

**EU Enforcement Atlas Project – ALBANIA**  
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**EU Enforcement Atlas Project – ALBANIA**

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**Civil enforcement proceedings in Albania**



## EU Enforcement Atlas Project – Albania

### CONTENTS

<b>ABBREVIATIONS .....</b>	<b>3</b>
<b>PART I INTRODUCTION .....</b>	<b>4</b>
I.1. Introduction.....	4
I.2 General information on enforcement.....	4
<b>PART II THE LEGAL FRAMEWORK .....</b>	<b>5</b>
II.1 Legislation affecting enforcement.....	5
II.2 Enforceable titles.....	6
II.3 Service of documents to parties and third parties .....	10
II.4 Legal remedies, appeal and objection.....	<b>Fout! Bladwijzer niet gedefinieerd.1</b>
II.5 Postponment, suspension and termination of enforcement.....	13
II.6 Counter enforcement.....	<b>Fout! Bladwijzer niet gedefinieerd.5</b>
II.7 Objects and exemptions on enforcement.....	<b>Fout! Bladwijzer niet gedefinieerd.5</b>
II.8 (Court) penalties and fines.....	17
II.9 Access to information on the domicile and assets of the debtor.....	<b>Fout! Bladwijzer niet gedefinieerd.7</b>
<b>PART III THE ORGANIZATION OF ENFORCEMENT .....</b>	<b>21</b>
III.1 The status of the enforcement agent.....	21
III.1.1 The jurisdiction and competences of the enforcement agent .....	21
III.1.2. The obligations of the enforcement agent .....	22
III.1.3 Inconsistencies and conflict of interest .....	23
III.1.4 Ethics and deontology .....	24
III.1.5 Disciplinary proceedings against enforcement agents.....	25
III.2 Supervision over enforcement .....	<b>Fout! Bladwijzer niet gedefinieerd.7</b>
III.3 Access to the premises.....	<b>Fout! Bladwijzer niet gedefinieerd.8</b>
III.4 Obstructing the enforcement agent from carrying out enforcement....	<b>Fout! Bladwijzer niet gedefinieerd.9</b>
III.5 Time of enforcement.....	<b>Fout! Bladwijzer niet gedefinieerd.9</b>
III.6 Mediation.....	29
<b>PART IV ENFORCEMENT PROCEDURES .....</b>	<b>30</b>
IV.1 Initiation and end of the enforcement procedure .....	30
IV.1.1 Initiation of enforcement.....	30
IV.1.2 Withdrawal of enforcement .....	32
IV.2 Enforcement against movable assets to settle pecuniary claims.....	32
IV.3 Attachment on the bank accounts of the debtor/ Enforcement against savings deposits and current accounts .....	33
IV.4 Enforcement on immovable property.....	<b>Fout! Bladwijzer niet gedefinieerd.5</b>
IV. 5 Enforcement against Wages and Other Permanent Pecuniary Income .....	36
IV.6 Attachment under the debtor's debtor (debtor's claims).....	37

## EU Enforcement Atlas Project – Albania

IV.7 Enforcement against shares.....	38
IV. 8 Other attachments procedures.....	38
<b>IV.8.1 Execution on means of navigation and aviation.....</b>	<b>38</b>
<b>IV.8.2 Execution of obligations in money towards budgetary institutions.....</b>	<b>39</b>
IV.9 Handing over movable assets .....	39
IV.10 Enforcement in reinstatement of employee to work.....	40
IV. 11 Eviction.....	40
IV.12 Enforcement of obligations to act, refrain from acting or suffer action .....	<b>Fout! Bladwijzer niet gedefinieerd.1</b>
IV.13 Attachment of goods.....	<b>Fout! Bladwijzer niet gedefinieerd.1</b>
IV.14 Enforcement of foreign enforceable documents from Non EU States .....	42
<b>PART V ENFORCEMENT COSTS .....</b>	<b>45</b>
<b>PART VI LINKS AND SOURCES.....</b>	<b>Fout! Bladwijzer niet gedefinieerd.1</b>

## EU Enforcement Atlas Project – Albania

### ABBREVIATIONS

CC	Civil Code
CPC	Civil Procedure Code
Chamber	National Chamber of Private Enforcement Agents
Law no. 26/2019	Law no. 26/2019 “On Private Judicial Enforcement Service”
Law no. 8/2023	Law no. 8/2023 “On the organization and functioning of the State Judicial Enforcement Service”

## EU Enforcement Atlas Project – Albania

### PART I INTRODUCTION

#### I.1. Introduction

The Enforcement Atlas aspires to contribute to collecting accurate information on enforcement legislation, procedures, expenses and professionals across states' enforcement systems, making this information accessible online in a user-friendly way.

This particular Report aims at giving comprehensive information on enforcement procedures, cost, duration, legislation and the judicial enforcement agent's profession from the legal system in Albania.

#### I.2 General information on enforcement

The Judicial Enforcement Service in Albania is an institution with a binding character whose mission is the execution of court decisions and all types of executive titles according to Code of Civil Procedure, an act which is approved in 29.3.1996, through law No. 8116, dated 29.03.1996 "On the Code of Civil Procedure in the Republic of Albania", as amended.

In 2001 was adopted for the first time by Albanian parliament a dedicated organic law on Judicial Enforcement Service law no. 8730 *"On the organization and operation of the enforcement by judicial state service"* until that time was directly dependent on the court and for the first time an enforcement agent was separated from dependency of a judge. According of new independence as a profession, there was a new dependence of the Enforcement Judicial State Service by the Ministry of Justice, as an authorized public legal service appointed and supervised by the state.

The Albanian Parliament in 2008, adopted law no. 10 031 *"On the private judicial enforcement service"*, liberalizing the enforcement service, adding private enforcement service as an alternative to the state enforcement service. September 2010, the first 52 enforcement private agents were licensed by Ministry of Justice. October 2010, was established in Albania the National Chamber of Private Enforcement Agents.

Therefore after 2008, in Albania the enforcement service model offers a mixed model as "two track system" combining public and private judicial enforcement service which was offered by private enforcement agents and public state enforcement agents, in a total that varied from 160 to 260 enforcement agents in 14 years.

## EU Enforcement Atlas Project – Albania

### PART II THE LEGAL FRAMEWORK

#### II.1 Legislation affecting civil enforcement

"Enforcement procedure" means any action undertaken by the enforcement agent (whether state or private) in accordance with Law no. 8116, dated 29.03.1996 "Code of Civil Procedure of the Republic of Albania", with the aim of executing executive titles, which can be all civil final decisions of a court, some final criminal decisions when dealing with property rights, arbitrations decisions of foreign countries or arbitrations of the Albanian court etc.

The Code of Civil Procedure is the law that regulates and guides the actions of an enforcement agent during the execution of a title. This code contains a whole Chapter (IV) on enforcement execution procedure, starting with general provisions (such as article 510 defining the executive titles; article 515 determining order of execution; article 517 with notification of the voluntary execution of the obligation), and regulates execution in special domains, such as: execution on movable property; execution on immovable property; on means of navigation and aviation; execution on credits of the debtor and on things that third persons owe to the debtor; execution of obligations in money towards budgetary institutions; execution on amounts in bank accounts; execution of obligation to relinquish a certain item; execution of obligation for performance of determined action; means of defense against execution of decisions; suspension and cessation of execution.

Also, the Civil Code of the Republic of Albania is a law that contains important material provisions related to the execution process.

Law no. 26/2019 "On Private Judicial Enforcement Service" and Law no. 8/2023 "On the organization and functioning of the State Judicial Enforcement Service" both lead the organization and functioning of the Judicial Enforcement Service in Albania.

If an enforcement agent operates within the private sector, they must adhere to the provisions outlined in Law no. 26/2019. On the other hand, if the enforcement agent is part of the state enforcement service, they are subject to the regulations stipulated in Law no. 8/2023.

These laws establish criteria for individuals to qualify as either private or state judicial enforcement agents, outline their roles, responsibilities, disciplinary measures, status, fee

## EU Enforcement Atlas Project – Albania

determination rules, and specify their interactions with state institutions and other public and private entities.

So the activities of enforcement agents in Albania are governed by either Law no. 26/2019 or Law no. 8/2023, depending on whether they operate within the private or state enforcement service, respectively.

Other laws containing provisions relevant to enforcement services and execution procedures in Albania are:

- ⇒ **Law No. 9901, dated 14.4.2008 "On Merchants and Commercial Companies"**: This law includes provisions related to the organization of commercial entities, commercial transactions, contracts, and obligations. Enforcement agents may need to refer to this law when executing court orders related to commercial disputes or debts involving merchants and commercial companies.
- ⇒ **Law No. 110/2016 "On Bankruptcy"**: This law governs bankruptcy proceedings and the liquidation of assets to satisfy creditors' claims. Enforcement agents may be involved in executing court orders related to bankruptcy proceedings, such as seizing and selling assets to distribute proceeds among creditors.
- ⇒ **Law No. 8537, dated 18.10.1999 "On Pledges"**: This law pertains to the establishment, registration, and enforcement of pledges, which are security interests in property to secure the payment of a debt or the performance of an obligation. Enforcement agents may need to follow procedures outlined in this law when executing court orders involving pledged assets.
- ⇒ **Law No. 7895, dated 27.1.1995 "Penal Code of the Republic of Albania"**: This law contains provisions related to criminal offenses, including actions that obstruct or interfere with the execution of court decisions. Enforcement agents may rely on this law when pursuing legal action against individuals or entities that attempt to impede the execution process unlawfully.

