



Funded by the  
European Union

**EURALIUS**  
Consolidation of the  
Justice System in Albania

### Disclaimer

Please note that this document is an unofficial translation and is provided for information purposes only. It confers no rights and imposes no obligations separate from those conferred or imposed by the legislation formally adopted and published in the Albanian language. EURALIUS makes no guarantee of accuracy and waives responsibility for the use that might be made of the following information.



REPUBLIKA E SHQIPËRISË

Republic of Albania  
COUNCIL OF MINISTERS

DECISION

No. 223, dated 23.3.2016

ON

**THE DETERMINATION OF THE RULES AND PROCEDURES FOR THE EVALUATION AND ALLOCATION OF  
THE FINANCIAL AND PHYSICAL FUND FOR THE COMPENSATION OF THE PROPERTIES**

Pursuant to article 100 of the Constitution and article 37 of law no. 133/2015 “On the treatment and completion of the process for the compensation of the properties”, with the proposal of the Minister of Justice, the Council of Ministers

DECIDED:

1. This decision regulates the determination of the rules and of the procedures for the evaluation and the allocation of the financial and physical fund for the compensation of the properties.

**CHAPTER I  
FINANCIAL EVALUATION**

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



2. The Property Treatment Agency (hereinafter referred to as “PTA”) evaluates financially all the final decisions, which have recognized the compensation right in the Republic of Albania, according to the chronological order, starting from the earliest decision.
3. For the effect of the compensation and the execution of the final decisions, the PTA evaluates financially the decisions based on the values determined in the value map, defined in law no. 133/2015, “On the treatment of the property and the completion of the process of the property compensation”, proceeding as follows:
  - a) evaluates financially the property recognized for evaluation, based on the cadastral category the property used to have at the expropriation moment, based on the value map;
  - b) evaluates financially the restituted property, determining the difference between its value according to the cadastral unit and the value of this property according to the cadastral category at the moment of the expropriation;
  - c) the difference from the financial evaluation of the physically restituted or compensated property in the recognized land shall be deduced from the financial evaluation of the recognized property, according to this procedure:
    - i. If the financial evaluation of the property that is recognized for compensation is higher than the financial evaluation of the physically restituted/compensated land in the recognized land, then the difference shall be compensated to the subject;
    - ii. If the financial evaluation of the property that is recognized for compensation is smaller than the financial evaluation of the physically restituted/compensated property in the recognized land, then the subject is considered compensated.
  - ç) Regarding the decisions which have recognized only the right to compensation, the evaluation shall be made based on the cadastral category of the property at the time of expropriation, according to letter “a”, above;
  - d) The cadastral category of the property origin shall be determined based on the legal documentation administered in the file, or providing that the determination of the latter is absent, the map that is nearer to the expropriation time shall be used for the determination of the cadastral category. In the cases when the PTA, with reference to the documentation it possesses, is under objective incapacities to evaluate the final decision, then the compensation decision shall be evaluated financially with the minimal price determined in the value map for that administrative unit and for that property category;
  - dh) The financial evaluation of the final decision which has recognized the compensation right shall be done by having as reference the cadastral category, according to the origin of the property, which is closer to the property that will be compensated. Providing that several cadastral categories, of the same origin with the one of the property, of the same distance and of different values, are found close to the property that shall be compensated, then, the zone with the highest price shall be used as reference for the calculations.

4. The value of the shares, obligations, financial compensation or of any other type of compensation, including the legal provisions for the division of the agricultural land, benefited by the subject or his heirs earlier, shall be deducted by the amount calculated for compensation.
5. With regard to the final compensations which have recognized the right to compensation, which have a value and which have not been executed yet, the PTA shall make their financial evaluation, adding to the specified value the index according to the official inflation value and the bank interest, based on the annual median issued by the bank of Albania until 24.2.2016. The PTA requires from the Bank of Albania and INSTAT the respective coefficients of the official values of inflation and the annual average bank interests.
6. In the cases when there are cases of the overlapping of the right for compensation, the PTA evaluates the decision for compensation and continues with the procedures for its execution in the parts which do not have an overlapping. For the part that has an overlapping, the agency deposits the respective value in a special bank account of the agency, which shall be paid after the final solution of overlapping, solved by the parties upon an agreement with each-other or through judicial ways.

