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“On Late Payments in Contractual and Commercial Obligations”

Newsletter

Law No. 81/2026 “On Amending Law No. 48/2014 ‘On Late Payments in Contractual and Commercial Obligations’”, as amended.

On August 5, 2026, the Law No.81/2026 “On amending Law No. 48/2014 ‘On Late Payments in Contractual and Commercial Obligations’”, as amended was published in the Official Gazette (the **Law**) and shall enter into force 15 (fifteen) days following its publication.

The Law is fully aligned with Directive 2011/7/EU on combating late payment in commercial transactions, bringing Albania's legal framework closer to the EU acquis and strengthening legal certainty for businesses operating in the Albanian market.

The Law broadens the scope of the existing legislation by modernizing the following definitions:

- *“Public authority”* – is now defined to cover all contracting authorities under the public procurement framework, regardless of the value or subject matter of the contract.
- *“Entrepreneurship”* – is revised to include any organization engaged in an independent economic or professional activity, including activities carried out by sole traders and members of the independent professions.
- “*Reference Interest Rate”* – this definition is refined by incorporating the European Central Bank's marginal rate for its main refinancing operations.
- “*Late-payment interest*” - introduces a broader concept of late-payment interest, recognizing both statutory interest and contractually agreed interest rates, provided they comply with the rules on unfair contractual terms.

Furthermore, the Law improves the following issues:

Stricter Payment Rules and Greater Protection for Creditors

The Law establishes a clearer and more predictable framework governing payment period and the automatic accrual of late-payment interest in both business-to-business transactions and transactions involving public authorities. A key objective of the approved amendments is to address payment delays that undermine business liquidity and disproportionately affect small and medium-sized enterprises (SMEs).

Where payment deadlines are not contractually agreed, late-payment interest will accrue automatically upon the expiry of the statutory payment period. The Law also introduces mandatory limits on acceptance and verification procedures at a maximum of 30 (thirty) calendar days and the contractual payment period at a maximum of 60 (sixty) calendar days, allowing longer periods only in narrowly defined circumstances where they are expressly agreed and objectively justified.

The obligation to comply with the deadlines set out above shall commence 6 (six) months after the Law's entry into force.

Furthermore, contractual provisions intended to manipulate the date of receipt of an invoice or to extend verification procedures beyond the statutory limits are expressly prohibited, reinforcing the Directive's objective of preventing unfair payment practices.

Improved Enforcement and Legal Certainty

The Law also enhances legal certainty by clarifying the starting point for calculating acceptance and verification periods, replacing terminology that has given rise to uncertainty in practice with a clearer reference to the actual receipt of goods or services.

In addition, the Law introduces a **ninety-calendar-day** period within which the competent court must issue an enforcement order in respect of unpaid invoices and accrued late-payment interest, provided the underlying debt is not contested. This measure is expected to reduce procedural delays, improve debt recovery, and enhance the effectiveness of judicial enforcement.

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Boga & Associates

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The firm's particularity is linked to the multidisciplinary services it provides to its clients, through an uncompromising commitment to excellence. Apart from the widely consolidated legal practice, the firm offers the highest standards of expertise in tax and accounting services, with keen sensitivity to the rapid changes in the Albanian and Kosovo business environment. The firm delivers services to leading clients in major industries, banks and financial institutions, as well as to companies engaged in insurance, construction, energy and utilities, entertainment and media, mining, oil and gas, professional services, real estate, technology, telecommunications, tourism, transport, infrastructure and consumer goods.