Enforcement agents operating in Albania must be familiar with these laws and comply with their provisions when they carry out enforcement activities and executing court orders. These laws provide the legal framework within which enforcement procedures are conducted and ensure the protection of rights and interests of parties involved in enforcement proceedings.

### II.2 Enforceable titles

In legal terms, an executive title refers to a document that establishes a legally recognized obligation, typically in a form prescribed by law, which can be enforced through legal proceedings upon the creditor's request. The issuance of an Execution Order is often based on the existence of such an executive title. An executive title serves as the basis for initiating enforcement

## EU Enforcement Atlas Project – Albania

proceedings to compel the debtor to fulfill their obligations as specified in the document. It provides a legal mechanism for creditors to seek redress when debtors fail to comply with their contractual or legal obligations.

According to Albanian Civil Procedure Code, enforced execution can be made only on the basis of an executive title. In article 510 of the Civil Procedure Code are provided which acts constitute an executive title:

- ⇒ civil final decisions of the court containing an obligation, decisions issued by them on securing the lawsuit as well as on temporary enforcement;
- ⇒ irrevocable penal decisions in the section dealing with property rights;
- ⇒ decisions of the arbitration courts of foreign countries that are empowered in accordance with the provisions of this Code;
- ⇒ the decisions of an arbitration court in the Republic of Albania;
- ⇒ notary documents containing monetary obligations as well as documents for the award of bank loans;
- ⇒ bills of exchange, cheques, and order papers equivalent to them;
- ⇒ other documents according to specific laws, are executive titles and authorise the enforcement agent to carry them out.

The Albanian Civil Procedure Code does not offer an exhaustive list of what qualifies as an executive title. Instead, it allows for the potential definition of such titles through subsequent special laws that may be introduced. This adaptable approach enables the legal system to respond effectively to changing needs and circumstances. For instance, certain documents such as electricity bills, water bills, and fines levied by public institutions are recognized as executive titles. These documents signify obligations owed by individuals or entities and can be enforced through legal channels when necessary. By permitting the designation of various documents as executive titles through special legislation, the legal framework can cater to specific types of obligations, offering a clear structure for their enforcement.

The law itself provides in specific cases that the fines imposed by some administrative bodies such as institutions organized as state inspectorates; public administration bodies, which have the competence to issue individual administrative acts, the activity of which is regulated by a special law; the public administration bodies, which have the competence to issue individual administrative acts, the activity of which is regulated by a special law, which has provided for the administrative offense and the punishment with a fine; etc., has defined them as executive titles that can be executed through the enforcement service.

In order for the Execution Order to be issued, it is necessary to have an Executive Title, which must contain a final, complete, precisely defined and unconditional confirmation of the debtor's obligation to the creditor, or creditors when they are more than one.



## EU Enforcement Atlas Project – Albania

The creditor is the interested party who moves the Court to issue the execution order and then the enforcement agent to start the enforcement procedure.

The execution order, which is issued only in one copy, can only be issued on the basis of an executive title. An execution order can be issued by the court at the request of the creditor (known as such under the executive title) or the creditor's lawyer.

The Execution Order according to our civil procedural law is the court decision, by means of which the existence of the obligation defined in an executive title capable of being executed is ascertained and consequently for its execution - the service of judicial enforcement is ordered execute the contents of this title.

The execution order, therefore, is the act issued by the court on the basis of which the process of compulsory execution can be started and where the obligation that burdens the debtor party must be determined/known, and the authorization to start a process of compulsory execution through enforcement service.

The executive title shall be executed through the issuance of an execution order, which:

- a) In the cases of (i) civil final decisions of the court containing an obligation, decisions issued by them on securing the lawsuit as well as on temporary enforcement, and (ii) irrevocable penal decisions in the section dealing with property rights, shall be issued by the court that issued the decision on the ordering provisions.
- b) Regarding decisions of the courts of foreign countries and foreign courts of arbitration, the execution order shall be issued by the court that makes the recognition of the decision, in the ordering provisions.

The execution order shall not be issued for the decision on attachment of claim and fines imposed by the court, binding decisions on taking of evidence, the decision on the part ordering court costs, as well as the civil judgements of the court, the data on temporary execution, which are directly executed by the bailiff's office, after the notification of the decision.

The examination of the request for issuing the execution order is conducted by the judge without the presence of the parties. The court issues the execution order based on the documents filed by the applicant.

The execution order contains:

- i. identifying data of the debtor and creditor;
- ii. the origin of the obligation;

## EU Enforcement Atlas Project – Albania

- iii. the concrete obligation deriving from the executive title until the moment of issuance of the execution order;
- iv. when the executive title, for which an execution order is issued, is an act for granting bank credit or monetary obligations, the Court shall provide for the legal interest rates in accordance with the legislation in force that regulates late payments in contractual and the commercial obligations.

Against the decision by which is refused the issuance of the execution order may be appealed in conformity with the rules on separate appeals.

The execution order is issued in only one copy. When separate properties must be handed over or when the execution title has been issued to the benefit or against several persons separate execution orders may be issued making a note as which part of the title must be executed for each execution order.

When the execution order is lost or disappears, on request by the creditor the court which has issued it may issue him a duplicate on the basis of the executive title. The request is considered in court council after a copy of the request has been delivered to the debtor. When the executive title itself is lost or disappears and it is not possible that its content be taken out of the acts of the organs which have issued it, the creditor may sue the debtor in conformity with the general rules.

After the court issues the Execution Order, the decision to proceed with further actions to enforce the obligation through the enforcement procedure lies with the creditor. The Execution Order provides the legal authorization for the creditor to initiate enforcement proceedings against the debtor to compel them to fulfill the obligation specified in the executive title.

The key steps and requirements for enforcing an Execution Order are:

1. **Submission of Request:** The creditor submits a request for execution to the state or private judicial enforcement service through the enforcement agent. Along with the request, the creditor must submit several documents:
  - Executive title (original or certified);
  - Execution order (original);
  - Payment of the fee;
  - Power of attorney if applicable.
2. **Review of Documentation:** The enforcement agent reviews the submitted documents. If any deficiencies are found, the enforcement agent notifies the requester/claimant and provides a 5-day deadline to correct the deficiencies.
3. **Correction of Deficiencies:** If deficiencies are identified, the requester/claimant must fill them within the provided deadline. Failure to do so results in the return of the documentation to the requester/claimant.

## EU Enforcement Atlas Project – Albania

4. **Registration of Request:** Once the documentation is complete and deficiencies are corrected (if any), the request for execution is considered registered from the day of its submission with the enforcement agent.

5. **Commencement of Execution:** The execution of the Execution Order starts within 15 days from the date of submission of the request by the creditor. However, for the attachment of claim and fines imposed by the court, execution occurs within five days from the day of execution.

Overall, this process ensures that creditors follow proper procedures and provide necessary documentation for the enforcement of the Execution Order. It also allows for the correction of any deficiencies before initiating the execution process.

### II.3 Service of documents to parties and third parties

Upon initiation of the decision's execution, the enforcement agent issues the debtor a notice regarding the voluntary execution of the decision outlined in the execution order. This notice specifies a timeframe of five days for decisions concerning salaries or maintenance orders, and ten days for all other cases. Upon receipt of the voluntary execution notice, the debtor is required to submit a written declaration regarding their assets and any objections or credits owed to them by third parties if requested by the enforcement agent.

The notice must include a summary of the execution order, the debtor's location and address, and a warning to the debtor that enforced execution will commence if voluntary compliance is not met within the specified timeframe.

In cases where the debtor's domicile is unknown, the First Instance Court of the relevant district appoints a representative for the debtor upon the enforcement agent's request, after obtaining necessary evidence within ten days from the request submission. The representative's payment is covered initially by the creditor.

Notifications are conducted according to the methods stipulated in the Civil Procedure Code. If an individual is detained or serving a prison sentence, notifications are sent to the place of execution. If an address for notification is explicitly provided in a contract, it may be used for all related disputes.

Military personnel receive notifications through their unit head, while public legal entities are notified at their headquarters or through designated recipients. Private legal entities are notified at their headquarters or through their representatives, or another designated individual at the headquarters in their absence.

## EU Enforcement Atlas Project – Albania

In cases where the intended recipient rejects the reception of notification, does not know to sign or cannot sign, the enforcement agent or postal service employee notes this on the document to be served, possibly with the signature of a witness. If traditional methods fail, notification is attempted at the person's residence or place of work. If unsuccessful, notification may be delivered to a family member or neighbor over the age of sixteen, who agrees to pass it on, or to a doorman.

In all these cases the person who receives the notification should sign the original or its copy undertaking the commitment to deliver it to the interested person. In the copy held, it should also be noted relationship of such person with the interested person, the actions and searches carried out for delivering the act, as well as the place and time of delivery. Records are kept detailing the attempts made.

Electronic notification of acts is done by means of electronic communications. Such notification must be reflected in a special record which must indicate the contact details and the means of electronic communications used for the notification, the exact date and time of the communication, the person with whom the communication was made and the purpose of the notification. This record is included in the case file.