**CHAPTER II**  
**REGISTER OF FINAL DECISIONS**

7. The PTA creates the register of the final decisions which recognize the right for property compensation for the expropriated subjects. The format of this register is done according to the format in annex no. 1, enclosed to this decision.
8. The register of the compensation decisions is created, maintained, administered and updated by the PTA.
9. The shortcomings of the documentation administered by the applicant shall be presented in this register, which becomes public in the official webpage of the PTA, in the Bulletin of the official notifications and/or in the media.
10. The interested subjects, within a 6-month period, from the date of the publication of the register, shall complete the missing documentation, published by the PTA, necessary for the financial evaluation of the compensation decision, and may contribute and complete the information presented in the register for the respective decision.
11. In the case when shortcomings are identified by the subject or the PTA regarding the published information, the register is updated by the PTA.

12. During the process of the financial evaluation of the final compensation decisions, providing that shortcomings are identified in the documentation necessary to carry out this evaluation, then these shortcomings are reflected in the register and are published in the official webpage of the PTA and in the Bulletin of the official publications. The interested subjects may complete the shortcomings published within the 6-month term from the publication date.
13. After the financial evaluation of the decisions, which have recognized the right for compensation, the PTA publishes the register according to the chronological order of the date of the decisions.
14. In the final decisions on compensation, when the preemption right is stipulated, the subjects are entitled to waive from the preemption right towards compensation, within a term of one year, from the date of the publication of the register.

### **CHAPTER III**

#### **COMPENSATION PROCEDURES AND THE ALLOCATION OF THE FINANCIAL AND PHYSICAL FUND**

15. The compensation of the subjects starts after the decision on the evaluation of the property becomes final. The decision becomes final when:
  - a) The time limit stipulated in paragraph 3, article 19 of law no. 133/2015, has expired and there is no appeal;
  - b) The interested subjects and the State Advocacy declare that they will not appeal;
  - c) There is an appeal and the review has been completed in the courts of all the instances, including the High Court.
16. The subjects, which have a final decision evaluated financially, are entitled to apply for compensation. The PTA continues the procedures for the compensation of the subjects according to the chronological order starting from the earliest decision, by reviewing and verifying the documentation according to form no.1, in annex no. 2 attached to this decision.
17. All the final decisions, evaluated financially as agricultural land, forest, meadow and pasture shall benefit physical compensation from the land fund, according to letter “b”, of paragraph 1, of article 8, law no. 133/2015.
18. All the final decisions, evaluated financially as land, benefit financial compensation from the financial compensation fund up to the measure of 50 000 000 (fifty million) ALL, according to letter “a”, paragraph 1 article 8 of law no. 133/2015 and the remaining part of the final decision evaluation shall be compensated physically from the land fund.

In the cases when, according to the final decision on the land, it results that the remaining part is up to 5% bigger than the value of 50 000 000 (fifty million) ALL, then the subject shall be compensated for all the value, in the cases when, according to the final decision evaluation, it results that the remaining part is bigger than 5% on the value of 50 000 000 (fifty million) ALL,

then the subject shall be compensated physically from the land fund for the difference out of 50 000 000 (fifty million).

