” (as amended) that defines the rules and procedures for the environmental impact assessment.

Law no. 8897, dated 16.05.2002 “On the protection of air from pollution” (as amended) that provides to set the measures for the protection and improvement of the air quality.

Law no. 9010, dated 130.2.2003 “On environmental management of solid waste” (as amended) that aims to protect the environment and the health through the management of the solid waste.

Law no. 8906, dated 06.06.2001 “On the protected areas” (as amended) that regulates the protection and management of protected areas and their natural and biological resources.

Law no. 9587, dated 20.7.2006 “On the protection of the biodiversity” that aims for the preservation and protection of biodiversity.

Under Law no. 8561, dated 22.12.1999 “On expropriation and temporary use of private property for public interest” is provided for the right of the state to expropriate or take under temporary use the private property for purposes of a “public interest” which may not be achieved or protected in another manner. The state must compensate the value of the land and any reduction in the value of property caused to properties bordering with the expropriated property.

Under the Expropriation Law, the expropriation value (compensation) is calculated by the special committee based on the assessment of the properties subject to the expropriation (by considering their initial value, depreciation, destination, location, indexes of the market price changes and of the currency). Nevertheless, the Decision of the Council of Ministers no. 138 dated 23.03.2000 provides that the value of the land subject to expropriation procedures is defined (in Leke/m2) by the decisions of the Council of Ministers approving the price reference list (in accordance with the Law no. 9235, dated 29.07.2004, “On restitution and compensation of properties”).

In cases where no price is fixed for certain areas, under Decision no. 138, the value of land shall be estimated based on the average value of the sale price of land in the relevant area (within the last 3 months) as indicated in the Register of the Real Estate Registration Office (RERO). A special declaration of this Office (signed by the local director of RERO) shall be issued regarding the recent sale contract filed with the RERO and the prices applied.

With regard to the areas that have not kept a trading/purchase index, the estimation of the value shall be performed on the basis of a direct comparison to the average sale prices of land in other areas. The estimation of the value is based on the type of land to be expropriated (agricultural land, woodland, meadow etc.); the characteristics for the estimation are different (i.e. in case of the agricultural land: the land category; the range from the urban zone; situation under or above the water level etc.).

### 11.2 Which bodies control land/building use and/or occupation and environmental regulation? How do buyers obtain reliable information on these matters?

The land/building use and/or occupation are controlled by the local and central construction inspectorates. The enforcement of environmental regulations is controlled by the regional environmental agencies. The Minister of Environment is the responsible authority for approving an environmental permit in the cases where the activity for which the permit is required, is carried at national level. Information on the aforementioned matters may be obtained by any interested subject by filing a written request with the responsible state authorities. The aforementioned state authorities are legally required to provide an official response within thirty days as from the receipt of the written request.

### 11.3 What main permits or licences are required for building works and/or the use of real estate?

The permits required for building works and/or the use of real estate are the site permit, the construction permit and the exploitation permit.

### 11.4 Are building/use permits and licences commonly obtained in Albania? Can implied permission be obtained in any way (e.g. by long use)?

Construction and exploitation permits and licences are commonly obtained in Albania. Implied permission is not obtainable.

### 11.5 What is the appropriate cost of building/use permits and the time involved in obtaining them?

For the approval of the building permits the developers should pay a fee equal to 1% of the investment value. Under the Urban Planning law it is provided that the building permit should be approved by the responsible authority within forty-five days upon the filing of the application and the complete set of the required documentation.

While the permit to use (exploit) the constructed premises shall be granted within thirty days from the date the documents required under the law are filed with the relevant urban planning office.

### 11.6 In what circumstances (if any) is environmental clean up ever mandatory?

In Albania the clean up process is carried out by the local government structures. However under Regulation no. 1, dated 30.03.2007 “On the treatment of construction waste from its creations, transportation to neutralization” the persons carrying out...
construction activities are obliged to preserve, deposit, transport and deliver them for allocation in specified plants.

11.7 Please briefly outline any regulatory requirements for the assessment and management of the energy performance of buildings in Albania.

Law no. 8937, dated 12.09.2002 “On the heat (thermal) preservation in buildings”, sets the rules for the necessary measures to be taken for preserving the heat in the building. Furthermore the Decision of the Council of Ministers no. 584, dated 02.11.2000 “On energy saving and preservation of heat in the buildings” provides for the obligation of the developers to install heating supplies in the buildings (either central or local) to be supplied by organic solid, gas or liquid fuel and to comply with the requirements of the European Union regarding the heat preservation in public or private buildings.

12 Climate Change

12.1 Please briefly explain the nature and extent of any regulatory measures for reducing carbon dioxide emissions (including any mandatory emissions trading scheme).

Upon Decision no. 435, dated 12.09.2002 “On approval of the norms of the emissions in the air in the Republic of Albania” the Council of Ministers has approved the allowed norms of the emissions in the air. Law no. 8897, dated 16.05.2002 “On the protection of air from pollution” (as amended) provides the rules and competent bodies controlling and managing the air quality and the sanctions for the subjects breaching the provisions of this law and the approved emissions norms.

12.2 Are there any national greenhouse gas emissions reduction targets?

The environmental strategy of the Ministry of Environment provides for additional measures on the protection of the air, reduction of emissions and creating a planning and control system that will ensure the achievement of the air quality objectives.

12.3 Are there any other regulatory measures (not already mentioned) which aim to improve the sustainability of both newly constructed and existing buildings?

All the regulatory measures which aim to improve the sustainability of both newly constructed and existing buildings are included in the laws related to the construction, mentioned above.
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Work experience:
2000-to date: Boga & Associates Attorneys at Law.
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Key qualifications: Mr. Velaj, head of the Real Estate Team has an outstanding experience in the field of real estate. He has managed a significant number of legal advices regarding real estate development issues, including due diligences over ownership of real estate, drafting and reviewing of development agreements, agreements on the purchase or lease of real estate properties, and also various mortgage and easement agreements. Mr. Velaj has acquired excellent knowledge and experience on litigation regarding a wide range of business issues in Albania. He is active in court litigations and also represents foreign and local clients during enforcement procedures of court and arbitration judgments with the Bailiff Office.

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Key qualifications: Ms. Lalaj, member of the Real Estate Team has assisted several investors involved in real estate projects from the prospective of compliance with the regulatory framework on construction and sale/purchase of real estate; due diligences on ownership titles, drafting and reviewing agreements on sale/purchase, lease, mortgage, easement over real estate. Ms. Lalaj has an extensive knowledge of procurement legislation achieved throughout 5 years of working with the Procurement Department at Bank of Albania. She is also involved in a number of legal advices regarding banking, privatisation etc.

Education: Graduated in the Faculty of Law, University of Tirana, Albania in 2000. Awarded Master of Arts on South East European Studies in 2001 at the National & Capodistrian University of Athens, Greece.
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Boga & Associates, established in 1994, has emerged as one of the premiere law firms in Albania, earning a reputation for providing the highest quality of legal, tax and accounting services to its clients. Boga & Associates also operates in Kosovo (Pristina) offering full range of services.

Boga & Associates represents a broad spectrum of high-profile clients, including financial institutions, airlines, industrial complexes, mining and petroleum concerns, non-profit organisations, embassies, public utilities, international and governmental agencies. The firm has also an outstanding litigation practice, representing clients on all levels of Albanian courts. This same know-how and experience has been drawn upon by the Legislature in the drafting of new laws and regulations.

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