Notification may be done by any other means which guarantees a regular notification, as long as the recipient personally confirms in writing that the notification has been received.

Despite existing laws on remote services, Albania's public services are not fully digitized, and the implementation and adoption of technology are ongoing. While some services are accessible through the e-Albania portal, it is not yet utilized for document notification purposes.

### II.4 Legal remedies, appeal and objection

The Albanian Civil Procedure Code delineates the avenues available for defending against the execution of decisions, which include:

1. Requesting the invalidation of the executive title.
2. Objecting to the actions of the enforcement agent.

Upon receipt of notification initiating compulsory execution, the debtor has 30 days to petition the competent court at the place of execution. This petition can contest the validity of the executive title, the existence of the obligation, or its amount. However, if the executive title is a court decision or arbitral award, objections can only pertain to events occurring after their issuance. In these cases, the court may decide to suspend the decision with or without a guarantee.

## EU Enforcement Atlas Project – Albania

In instances concerning bank loans or loans from non-banking financial institutions, the court may suspend execution with a guarantee, for a maximum of three months. If no final decision is made within this period, or if the court rejects the claim, the suspension is lifted. The court does not decide to suspend the execution when the debtor claims that the obligation outlined in the executive title, particularly for acts involving the granting of bank loans or loans from non-bank financial institutions, exists to a lesser extent.

The court reviews suspension requests within five days, and appeals can be made against its decisions. Appeals are handled within 30 days by the court of appeal, with further appeal options available as per general appeal procedures.

Challenges against the actions of enforcement agents, carried out contrary to Civil Procedure Code procedures or refusals to act as required by law, can be lodged to the court that executes the decision, within 5 days from the day of performance of the action or rejection, when the parties have been present in the conduct of the action or have been summoned and, in other instances, from the day they have been notified or have been informed of the action or refusal.

If a debtor wishes to contest the actions of enforcement agents, who conduct public judicial enforcement activities organized on a private basis, they may file a complaint with the court where the executive title is being enforced within five days of the action being performed. Appeals against the actions or refusals of enforcement agents are reviewed by the same judge overseeing the compulsory execution of the executive title, provided the actions or refusals are related to the same executive title, unless otherwise stipulated by law. The appeal must be examined within 20 days by the court at the place of execution, which may, if deemed necessary, summon the parties and the enforcement agent. However, filing an appeal against the actions or refusals of enforcement agents does not automatically suspend execution unless ordered by the court.

If the executive title pertains to the provision of bank loans or loans from non-bank financial institutions and the court opts to suspend the execution of the decision, this suspension ceases to be effective within 20 days of the suspension decision being granted. A special appeal can be lodged against the court's decision. Typically, the court of appeal reviews appeals against the lower court's decision regarding objections to execution actions within 30 days, without requiring the presence of the involved parties.

In exceptional circumstances, the court of appeal may opt to convene a court hearing with the presence of the involved parties within 45 days if it deems that a judicial debate is necessary to:

a) Fully and accurately establish the factual situation, requiring the establishment of new facts or the acquisition of additional evidence, unless the appellant demonstrates that they were unable

## EU Enforcement Atlas Project – Albania

to present these facts or request such evidence during the initial court proceedings within the specified time limits, through no fault of their own.

b) Address serious procedural violations or erroneous or incomplete determination of facts in the decision being appealed.

c) Reassess the factual situation by reevaluating some or all of the evidence obtained during the initial court proceedings.

Any third party claiming ownership of property subject to execution may initiate legal proceedings to assert their rights and potentially prevent the seizure and sale of the property. This lawsuit is filed against both the creditor and the debtor in the court overseeing the execution of the decision. In such cases, the court may decide to temporarily suspend the execution with or without requiring a guarantee.

If the court determines that a third party is the rightful owner of a movable item, but by the time the decision becomes final and unappealable, the item has already been sold in a free sale shop or by auction, the third party has the right to demand from the enforcement agent the sale price if it hasn't been remitted to the creditor. Alternatively, if the sale price has been given to the creditor, the third party has the right to request reimbursement from the debtor for any benefits derived from the sale of the item. In cases where it is confirmed that the creditor was aware at the time of the sale that the debtor was not the owner of the movable item, the creditor is obliged to refund the sale price to the previous owner. If the item was given to the creditor as payment for a debt, the creditor must return the item. However, the creditor retains the right to pursue the debt from the debtor in these circumstances.

If the court determines that a third party is the rightful owner of an immovable property sold at auction, and as a result of an irrevocable decision, the property is reclaimed from the buyer, the buyer retains the right to request reimbursement from the enforcement agent for the price paid if it hasn't been remitted to the creditor. If the price has already been given to the creditor, the buyer has the right to demand reimbursement from both the creditor and the debtor for the portion of the price received from the sale of the property. Additionally, the buyer is entitled to seek reimbursement from the relevant governmental body for any taxes paid for the transfer of ownership of the property. If the immovable property was provided to the creditor as collateral for a debt based on a court decision, and subsequently taken from the creditor, the creditor retains the right to pursue the debt from the debtor.

### II.5 Postponement, suspension and termination of enforcement

Upon receiving the notice for voluntary execution, the debtor is obligated to provide a written declaration of their financial status, as well as any assets or debts owed to them by third parties, if

## EU Enforcement Atlas Project – Albania

requested by the enforcement agent. In certain cases, upon the debtor's request, the district court at the place of execution may, considering the debtor's financial situation or other relevant circumstances, postpone the deadline for fulfilling the cash obligation or may arrange for installment payments, except in cases involving bank loans. This decision is rendered during a hearing within twenty days of the request being filed, and it may be appealed against through a special appeal process.

Execution is **suspended** in these cases:

- by a court decision in the instances provided by law;
- on the request of the creditor
- in the cases when the judge shall, by decision, without conducting a preliminary hearing, conduct the following arrangements:
  - (i) decide on the taking of evidence and information from third parties, when the parties declare and prove that they cannot take them by themselves;
  - (ii) decide to the taking of measures to secure the lawsuit, in exceptional or urgent instances with the exception of the sale by auction of an immovable thing, on which the announcement is made;
- in other cases provided by law;
- when the enforcement agent, alone or under the auspices of the creditor does not find property of the debtor within 6 months from the institution of enforcement;
- when the creditor does not present himself without reasonable grounds, within 3 months from the second notice by letter, made by the enforcement agent.

Following the dismissal of the suspension measure, enforcement continues from the procedural action remained in the moment of suspension.

Execution is **ceased**:

- when the debtor presents to the enforcement agent the statement signed by the creditor, duly certified, that he has paid the amount indicated in the execution order, or a payment note from the post office or a bank letter in which it is certified that the amount indicated in the execution order has been paid to the benefit of the creditor;
- when the creditor renounces in writing from the execution;
- when the court declares, by a judicial final decision, that the executive title is invalid, or that the obligation does not exist, or exists in a lower amount, or that has been abolished afterwards;
- when by a decision of the court which has become irrevocable the lawsuit of the debtor in objecting to the action of the enforcement agent, or of the third person who pretends that he is the owner of a movable property, is accepted.

The enforcement agent has the authority to decide on the suspension or cessation of execution, except in cases where such decisions are made by the court. These decisions can be appealed in



## EU Enforcement Atlas Project – Albania

the district court. Once the decision to suspend execution becomes final, the enforcement agent must lift the seizure on the movable or immovable properties.

Additionally, if the creditor voluntarily renounces the execution in writing, the enforcement agent returns the execution order to the creditor, who retains the right to submit a new execution request within the statutory time frame. In such instances, the new statute of limitations period begins from the date the decision to cease execution becomes final.

### II.6 Counter enforcement

Albanian legislation does not include provisions of counter-enforcement. If a debtor wishes to enforce another decision against their creditor, they must initiate a new enforcement procedure. They are not permitted to request enforcement within the framework of the original enforcement procedure.

### II.7. Objects and exemptions on enforcement

Seizure or foreclosure constitutes a coercive procedural measure undertaken by the enforcement agent. Through the seizure of the debtor's property, the enforcement action is effectively implemented, typically following the voluntary notification stage. During this stage, the enforcement agent informs relevant institutions to freeze the debtor's assets, both movable and immovable, thereby prohibiting any transactions or civil transactions involving them. This serves as a guarantee that if the debtor fails to meet their obligations as per the notices, the creditor's claims can be satisfied through the sale of these assets. Seizure can encompass various assets, including unsecured accounts, the debtor's salary, and both movable and immovable properties, achieved through the registration of transaction bans in public registers. Ultimately, sequestration effectively immobilizes the debtor's assets, both movable and immovable.

When requested to enforce a monetary obligation, the enforcement agent initiates compulsory execution upon the expiration of the notice period. This involves seizing the debtor's loans as well as their movable and immovable property to the extent necessary to fulfill the obligation. If requested by the debtor, the seizure can extend to other properties beyond those identified by the creditor, provided the enforcement agent deems it satisfactory to the creditor's claim. Additionally, at the debtor's request, the seizure can encompass assets not only subject to pledge or mortgage but also other assets not initially identified by the creditor, if deemed suitable by the enforcement agent to meet the creditor's claim.