19. The criterion for the allocation of the land fund for physical compensation is that the PTA shall select the property which geographically is the closest to the property recognized for compensation.
20. The PTA reviews the documentation of the subjects, by verifying the documentation issued by the respective institutions. In the cases when the PTA deems that an administrative investigation is necessary for the execution of the final decision, then it carries out the investigatory administrative procedure, according to the procedures stipulated in the Code of the Administrative Procedures.
21. The PTA notifies publicly, through the official webpage of the institution, through the Bulletin of the official announcements and/or in the media, the list of the subjects which benefit from the Property Compensation Fund.
22. All the subjects which have a final compensation decision, despite its chronological order and type of the cadastral category of the evaluated property, are entitled to apply at the PTA with a special request, where they express the will to be compensated financially. The special requests for financial compensation shall be treated according to this procedure:
  - a) Not more than 1/3 can be used out of any budgetary annual fund for the special requests of financial compensation;
  - b) All the applicants, who express the will to be compensated financially with a special request, shall apply at the PTA within the year of the opening of the budgetary annual funds of the financial compensation;
  - c) After the application for financial compensation with a special request, the PTA prepares the financial evaluation of the property despite the chronological order of the decision;
  - ç) In the case of some applications for compensation with a special request, the chronological order of the date of the decisions for these applications shall be implemented.
23. The subjects who express the will to be compensated financially with a special request shall benefit compensation from this fund, according to this procedure:
  - a) When the subject requires to be compensated financially within 1 year, then the subject benefits 20% of the compensation value and waives from the rest of this value;
  - b) When the subject requires to be compensated financially within 3 years, then the subject benefits 30% of the compensation value and waives from the rest of this value;
  - c) When the subject requires to be compensated financially within 5 years, then the subject benefits 40% of the compensation value and waives from the rest of this value.

Priority shall be given to the applications which require to be compensated financially within 1 year from the requests for compensation within 3 or 5 years.

If 1/3 of the annual budget is not exhausted with the applications according to letter “a”, priority is given to the applications for financial compensation within 3 years, towards the request for compensation within 5 years.

In case 1/3 of the annual budget is not exhausted with the requests according to letters “a” and “b”, the compensation for the requests of letter “c” shall continue, compensating the subjects and, according to the chronological order, priority shall be given to the earlier final decisions.

Regarding the applications according to letter “b”, the compensation value is divided in 3 installments, 10% per each year, meanwhile regarding the applications according to letter “c”, the compensation value is divided in 5 installments, 8% per each year. In the case of a winner, the respective value out of 1/3 of the annual budget shall be preserved in the account of the PTA and the respective percentage is stipulated at the beginning of every budgetary year, according to the above specification.

24. The special requests for financial compensation shall be compensated in full value according to the respective percentage, even though the value exceeds the measure stipulated in paragraph 18 of this decision.
25. If 1/3 of the annual budget, programmed for the special requests for financial compensation, is not exhausted/allocated, then this value is allocated to the subjects according to the chronological order in a normal financial compensation procedure.
26. The subjects, who possess a final compensation decision are entitled to apply with a special request for financial compensation. The PTA continues the procedures by reviewing and verifying the documentation, according to form no. 2, in annex no. 3 attached to this decision.

## **CHAPTER V**

### **PHYSICAL COMPENSATION WITH AN AUCTION AND WITH OTHER CASES**

27. All the subjects with a final decision, which recognizes the right for compensation, despite the chronological order, are entitled to participate in the auction, if they express the will through the request to benefit physical compensation from the land fund, despite the chronological order.
28. If the final decision, which applies for the auction is not evaluated financially, the PTA proceeds with the financial evaluation of this decision, despite its chronological order.
29. The physical compensation through an auction shall be realized for the state properties, being a part of the land fund, as well as for the state objects which have passed through the privatization phases, but it was impossible to sell them. The subjects apply and express the will for physical compensation through an auction, according to form no.3, in annex no.4, attached to this decision.
30. All the subjects who possess a final compensation decision may participate in the auction. In the cases when the final compensation decision has a smaller value than the value of the property, being the auction object, then the subject’s request shall be refused.

31. The PTA makes a public notification on the organization of the auction on its webpage, in the Bulletin of the official notifications and, accordingly, in one of the newspapers distributed throughout the territory of Albania. The notification shall contain:
  - a) the location of the property;
  - b) the characteristics of the property;
  - c) the identifying data of the property (cadastral zone, property number);
  - d) ç) the value of the property;
  - e) the time limit for the submission of the bids and the place where they are deposited.
32. The procedure that is followed in the first phase of the auction shall be the one through the selection of the buyers. The candidates (the subjects who possess a final compensation decision) apply at the PTA within 20 days, from the day of the announcement of the auction. Within a 10-day time limit, from the day of the opening of the bids, the PTA specifies the winner pursuant to the criteria of the highest bid price.
33. If the auction for the sale of the property is not realized twice in a row, for the subjects who possess a final compensation decision, then the PTA carries out a public auction with an open procedure for the sale of this property by notifying every interested party to participate in the action.
34. The rules that are followed for the organization of the physical compensation procedures through an auction are the ones stipulated in the legislation on the “Public Auction”, unless otherwise stipulated in law no. 133/2015 “On the treatment of the property and the completion of the property compensation process”.
35. Providing that after the public auction, the property, being the object of the auction, is not alienated, then it is used for the physical compensation of the subjects who possess a final compensation decision. The subjects may submit a request according to form 4, in annex no. 5, attached to this decision, to be treated with a physical compensation.
36. The PTA publishes on its official webpage, in the Bulletin of the official notifications and/or in one of the newspapers distributed throughout the territory of Albania, for a 45-day period, the information on the property that will be used for physical compensation and, during this period of time, it receives the requests from the subjects who possess a final compensation decision. When the 45-day period expires, the PTA, within 30 (thirty) days announces the benefiting subject, that has applied, according to the highest bid or in the cases when there are equal bids, priority shall be given to the oldest final decisions.

## **CHAPTER VI**

### **PHYSICAL COMPENSATION WITH A STATE PROPERTY**

37. Land surfaces, being a state property, without a public function, are part of the fund of the immovable properties, which can be used for physical compensation.

38. The PTA may use for physical compensation with a state property, assets which, in the immovable property registration office, result to be in the ownership of the state and meet at least one of the following conditions:
- a) The land shall be located between or next to the properties/property restituted with a final administrative or judicial decision;
  - b) The land shall not have a public function and shall not be categorized among the properties stipulated in article 25 of law no. 133/2015 “On property treatment and the completion of the property compensation process”;
  - c) The land shall not have a value higher than the evaluation of the land recognized for compensation, referred to letter “a”, paragraph 2 of this decision.
  - ç) The land, physically, with the certification of the body competent for the planning and development of the territory, shall not impact the infrastructure or any future public development.
39. The interested subjects, that possess a final decision, which recognizes the right for the restitution and compensation of the property, that benefit a physical compensation, according to this chapter, shall submit:
- a) the request for the physical compensation with the state property, at the PTA;
  - b) accordingly, the final decision of the RCPA, the former RRCPO, the former RCPC or the respective judicial decision, which recognizes the right for the restitution and compensation of the property, accompanied with the plan-location of the decision;
  - c) the certification for the immovable property registration offices on the legal status of the property that is requested, accompanied with the property card and the index map;
  - ç) the certification from the municipality that the land property, according to the study and/or the factual condition, does not have a public function.
40. Within 30 days from the submission of the request, after the PTA reviews it and verifies that the conditions mentioned in paragraphs 31, 32 and 33 of this decision are met and that the documents stipulated in this decision are valid and correct, it follows the following steps for the realization of this procedure:
- a) makes the publication of the land data on the official webpage of the institution, in the Bulletin of the official notifications and/or in the media, according to the specified category and value, stipulating as the time limit for the submission of the requests by the other subjects, that may meet the above requests, 30 days from the date of publication;
  - b) accepts all the requests submitted within the 30-day time limit for this land and reviews them within 45 days;
  - c) makes a decision on the physical compensation on the state property, according to this decision, complying with the order of the preference as follows:
    - I. the land shall be given as a physical compensation to the expropriated subject, to whom this land has been recognized, but it has not been restituted, because at the



moment of the issuance of the respective decision, the land was considered occupied, or due to legal limitations;

- II. the land shall be given to the expropriated subject, if the subject meets the conditions stipulated in letter “a” paragraph 32 of this decision;
- III. the land shall be given to the other expropriated subjects if there are no applicants, according to the priorities mentioned above and if the condition stipulated in letter “c” paragraph 32 of this decision shall be completed.

The PTA sends for registration the compensation decision to the respective local immovable property registration office.

- 41. Submission of false data or hiding the data from the expropriated subjects, pursuant to this decision, causes the immediate exclusion of these subjects from the compensation procedure and charges them with criminal liabilities, according to the legislation into force.
- 42. Decision no. 257, dated 11.4.2007 of the Council of Ministers “On the criteria and physical compensation procedure with state lands of the expropriated subjects, in some special cases” shall be repealed.
- 43. The Ministry of Justice and the Property Treatment Agency shall be responsible for the implementation of this decision.