## EU Enforcement Atlas Project – Albania

During a foreclosure proceeding, all types of personal property are susceptible to seizure under the foreclosure order, unless exemptions are specified by existing laws. The Code of Civil Procedure of the Republic of Albania provides a comprehensive list of items on which enforcement action cannot be taken during a compulsory execution process. This provision is delineated in Article 529 of the Code of Civil Procedure, titled "Assets Exempt from Seizure." According to this provision, the following assets of the debtor are exempt from seizure:

- things of personal use of the debtor and his family such as: clothing, sheets and covers, furniture to the degree they are necessary for their living;
- food and fuel which are necessary to the debtor and his family for up to three months;
- decorations and souvenirs, letters, documents of the family and professional books;
- books, musical instruments, means of art which are necessary for the scientific and artistic activity of the debtor and his family;
- for persons earning their livelihood through agricultural and livestock raising activity, up to 3 (three) thousand square meters of land, two animals for tilling land, one cow, 6 sheep or 6 goats, seeds for the future planting as well as the food for those animals for three months;
- assistance given to mothers with many children or lone mothers, on the retirement, invalidity or family pensions or on the study fellowship unless the obligation is for sustenance. In this case cannot be seized more than 1/2 of the amount of pension or fellowship;
- natural fruits one month before they are ripe; 8. Necessary objects of work for ensuring a living.

Albanian legislation mandates that during execution procedures, the enforcement agent is authorized to garnish the debtor's salary, but only after deducting contributions for social insurance and income tax. However, this garnishment cannot reduce the salary below the minimum living wage, which is determined according to existing legal and subordinate legal acts.

It's important to note that Albania currently lacks specific legislation defining the "minimum living wage." Therefore, reference is made to the "minimum wage" established by decision of the Council of Ministers, which as of April 2023 stands at 40,000 ALL, approximately equivalent to 400 Euros.

Enforced execution against a foreign public entity requires permission from the Minister of Justice of the Republic of Albania. The Civil Procedure Code solely contains this provision, without specific requirements outlined in the law regarding enforced procedures against foreign countries or international organizations. Evaluation of such requests is conducted on a case-by-case basis by the Minister of Justice.

## **EU Enforcement Atlas Project – Albania**

### **II.8 (Court) penalties and fines**

Failure to comply with or objecting to the orders of an enforcement agent may result in the imposition of fines. Therefore, if a third party, including governmental institutions or enterprises, fails to respond to a seizure notice within the specified timeframe, they will incur fines ranging from 1,000 to 50,000 ALL (approximately 10 to 500 Euros) as determined by the enforcement agent. This consequence is explicitly outlined in the seizure notice. An appeal against the decision of the enforcement agent can be lodged within five days from the date of notification.

Additionally, responsibility for non-execution of the enforcement agent's orders also incurs fines. If the individual responsible at the debtor's workplace fails to withhold the instructed amounts from the debtor's salary as per the enforcement agent's notice, or neglects to inform the enforcement agent of the debtor's relocation to another workplace or dismissal, they will be fined up to 30,000 ALL (approximately 300 Euros) by the enforcement agent. An appeal against the decision of the enforcement agent can be filed with the court within five days of the announcement. Furthermore, the fined individual has the right to request exemption from punishment in accordance with the regulations outlined in the Civil Procedure Code.

As a final measure, individuals who object to the enforcement procedure may face criminal liability. The Criminal Code defines the offense of "Preventing the enforcement of court decisions," which entails actions such as hiding, altering, using, damaging, or destroying possessions that are the subject of a court decision, or engaging in other acts with the intent to obstruct or avoid the enforcement of the court's decision. Such actions constitute a criminal offense and are punishable by a fine or imprisonment for up to two years.

Furthermore, the failure to execute a criminal or civil court decision without valid grounds by the employee tasked with executing such decisions is also considered a criminal offense. This offense carries penalties of a fine or imprisonment for up to two years. However, if this failure to execute the decision is motivated by the intent to obtain benefits or other interests, whether given or promised, and if it favors individuals interested in preventing the decision from being carried out, the offense is punishable by a fine or imprisonment for up to three years.

### **II.9 Acces to information on the domicile and assets of the debtor**

Asset seizure is a coercive procedural measure conducted by the enforcement agent, typically following the voluntary notification phase. During this phase, the enforcement agent informs relevant institutions about the freezing of the debtor's assets, both movable and immovable, prohibiting any transactions or civil traffic movements involving them.

## EU Enforcement Atlas Project – Albania

For instance, when enforcing a court decision or other executive titles on the debtor's immovable property, seizure is imposed. This process involves registering the seizure in the real estate registry office, where the enforcement agent's act is documented. The act includes details such as the type, nature, and at least three boundaries of the immovable property, its location, as well as any mortgages and real rights associated with it. The enforcement agent's act is registered by the real estate registry office within 10 days from its submission.

However, before initiating this procedure, the enforcement agent must first ascertain the assets, whether movable or immovable, owned by the debtor.

The digital transformation process in Albania has been underway for some time, with both public and private entities striving to shift citizens' mindset toward embracing this new and inevitable form of communication. The digital revolution in services and public administration aims to alter citizens' perceptions regarding electronic communication with state institutions. While Albania had laws on remote services, their full implementation and the dissemination of necessary technology were lacking. However, nowadays, the reality is rapidly changing with the emergence of the e-Albania government portal.

Administered and developed by the National Agency of Information Society, the "e-Albania" platform serves as a central hub for electronic service provision by public institutions in Albania. Through this platform, individuals can access a wide range of electronic services via the Internet. Procedures have been streamlined, allowing actions to be performed online using computers, tablets, or smartphones, all through the e-Albania platform. Moreover, users can download documents of legal value in real-time and print them using a standard printer.

Since 2020, a new approach to public services has been implemented, requiring citizens and businesses to apply exclusively online via the e-Albania platform. Public administration employees are responsible for collecting all necessary documents for state services. This shift has eliminated the need for citizens to physically collect paper documents at state counters, as all state records and documents are now digitized and easily accessible.

The e-Albania government portal is integrated with the Government Interaction Platform, facilitating communication between state databases and enabling the provision of electronic services. This interconnected architecture enhances efficiency and accessibility in accessing government services for citizens and businesses alike.

While the primary aim of the e-Albania portal is to serve as the sole channel for citizens, businesses, and public administration employees to access online public administration services,

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the Judicial Enforcement Service faces limitations in its access to the e-Albania databases. As a result, for most services, they are required to follow an application procedure.

Therefore, when it comes to gathering information about a debtor's assets, enforcement agents still rely on traditional methods, navigating through a paper trail and contacting various public institutions and banks to obtain relevant information. The Code of Civil Procedure sets forth specific deadlines within which actions must be taken, and it mandates that responsible institutions must provide timely responses to inquiries.

Meanwhile, the Private Judicial Enforcement System has advanced and implemented the use of SIAIP (The Integrated System of Administering Information for the Bailiff). This system facilitates automated processes by establishing connections with various public institutions, such as notaries, the National Registration Center for Businesses, the Cadastre, the General Directorate of Civil Status, etc. However, it is currently exclusive to private enforcement agents and does not yet integrate with full access to the e-Albania portal.

Nevertheless, prior to initiating a seizure, the enforcement agent must confirm the existence of the debtor's credits and objects owed to them by third parties. To achieve this, the enforcement agent issues written notifications to both the third party and the debtor. Upon receiving the notification, the debtor is required to declare to the enforcement agent the accuracy and completeness of the information regarding their properties or properties held by third parties.

Upon receipt of the seizure notice, the third party is prohibited from transferring the credit and possessions to the debtor. If the debtor is a legal entity, the property declaration may be made by a member of the governing body who, according to the law or statute, has the authority to represent third parties. In cases of liquidation or insolvency procedures involving a legal entity, the declaration may be made by the liquidator or insolvency administrator. Any debtor found to have made a false declaration may be subject to the provisions outlined in Article 320 of the Criminal Code.

Prior to initiating asset seizure, the enforcement agent ensures the existence of the debtor's credits and claims against third parties through documents and other data primarily obtained by the enforcement agent.

Confidentiality is a paramount aspect of the role of judicial enforcement agents. They are obligated to safeguard any information acquired during their operations and refrain from disclosing it to unauthorized parties. However, there are exceptions where disclosure is permitted, including:

- Public order entities, the prosecution service, or courts;

## EU Enforcement Atlas Project – Albania

- The Chamber/General Directorate of Enforcement, as necessary for fulfilling their legal responsibilities in private or state judicial enforcement service;
- Other government entities, concerning debtor-related property matters;
- Fellow enforcement agents, if the information is essential for enforcement proceedings;
- The creditor who has lodged an executive title for enforcement, unless they were not properly informed about this information;
- With the consent of the individual whose information is sought.

Enforcement agents are bound by professional secrecy and are prohibited from disclosing information obtained during their professional duties or from documents provided by parties in enforcement proceedings, except where legal obligations mandate disclosure. Breach of this duty, leading to the public disclosure of personal, familiar, or financial circumstances uncovered during enforcement activities, constitutes a disciplinary offense, unless it also meets the criteria for a criminal offense.

Currently, there are no specific provisions in the legislation regarding the reuse of information concerning the defendant's assets in subsequent procedures involving the same debtor.