This decision enters into force after the publication in the Official Journal.

**PRIME MINISTER**  
**EDI RAMA**  
**In absentia and on behalf of**  
**DEPUTY PRIME MINISTER**  
**NIKO PELESHI**

MINISTER OF JUSTICE  
YLLI MANJANI



Funded by the  
European Union



# EURALIUS

Consolidation of the  
Justice System in Albania

Cardinal No.	<i>Illegible</i>	<i>Illegible</i>	<i>Illegible</i>	Municipality	City/Village	Name (Expropriated subject)	<i>Illegible</i>	Last Name (Expropriated subject)	Name (Illegible)	Father's name	Last Name (Expropriated subject)	Name (Expropriated subject)	Father's name	Last name (Applicant)	Decision no. of the PRCC/RPRCO	Date of the decision of the PRCC/RPRCO	Month of the decision of the PRCC/RPRCO	Year of the decision of the PRCC/RPRCO

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



<i>Illegible</i>	Restituted surface	Compensated surface	Preemption right	Decision no. of PRCA/PTA	Date of the decision of PRCA/PTA	Month of the decision of PRCA/PTA	Year of the decision of PRCA/PTA	Recognized/ Unrecognized surface	Restituted surface	Surf. to be compensated M2	Decision of F.I. Court	<i>Illegible</i>	Decision of High Court	<i>Illegible</i>

Final restituted surface			Final surface to be compensated		Property current cadastral category					<i>Illegible</i>
Surface m2	Cadastral category of origin	Cadastral zone	Surface m2	Cadastral category of origin	Cadastral zone	Cadastral category as land	Cadastral category as agricultural land	Cadastral category as pasture/meadow	Cadastral category as forest	



Funded by the  
European Union



**Annex no. 2**  
**FORM NO. 1**

**APPLICATION FOR FINANCIAL/PHYSICAL COMPENSATION**

**Addressed to:** \_\_\_\_\_  
 Date when the request was submitted: \_\_\_\_\_  
 Name/father's name/last name of the subject who submits the request: \_\_\_\_\_  
 Address: \_\_\_\_\_ Tel: \_\_\_\_\_  
 Personal identification number: \_\_\_\_\_  
 Name/father's name/last name of the expropriated subject: \_\_\_\_\_

I require to apply for: *(mark inside the square)*

- 1. Financial compensation
- 2. Physical compensation

Please, find attached the following documentation:

1. The request for financial/physical compensation
2. Confirmation from the respective LIPRO on the legal condition of the property that is compensated and if the right of preemption has been exercised or not
3. Certification from the competent court if the final compensation decision or its evaluation has been appealed or not through judicial ways
4. Inheritance attestation if the circle of heirs has changed
5. A power of attorney signed by all the legal heirs, where the right to withdraw the financial amount, on their behalf, shall be as a necessary right
6. Certification on the number of the bank account
7. Certification if the subjects have benefited or not from the provisions on the division of the agricultural land
8. Identification document
9. Payment mandate

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



I, the undersigned, \_\_\_\_\_ declare with full legal responsibility that I agree to apply regarding the criteria for compensation and the conditions stipulated in decision no. \_\_\_\_, dated \_\_\_\_, of the Council of Ministers.

**Annex no. 3**  
**FORM NO. 2**

**APPLICATION FOR FINANCIAL COMPENSATION WITH A SPECIAL REQUEST**

**Addressed to:** \_\_\_\_\_

Date when the request was submitted: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name/father's name/last name of the subject who submits the request: \_\_\_\_\_

Address: \_\_\_\_\_ Tel: \_\_\_\_\_

Personal identification number: \_\_\_\_\_

Name/father's name/last name of the expropriated subject: \_\_\_\_\_

I require to apply for: *(mark inside the square)*

1. Financial compensation within a year
2. Financial compensation within 3 years
3. Financial compensation within 5 years

Please, find attached the following documentation:

1. Special request for financial compensation
2. Evaluation of the financial evaluation
3. Confirmation from the respective LIPRO on the legal condition of the property which is compensated and if the right of preemption has been exercised or not
4. Certification from the competent court if the final compensation decision or its evaluation has been appealed or not through judicial ways
5. Inheritance attestation if the circle of heirs has changed
6. A power of attorney signed by all the legal heirs, where the representative shall have the to apply for compensation and shall have the right to withdraw the financial amount, on their behalf
7. Certification on the number of the bank account
8. Certification if the subjects have benefited or not from the provisions on the division of the agricultural land
9. Identification document
10. Payment mandate

I, the undersigned, \_\_\_\_\_ declare with full legal responsibility that I accept and agree to apply regarding the criteria for compensation and the conditions stipulated in decision no. \_\_\_\_/\_\_\_\_, by providing the financial evaluation of the decision to become a part of this procedure.

**Applicant's signature:** \_\_\_\_\_

The submission of false data or hiding the data shall cause the immediate exclusion from any further procedure as well as the criminal liability according to the law.

**APPLICATION FOR PHYSICAL COMPENSATION WITH AN AUCTION**

**Addressed to:** \_\_\_\_\_

Date when the request was submitted: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name/father's name/last name of the subject who submits the request: \_\_\_\_\_

Address: \_\_\_\_\_ Tel: \_\_\_\_\_

Personal identification number: \_\_\_\_\_

Name/father's name/last name of the expropriated subject: \_\_\_\_\_

I require to apply for: *(mark inside the square)*

Physical compensation with an auction

Please, find attached the following documentation:

1. Special request for physical compensation with an auction
2. Confirmation from the respective LIPRO on the legal condition of the property which is compensated and if the right of preemption has been exercised or not
3. Certification from the competent court if the final compensation decision or its evaluation has been appealed or not through judicial ways
4. Inheritance attestation if the circle of heirs has changed
5. A power of attorney signed by all the legal heirs
6. Certification on the number of the bank account
7. Certification if the subjects have benefited or not from the provisions on the division of the agricultural land
8. Identification document
9. Payment mandate

I, the undersigned, \_\_\_\_\_ declare with full legal responsibility that I accept and agree to apply regarding the criteria for physical compensation with an auction and the conditions stipulated in the DCM no. \_\_\_\_.

**Applicant's signature:** \_\_\_\_\_

The submission of false data or hiding the data shall cause the immediate exclusion from any further procedure as well as the criminal liability according to the law.

---



**APPLICATION FOR PHYSICAL COMPENSATION**

**Addressed to:** \_\_\_\_\_  
Date when the request was submitted: \_\_\_\_/\_\_\_\_/\_\_\_\_  
Name/father's name/last name of the subject who submits the request: \_\_\_\_\_  
Address: \_\_\_\_\_ Tel: \_\_\_\_\_  
Personal identification number: \_\_\_\_\_  
Name/father's name/last name of the expropriated subject: \_\_\_\_\_

I require to apply for: *(mark inside the square)*

Physical compensation

Please, find attached the following documentation:

1. Request for physical compensation
2. Confirmation from the respective LIPRO on the legal condition of the property which is compensated and if the right of preemption has been exercised or not
3. Certification from the competent court if the final compensation decision or its evaluation has been appealed or not through judicial ways
4. Inheritance attestation if the circle of heirs has changed
5. A power of attorney signed by all the legal heirs, including the right to apply for compensation
6. Certification on the number of the bank account
7. Certification if the subjects have benefited or not from the provisions on the division of the agricultural land
8. Identification document
9. Payment mandate

I, the undersigned, \_\_\_\_\_ declare with full legal responsibility that I accept and agree to apply regarding the criteria for physical compensation and the conditions stipulated in DCM no. \_\_\_\_, date \_\_\_\_/\_\_\_\_/\_\_\_\_.

**Applicant's signature:** \_\_\_\_\_

The submission of false data or hiding the data shall cause the immediate exclusion from any further procedure as well as the criminal liability according to the law.

---

Prot. No. 1462/5

Date 24.3.2016

TO:

ALL THE MINISTRIES  
PROPERTY RESTITUTION AND  
COMPENSATION AGENCY  
OFFICIAL PUBLICATION CENTRE

**Secretary General**  
**Engjëll AGAÇI**  
*(signature, seal)*