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### PART III ORGANIZATION OF ENFORCEMENT

#### III.1 The status of the judicial officer

##### *III.1.1 The jurisdiction and competences of the enforcement agent*

The legal framework governing the roles, rights, and responsibilities of enforcement agents differs between private and state sectors. Private enforcement agents are governed by Law No. 26/2019, titled "On Private Judicial Enforcement Service," while state enforcement agents are regulated by Law No. 8/2023, titled "On the organization and functioning of the State Judicial Enforcement Service."

The Private Judicial Enforcement Service operates independently with a public mandate, facilitated by private judicial enforcement agents and offices. These agents operate under their individual names and bear personal responsibility for their actions. Conversely, state enforcement agents act on behalf of the state authority during enforcement activities.

Enforcement agents, whether private or state, possess certain freedoms, including the right to:

- Accept requests from individuals and entities for executing executive titles, barring conflicts of interest.
- Handle requests for the notification of judicial acts and official documents.
- Collect funds before court proceedings or enforcement procedures commence.
- Facilitate voluntary sales of movable and immovable assets through public auctions.
- Draft written statements on factual observations.
- Collect fees and expenses related to enforcement procedures.
- Request necessary information regarding debtor's assets or whereabouts.
- Seek assistance from law enforcement agencies and government bodies when required.
- Terminate contracts with creditors unilaterally if obligations are not met.
- Impose legal sanctions on individuals or entities obstructing execution procedures.

According to Article 10 of Law No. 26/2019, private enforcement agents or offices operate nationwide in line with the Civil Procedure Code and other relevant laws governing the enforcement of executive titles.

On the other hand, Law No. 8/2023, Article 6, establishes the State Judicial Enforcement Service under ministerial jurisdiction. It operates at both central and local levels:

- The General Directorate of Enforcement oversees operations at the central level.

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- Local enforcement offices, administratively linked to the General Directorate of Enforcement, operate at the local level.

### *III.1.2. The obligations of the enforcement agent*

The enforcement agent bears several duties, including:

- **Acting Ethically:** They must act with honesty, fairness, and professionalism, always prioritizing the interests of the requesting party while respecting the rights and interests of the other party.
- **Strict Compliance:** They are required to strictly adhere to the provisions of the Civil Procedure Code and other relevant legal and sub-legal regulations.
- **Protecting Rights:** Enforcement agents must perform necessary actions to protect the rights and legitimate interests of natural and legal persons involved in enforcement proceedings.
- **Providing Information:** They should inform the parties involved in an enforcement process about any procedural actions taken and provide necessary explanations for those actions.
- **Advising Creditors:** Enforcement agents are responsible for advising creditors about the legal consequences of procedural actions to prevent any harm to their interests.
- **Maintaining Confidentiality:** It is their duty to maintain professional secrecy and refrain from disclosing any information learned during their professional activities unless legally obligated to do so.
- **Insuring Professional Activity:** They must insure their professional activity with an insurance company to ensure compliance with legal requirements.
- **Record Keeping and Training:** Enforcement agents are obligated to maintain a standard register of their performance in enforcement activities and undergo continuous training as required by law.
- **Meeting Financial Obligations:** They must regularly pay their professional and tax liabilities to maintain good standing.
- **Respecting Human Dignity:** Enforcement agents should take necessary measures to execute executive titles while respecting human dignity and considering the needs of debtors and interests of creditors.
- **Adhering to Professional Standards:** They are required to adhere to the "Code of Ethics of Judicial Enforcement Agents," professional standards, and the "Statute of Performance of Enforcement Agent Activities."
- **Displaying Identification:** They should visibly display their identification document as a private judicial enforcement agent when conducting enforcement procedural actions or interacting with interested parties.
- **Maintaining Electronic Address:** Enforcement agents must maintain an official electronic address in accordance with rules established by order of the Minister.



## EU Enforcement Atlas Project – Albania

### ***III.1.3 Inconsistencies and conflict of interest***

Article 12 of Law no. 26/2019 stipulates that private judicial enforcement agents are prohibited from simultaneously holding public functions or practicing as a notary, mediator, lawyer, or engaging in any other activities contrary to the law or incompatible with their role as private judicial enforcement agents. They are also restricted from assuming any political, state, or professional activities for compensation, except for academic or scientific pursuits.

Furthermore, private judicial enforcement agents or private enforcement offices are prohibited from sharing office space with advocates, law firms, notaries, or any other natural or legal entity while performing their duties.

Private enforcement agents are barred from conducting their profession in any context that may compromise their impartiality. Instances constituting conflicts of interest are outlined in Article 13 of Law no. 26/2019. In case of a conflict, the private judicial enforcement agent is obligated to refuse the request or withdraw from the enforcement process if they knew or should have known of any conflict. Such conflicts include personal interests directly connected to them or their relatives, acting as a guardian or representative for one of the parties involved, or being in a judicial conflict or financial relationship with one of the parties. Additionally, if their spouse, cohabitant, or relatives up to the second degree represent one of the parties as advocates or notaries, or if there are other serious reasons indicating a conflict of interest, they must refrain from the enforcement process. If similar circumstances are proven for a partner, shareholder, or administrator of a private enforcement company, every private judicial enforcement agent in that office must also decline the request or withdraw from the enforcement process.

In terms of the State judicial enforcement service, Law no. 8/2023, Article 23, enumerates the incompatibilities associated with the role of the state enforcement agent:

- The state enforcement agent cannot simultaneously hold public functions or engage in activities that conflict with the provisions of this law or are incompatible with the responsibilities of a state enforcement agent.
- They are prohibited from participating in any political, state, or professional activities that involve compensation, except for academic or scientific pursuits.

The function of a state enforcement agent is incompatible with:

- Membership in a political party and involvement in political activities organized by a political party.
- Engaging in any political activity, regardless of whether it is done in collaboration with any political party.



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Furthermore, according to Article 24 of Law no. 8/2023, the state enforcement agent is obligated to reject the execution of a case or withdraw from ongoing execution if they become aware, or should have become aware, of any circumstances indicating a conflict of interest. Such circumstances include:

- Having a personal interest in the case or another related case.
- Having familial relations up to the fourth degree, second-degree cousins, or sharing a permanent residence with one of the parties or their representatives.
- Being involved in a legal conflict, enmity, or financial relationship with one of the parties or their representatives.
- Holding a position or having obligations in an entity, association, or institution with interests in the case being executed.
- Any other situation where concrete evidence demonstrates a significant bias.

Failure to request withdrawal from a case by a state enforcement agent aware of a conflict of interest constitutes a disciplinary violation. If a state enforcement agent conscientiously determines that there are grounds to abstain from executing a case due to a conflict of interest, they must promptly submit a request to withdraw from the case to the head of the enforcement office. Upon proper assessment of the request, the head of the enforcement office must assign another enforcement agent from the office within five days. The content of the withdrawal request and the decision are communicated to the parties involved in the execution process.

### ***III.1.4 Ethics and deontology***

In the realm of the private judicial enforcement service, the Minister of Justice is tasked with formulating the Code of Ethics for private judicial enforcement agents. It falls upon the private judicial enforcement agent to uphold and adhere to this Code of Ethics. Furthermore, the Governing Council of the National Chamber of Private Judicial Enforcement Agents oversees the enforcement of professional and ethical regulations governing the conduct of private judicial enforcement agents throughout their operations.

Any failure to adhere to the provisions stipulated within the Code of Ethics and professional standards of private judicial enforcement agents is regarded as a violation and constitutes a disciplinary offense.

The state enforcement agent is obligated, under Article 21 of Law no. 8/2023, to uphold and apply ethical standards and professional norms while performing their duties. This responsibility serves to uphold and bolster public confidence in the state judicial enforcement service. All state enforcement agents, including heads of enforcement offices, undergo ethical and professional evaluations. These evaluations serve several purposes:

- Continuously enhancing their ethical and professional competencies.

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- Establishing consistent benchmarks for the quality of enforcement agent activities.
- Identifying training needs and facilitating training planning for enforcement agents.
- Identifying enforcement agents with specialized professional skills beneficial to the judicial enforcement system.
- Contributing to the enhancement of working conditions for enforcement agents.

Any failure to comply with ethical standards and professional norms in interactions with parties involved in the process, other entities, the office head, colleagues, staff, or the public constitutes a disciplinary offense.

For state enforcement agents, their adherence to ethics and dedication to professional values are evaluated to assess their work ethic and impartiality. Work ethic, concerning commitment and responsibility in their role, is evaluated based on various indicators, including complaint outcomes and disciplinary decisions. Impartiality is assessed through indicators such as the frequency of requests for non-acceptance of execution and waivers from executing assigned files (refer to Article 52 of Law no. 8/2023).

### ***III.1.5 Disciplinary proceedings against enforcement agents***

Law no. 26/2019 stipulates that private enforcement agents are subject to disciplinary responsibility for breaches of their duties. The initiation of investigations into alleged misconduct is decided by the Minister. Within six months of deciding to initiate an investigation, the Minister either presents the investigation report to the Disciplinary Commission or decides to close the investigation. The Minister may initiate an investigation *ex officio* based on substantial information and reliable sources indicating reasonable suspicion of misconduct. Information obtained from media sources or anonymous complainants may serve as grounds for initiating such an investigation.

The Disciplinary Commission comprises three members known for their integrity and professional reputation, including:

- One member elected by the School of Magistrates;
- One member appointed by the Minister;
- One member elected by the Chamber from among private judicial enforcement agents.

The Disciplinary Commission schedules a hearing date and notifies all parties, ensuring that the hearing occurs no later than 15 days after receiving the file from the Minister and providing at least 10 days' notice to all parties.

During proceedings, the Disciplinary Commission considers all relevant factors and may gather additional evidence, such as summoning witnesses or engaging experts.

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Upon review of all facts and evidence, the Disciplinary Commission may:

- Dismiss the disciplinary proceeding if the alleged facts did not occur or do not constitute misconduct;
- Uphold the request and impose one or more disciplinary measures, notifying the Minister accordingly.

Possible disciplinary measures include:

- Revocation of the license and removal from registers;
- Fines ranging from 50,000 to 200,000 lek;
- License suspension for a period of three months to two years.

Disciplinary measures must be issued within 6 months from the date of the disciplinary violation, and no later than 2 years from the time of its occurrence.

Following the conclusion of the hearing, the Disciplinary Commission must review the proposed disciplinary measures put forth by the Minister. Within two weeks after the hearing's closure, the Commission must deliver a reasoned and written decision.

The Ministry is tasked with taking any necessary measures for the execution of disciplinary measures and is responsible for monitoring the implementation of all measures imposed in disciplinary proceedings.

For state enforcement agents under Law no. 8/2023, it's the responsibility of the General Director of Enforcement to decide whether to initiate an investigation into alleged violations committed by an enforcement agent. This decision must be made within six months from the date the decision is made to start the investigation. The General Director then either begins the disciplinary procedure by submitting the investigation report to the Enforcement Council or closes the investigation.

The Enforcement Council comprises five members, including

- the Secretary General of the Ministry of Justice,
- the General Director of the State Enforcement Service,
- an advisor to the Minister of Justice,
- the general director in the Ministry of Justice supervising the state enforcement service's activity, and
- a member chosen by the General Director of the State Enforcement Service from among state enforcement agents.

## EU Enforcement Atlas Project – Albania

Once the Enforcement Council receives the file from the General Director of Enforcement, it schedules a hearing and notifies the involved parties at least 10 days in advance. During the hearing, the Council considers all circumstances related to the case, reviews the enforcement agent's personal file, assesses their experience and individual results in duty, and evaluates various factors related to the alleged violation.

Following a thorough review of the facts and evidence, as well as the proposed disciplinary measure by the General Director of Enforcement, the Enforcement Council may either dismiss the request for disciplinary proceedings if the alleged facts did not occur or do not constitute a violation, or accept the request and impose one or more disciplinary measures. The Council issues a reasoned written decision within two weeks after the session concludes.

Disciplinary measures for state enforcement agents may include:

- a reprimand,
- a reprimand with a warning for removal from duty,
- salary reduction of up to 40% for a maximum of one year,
- suspension from office for three months to two years with the right to benefit from the minimum wage, or
- removal from office.

The first two disciplinary violations are decided by the General Director of Enforcement, while other measures are determined by the Enforcement Council.

Within 15 days of the Enforcement Council's decision presentation, the Minister issues an order for the implementation of the relevant disciplinary measures, outlining the modalities of implementation based on the Council's decision.

### III.2. Supervision over enforcement

Law no. 26/2019 “On Private Judicial Enforcement Service”, provides two mechanisms that ensure the supervision of the activity of the private judicial enforcement agents.

The first mechanism is the control of the activity of private enforcement agents by the Ministry, and the second mechanism is the oversight of the activity of private judicial enforcement agents by the Chamber.

The Ministry oversees the activities of private enforcement agents and offices in accordance with Law no. 26/2019 and relevant inspection legislation in Albania. This oversight occurs regularly, either initiated by the Ministry itself or prompted by interested parties.

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Every four years, the Ministry verifies the activities of each private judicial enforcement agent. To fulfill this responsibility, the Ministry is authorized to:

- Examine enforcement registers, case files, documents, and other materials related to enforcement activities.
- Request necessary information from private enforcement agents.
- Review reports on enforcement measures taken by agents.
- Assess agents' performance to ensure adherence to professional standards.
- Request access to the bank account data of private enforcement agents to monitor financial transactions related to enforcement proceedings.

After verification, the Ministry may take corrective actions to address any identified violations. This could involve ordering measures for rectification within a specified timeframe or initiating disciplinary proceedings against the enforcement agent.

The Ministry may collaborate with the Chamber to conduct joint inspections when necessary. Oversight activities are carried out by designated Ministry personnel, and in cases of resource shortages or specific needs, external independent experts may be engaged.

The Chamber operates independently from Ministry oversight and conducts its own scrutiny of private judicial enforcement agents and assistant enforcement agents. This oversight focuses on ensuring compliance with the Code of Ethics, professional standards, and Chamber membership obligations.

As part of its responsibilities, the Chamber conducts routine oversight at least once every two years for each enforcement agent.

Upon discovering violations by a private enforcement agent, the Chamber has the authority to issue orders for rectifying deficiencies within a specified timeframe. Additionally, it can lodge complaints for further investigation to the Minister of Justice. Within 10 days of completing this process, the Chamber submits a verification report to the Ministry. (Article 59, Law no. 26/2019).

### III.3 Access to the premises

According to Article 523 of the Civil Procedure Code, if the enforced execution necessitates accessing the debtor's premises or any other building in their absence, a representative from the local government must be present upon the enforcement agent's request.

Additionally, the enforcement agent must ensure the presence of two witnesses for any action undertaken. If required, the Police must provide assistance to the enforcement agent during such execution procedures.

## EU Enforcement Atlas Project – Albania

For each action conducted, the enforcement agent is mandated to maintain detailed records, including the date and location of the action, requests and statements made by involved parties, items seized, proceeds obtained, and the expenses incurred during the execution process.

### III.4 Obstructing the judicial officer from carrying out enforcement

According to Article 523 of the Civil Procedure Code, the enforcement agent has the authority to request cooperation from the Police when deemed necessary. In such instances, the Police is mandated to provide assistance during the execution procedure. This right of the enforcement agent to seek support from the State Police is also enshrined in both Law No. 26/2019 and Law No. 8/2023. Additionally, the judicial enforcement agent possesses the right to solicit assistance from other state institutions or private entities when it is deemed reasonable that procedural execution actions cannot be carried out without their support, assistance, or presence.

### III.5 Time of enforcement

While the Civil Procedure Code does not specify the timeframe or days when enforcement actions are prohibited, the regulations outlined in Law No. 26/2019 and Law No. 8/2023 offer guidance. Both laws stipulate that private and state judicial enforcement agents must adhere to the "Code of Ethics of Judicial Enforcement Agents," professional standards, and the "Statute of Performance of Enforcement Agent Activities." Engaging in prohibited practices or utilizing improper methods to collect debts, such as enforcing during holidays or at inappropriate times, is strictly forbidden under these laws.

### III.6 Mediation

Albanian legislation explicitly forbids enforcement agents from concurrently holding public positions or practicing as a notary, mediator, or lawyer. Engaging in any activities that contravene the laws governing the judicial enforcement service or are incompatible with the role of a judicial enforcement agent is strictly prohibited.

However, prior to commencing the enforcement procedure, upon request from an interested party, an enforcement agent may issue notifications and engage in the collection of financial obligations through mutual agreement as a secondary activity.

## EU Enforcement Atlas Project – Albania

### PART IV ENFORCEMENT PROCEDURES

#### IV.1 Initiation and end of the enforcement procedure

##### IV.1.1 Initiation of enforcement

Enforced execution is strictly permitted only upon the presence of an executive title. These titles encompass various legal documents such as:

- civil final decisions of the court containing an obligation, decisions issued by them on securing the lawsuit as well as on temporary enforcement;
- irrevocable penal decisions in the section dealing with property rights;
- decisions of the arbitration courts of foreign countries that are empowered in accordance with the provisions of the Civil Procedure Code;
- the decisions of an arbitration court in the Republic of Albania;
- notary documents containing monetary obligations as well as documents for the award of bank loans;
- bills of exchange, cheques, and order papers equivalent to them;
- other documents according to specific laws.

The execution of an executive title is facilitated through the issuance of an execution order. However, it's important to note that certain types of decisions, such as those pertaining to the attachment of claim, fines imposed by the court, decisions on taking evidence, court costs, and civil judgments, are directly executed by the enforcement agent without the need for an execution order.

Article 515 of the Civil Procedure Code defines execution and mandates that the execution order is carried out by the judicial enforcement service, whether state or private, through the enforcement agent, upon the creditor's request.

The Civil Procedure Code provides a comprehensive list of requirements that the creditor must fulfill to enable the execution of the execution order. Alongside the request for execution, the creditor must furnish:

- The executive title (either original or notarized)
- The original execution order
- Payment of the required fee
- If necessary, the power of attorney of the person representing the creditor party.



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All requisite elements must be fulfilled meticulously and comprehensively. Conversely, if any of the required documents are found to be incomplete for the execution order, the enforcement agent grants the petitioner a grace period of five days to rectify the deficiencies. Failure to address these deficiencies within the specified timeframe results in the return of the documentation to the petitioner. Once the deficiencies are rectified within the stipulated deadline, the request for execution is considered officially registered from the date of its initial submission to the enforcement agent.

Upon the presentation and registration of the creditor's request, the enforcement agent is bound by specified timeframes within which to act, as outlined by the Civil Procedure Code. Generally, the execution of an execution order occurs within 15 days from the date of the creditor's request. However, in instances where the execution of a court decision is necessary to secure a lawsuit or enforce court fines, execution must occur within 5 days from the date of presentation for execution.

Upon commencing execution, the enforcement agent issues the debtor a notice of voluntary execution, setting forth a timeframe for compliance. This notice includes essential details such as a summary of the execution order, the creditor's contact information, and a warning to the debtor that enforced execution will commence if voluntary compliance is not met within the specified timeframe.

Following receipt of the notice for voluntary execution, the debtor must provide a written declaration of their property status and any debts owed to them by third parties, if requested by the enforcement agent.

In exceptional circumstances, upon the debtor's request, the first-level court at the execution location may, after considering the debtor's financial situation and other case-specific factors, postpone the execution timeframe or divide the obligation into installments, except in cases involving bank loans.

Enforced execution cannot commence before the expiration of the aforementioned time limits, unless there is a risk that waiting will render execution impossible. In such cases, the enforcement agent may proceed immediately with enforced execution.

Throughout the execution process, the enforcement agent is obligated to maintain detailed records documenting each action undertaken, including the date and location of each action, parties' requests and statements, items seized, proceeds obtained, and costs incurred for execution.



## EU Enforcement Atlas Project – Albania

### IV.1.2 Withdrawal of enforcement

Enforcement proceedings may conclude through various means:

1. **Payment Confirmation:** When the debtor provides the enforcement agent with a certified statement signed by the creditor confirming payment of the specified amount in the execution order. Alternatively, a payment receipt from the post office or a bank letter certifying the payment to the creditor's benefit can also terminate the enforcement.
2. **Creditor's Renunciation:** When the creditor formally waives the execution in writing.
3. **Judicial Declaration:** When the court issues a final judicial decision declaring the executive title invalid, stating that the obligation does not exist, or confirming its existence but at a reduced amount. Additionally, if the obligation has been subsequently annulled by a court decision, enforcement may also be terminated.
4. **Court Decision Acceptance:** When a court decision, deemed irrevocable, upholds the objections of the debtor against the enforcement action or acknowledges the claims of a third party asserting ownership over a movable property.

### IV.2 Enforcement against movable assets to settle pecuniary claims

Enforcement on movable assets of the debtor occurs under specific circumstances, such as when the debtor lacks monetary means or when movable assets are pledged as collateral. Here's a comprehensive breakdown of the process:

1. **Placement on Seizure:**
  - Upon the expiration of the deadline in the execution notice, the enforcement agent initiates the enforcement by placing a seizure on the debtor's credits, movable and immovable assets to fulfill the obligation.
  - At the debtor's request, seizure may extend to additional properties, including those not specified by the creditor.
2. **Obligations of the Debtor:**
  - Once seized, the debtor forfeits the right to possess, alter, or dispose of the assets without facing legal consequences.
3. **Inventory:**
  - The enforcement agent conducts an inventory of the debtor's movable assets, duly recorded and accompanied by pertinent details including identification of involved parties, location, and item descriptions.
  - The inventory is prepared in the presence of the debtor or a representative, along with two witnesses and, if necessary, a local authority representative.
4. **Appraisal of Inventoried Assets:**

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- The enforcement agent appraises the inventoried assets based on expert assessments or market values, accounting for depreciation.
  - If the debtor declines custody, the enforcement agent appoints a custodian, with both parties being responsible for asset care and accountability.
5. **Joint Property Execution:**
- In cases of assets owned jointly by the debtor and others, the enforcement agent petitions the relevant court for division and determination of the debtor's share.
6. **Sale Procedure:**
- Following seizure, the debtor is notified of the intention to sell the assets if the obligation remains unfulfilled within a specified period.
  - Sales are conducted either through auction or in open-market settings, with precious items held in bank custody.
7. **Price Determination:**
- The price of seized assets is agreed upon by the enforcement agent, creditor, and debtor. Any disputes are resolved with expert input.
8. **Free Sale and Auction:**
- If assets remain unsold in open-market settings, they may be transferred to auction, organized according to legal procedures.
  - The debtor has the right to determine the sale order, with proceeds from successful sales satisfying the creditor's claims and related expenses.
9. **Ownership Transfer:**
- Upon sale, the buyer assumes ownership, even if the asset wasn't originally owned by the debtor.

This process ensures the orderly enforcement of obligations through transparent procedures while safeguarding the interests of all parties involved.

### IV.3 Attachment on the bank account of the debtor/ Enforcement against savings deposits and current accounts

The enforcement agent is mandated to formally notify all public and private banks to disclose any accounts, deposits, or credits held by the debtor. Failure to comply renders the banks liable under Penal Code provisions. Upon receipt of the execution order, the bank seizes the debtor's accounts, deposits, and credits to the extent necessary for fulfilling the obligation, without interrupting payments preferred under Article 605 of the Civil Code.

Funds withdrawn from the debtor's accounts are transferred to the enforcement agent's account. If the available funds are insufficient to settle the obligations, the enforcement agent adheres to the precedence order outlined in Article 605 of the Civil Code.

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In case of suspected non-compliance by the bank, the enforcement agent has the authority to conduct an on-site verification of bank documentation, with a bank representative present, and document any breaches or discrepancies. The enforcement agent can then specify corrective actions and deadlines in official minutes. Fines may be imposed on bank employees or management for breaches or incorrect actions.

Effective cooperation between banking institutions and the judicial enforcement service is not just beneficial but obligatory for executing monetary obligations. To regulate execution procedures involving bank accounts, the Bank of Albania has issued instructions defining the procedures for information provision and execution of monetary obligations, outlining necessary documents and data exchange between enforcement agents and banks.

The detailed procedure for attaching a debtor's bank account is outlined in Bank of Albania Instruction no. 2, dated 27.3.2014, which is mandatory for all banks in Albania. The following steps must be followed:

1. **Seizure Order:** The enforcement agent has the authority to order the seizure of amounts in the debtor's account across all banks operating in Albania.
2. **Contents of Seizure Order:** The seizure order, presented in writing, must include:
  - Debtor identification details: name, surname, paternity, and date of birth (for individuals), or the name and identification number of the taxable person (for natural and legal persons).
  - The amount for which the seizure is imposed.
  - The execution order issued by the competent court or any document initiating the enforcement process.
3. **Bank's Obligations and Notification to Enforcement Agent:**
  - Upon receiving the seizure order, the bank must:
    - Seize the amounts in the debtor's account up to the specified amount.
    - Notify the enforcement agent of the seizure within 3 working days.
    - Transfer the seized amount or remove the seizure within 10 working days of receiving the bank's notification; failure to do so constitutes waiver of the seizure.
    - Notify the enforcement agent within 3 working days if the debtor's account has no positive balance, deciding to foreclose only if amounts will become available.
    - Respond to enforcement agent inquiries about the account status within the next working day.
    - Notify the enforcement agent within the next working day if the seizure order lacks required elements.

## EU Enforcement Atlas Project – Albania

- Notify the enforcement agent of any ambiguities or material errors in the order and await resolution within 3 working days.
4. ***Suspension of Payment and Order of Preference:***
- Seizure on the debtor's account does not suspend payment of loans prioritized under Article 605 of the Civil Code.
  - If the seized amount is insufficient to repay obligations, the bank informs the enforcement agent, who respects the order of preference defined in the Civil Code.
5. ***Enforcement Agent's Response:*** Within 10 working days of receiving the bank's notification, the enforcement agent notifies the bank of the order for transferring the amount.

### IV.4 Enforcement on immovable property

1. ***Placement of Seizure:*** The enforcement of court decisions or other executive titles concerning the debtor's immovable property involves placing a seizure on them. This seizure is registered by the enforcement agent in the immovable property register, noting essential details such as the type, nature, location, and at least three borders of the property, along with any mortgages or real rights attached to it. The registration must occur within 10 days of submission, and the debtor is provided with a copy of this action.
2. ***Assessment of Debtor's Ownership Rights:*** Before seizing the property, the enforcement agent verifies if the immovable property is indeed owned by the debtor. This may involve examining ownership documents or obtaining information from relevant authorities.
3. ***Appraisal of Seized Property:*** If the creditor and debtor fail to agree on the property's value within a week, the enforcement agent evaluates it within 15 days, assisted by a licensed expert. The valuation methodology is based on government-defined standards. The determined price is communicated to both parties, who may appeal this decision in court.
4. ***Procedure for Auction Sale:*** Following seizure, the enforcement agent notifies the debtor that the property will be sold if the obligation isn't fulfilled within 10 days. After this period, the agent proceeds with auction sale. The auction is announced in various public places and newspapers, with a minimum initial auction price set at 80% of the enforcement agent's valuation.
  - If no bidder emerges at the first auction, subsequent auctions are held with decreasing initial prices.
  - Ownership of the property transfers to the buyer upon full payment, and the enforcement agent issues a transfer of ownership decision.

## EU Enforcement Atlas Project – Albania

- In the absence of buyers at the third auction, the property may be offered to the creditor at the third auction price. If refused, the seizure is lifted, and other execution procedures may continue.
  - When multiple creditors seek ownership against debt, the highest bidder within three days becomes the buyer.
5. **Execution on Jointly-Owned Property:** Execution on jointly-owned property involves division among co-owners, with the option for the property's sale as a whole with all co-owners' consent, documented by a notary act.
6. **Handling Excess Proceeds:** Any surplus proceeds from the auction, after settling creditors' claims and expenses, are returned to the debtor. The auction sale does not prevent a third party from claiming ownership through legal action, and objections to the enforcement agent's actions can be made through court appeal.

### IV.5 Enforcement against wages and other permanent pecuniary income

The provisions within the Civil Procedure Code governing the execution of executive titles strike a delicate balance. They empower the enforcement agent to swiftly enforce the creditor's rights while also imposing constraints to prevent undue harm to the debtor's interests beyond satisfying the obligations outlined in the executive title.

While the Code doesn't prescribe a specific sequence for seizing assets and loans to realize the creditor's right, it grants this discretion to the enforcement agent. The agent's selection is based on identifying the debtor's assets, followed by prioritizing those assets or loans where the creditor's right can be realized expediently. Article 528/2 enables the debtor to propose alternative assets for seizure, subject to the enforcement agent's approval.

Regarding monetary obligations, the debtor's salary can be targeted for execution, particularly for smaller debts that can be swiftly settled. However, any seizure of the debtor's salary must ensure that deductions for social insurance and income tax are maintained, without plunging below the minimum living wage mandated by prevailing laws and regulations.

Following this provision, the enforcement agent issues an order for conservative seizure on the debtor's salary, which is forwarded to the employer for implementation and to the debtor for notification.

Beyond salary, other forms of remuneration can also be subject to execution. Article 587 expands the scope of seizure to include not only the specified salary but also any other earnings derived from the same or different employment with the same employer, whether public or private. The employer must promptly inform the enforcement agent of any changes in the debtor's

## EU Enforcement Atlas Project – Albania

employment status, such as transfer or termination, within five days. Failure by the employer to comply with the enforcement order or notify changes in the debtor's employment status may result in fines imposed by the enforcement agent, up to a maximum of 30,000 ALL.

### IV.6 Attachment under the debtor's debtor

Regardless of the nature of the obligation being enforced, the enforcement agent, during the execution process, has the authority to identify any credits owed to the debtor by third parties and notify both the debtor and these third parties regarding the sequestration of these credits. The enforcement agent also requests confirmation of this information to ensure accuracy.

Third parties holding the debtor's loans or belongings may include various entities such as banks, insurance companies, employers, buyers, lessees, depositors, carriers, suppliers, etc., who have legal relationships with the debtor entitling them to use the debtor's assets.

Before initiating seizure, the enforcement agent verifies the existence of credits and items owed to the debtor by third parties based on documents and data primarily obtained by the enforcement agent.

Upon receiving the seizure notice, the third party is obliged to respond within five days, indicating acceptance of the seized credits or items belonging to the debtor, willingness to pay off the credits or deliver the items, or any objections, including claims by other parties or conflicting execution orders. Failure to respond within the specified timeframe may result in fines imposed by the enforcement agent, ranging from 1,000 to 50,000 ALL, as stipulated in the notice of seizure. An appeal against this decision can be lodged within five days of notification.

If the third party confirms that the credits or items belong to the debtor, they are obligated to surrender them to the enforcement agent. However, if objections are raised regarding ownership, execution on these assets cannot proceed, and the creditor must file a lawsuit to establish ownership.

In cases where the seized credit is secured by collateral or mortgage, specific procedures must be followed to ensure proper handling and documentation, including restrictions on transferring or disposing of the assets without authorization from the enforcement agent, and appropriate annotations made in relevant registers.

## EU Enforcement Atlas Project – Albania

### IV.7 Enforcement against shares

The Albanian Civil Procedure Code lacks explicit regulations regarding the enforcement process concerning a debtor's shares in a company. Consequently, irrespective of the nature of the obligation being enforced, when the debtor possesses shares, the enforcement agent resorts to the procedures outlined for the execution on movable assets, as outlined in the Civil Procedure Code.

In such instances, the enforcement agent initiates the process by issuing an order for the seizure of the debtor's shares in the company. This order is dispatched to the relevant company, notifying them of the seizure, and to the debtor for informational purposes. Additionally, a copy of the order is forwarded to the National Business Center for registration in the publicly accessible Business Register.

Following the placement of the seizure, the enforcement agent informs the debtor that the seized shares will be sold unless the obligation is fulfilled within a stipulated period, typically five days. Subsequently, the ensuing procedure mirrors that of executing on movable assets, as elaborated in Part IV.2 above.

### IV.8 Other attachment procedures

#### IV.8.1 Execution on means of navigation and aviation

The Albanian Civil Procedure Code outlines specific procedures for the execution on means of navigation and aviation.

In the case of a ship seizure, detailed information including the owner's name and nationality, ship description, capacity, and registration details are recorded in the seizure minutes. Copies of these minutes are provided to the maritime register keeper and the port director, who promptly notifies the ship owner. Seizure effectively prohibits the ship from sailing.

Similarly, when seizing a flying vehicle, pertinent details such as owner's name, nationality, vehicle identification, registration location, and capacity are documented. Copies of the seizure minutes are then delivered to the airport commander, with seizure effectively grounding the vehicle. For foreign flying vehicles, the airport command promptly notifies the relevant registration office.

These regulations are delineated in the same chapter as those governing the execution on immovable properties, with applicability accordingly.



## EU Enforcement Atlas Project – Albania

### IV.8.2 Execution of monetary obligations towards budgetary institutions

The execution of monetary obligations towards budgetary institutions is restricted to specific avenues. Payments must be made directly into the relevant bank account of the institution, or into any credits they hold with third parties. In the absence of such arrangements, payments are directed to the treasury. Enforcement actions targeting the movable or immovable assets of a budgetary institution are strictly prohibited.

If a budgetary institution's bank account is insufficient to cover the obligation and there are no existing credits or funds with the treasury, a request may be made to the appropriate superior financial authority. This request seeks designation of necessary funds from the institution's budget chapter or special financing allocation from the State Budget.

In instances where the state's obligation involves payment in precious metals, execution requires prior approval from the Minister of Finances.

### IV.9 Handing over movable assets

In cases where the enforcement procedure pertains to the transfer of a movable asset as specified in the executive title, the creditor initiates the enforcement process by providing the requisite documentation outlined in Article 515 of the Civil Procedure Code. Upon completion of procedural formalities for initiating enforcement, the enforcement agent first notifies the debtor to voluntarily comply with the terms of the executive title. If the debtor fails to surrender the movable asset within the stipulated timeframe mentioned in the enforcement agent's notice, the asset is retrieved from the debtor through enforcement measures and handed over to the creditor.

The enforcement agent communicates the scheduled date and time of enforcement to the debtor, and in certain circumstances, may involve law enforcement personnel for assistance. Subsequently, the enforcement agent, alongside the involved parties, proceeds to the location of the asset and executes the necessary measures to retrieve the property from the debtor and transfer it to the creditor. This process is meticulously documented in a formal record, and any party may contest it in court within a five-day window from the time of notification.

In instances where the asset is not located or is found to be damaged or incomplete, the debtor is liable for the value of the asset or the missing portion thereof. If the executive order does not specify the asset's value, the court at the place of enforcement determines it after due



## EU Enforcement Atlas Project – Albania

consideration of input from the concerned parties, potential witness testimonies, or expert opinions, if deemed necessary.

### IV.10 Enforcement in reinstatement of employee to work

Special procedures mandating the reinstatement of an employee or the allocation of a suitable position by the employer do not exist. Regarding the enforcement of monetary obligations involving a budgetary institution as the employer, execution follows the guidelines outlined for obligations towards such institutions. Conversely, in scenarios involving employers outside the realm of budgetary institutions, enforcement adheres to the procedures governing obligations towards both natural and legal persons.

### IV.11 Eviction

In the realm of enforcement practices, the execution of titles concerning the possession of immovable property is commonly referred to as "release and delivery of the object." These executions are often challenging due to the debtor's reluctance to comply voluntarily.

When the debtor fails to relinquish possession of the immovable property within the specified timeframe outlined in the enforcement agent's notice, the creditor is granted possession of the property.

To effect this, the enforcement agent notifies the debtor at least three days in advance of the designated day and time for placing the creditor in possession of the property. On the appointed day, equipped with the execution order, the enforcement agent proceeds to the property and facilitates the transfer of possession to the creditor, instructing any current occupants to acknowledge the creditor as the rightful owner.

If the enforcement agent determines that a third party has unlawfully gained possession of the property after the initiation of the enforcement proceedings, the creditor is still placed in possession, with the decision specifying the timing of the third party's possession.

In cases where the debtor or a third party unlawfully repossesses the property, the enforcement agent, upon the creditor's request, will remove them from possession. Such actions may lead to legal consequences under the Penal Code.

## EU Enforcement Atlas Project – Albania

If the debtor fails to remain at the property during execution despite prior notifications, the enforcement agent must forcefully enter the debtor's residence, accompanied by representatives of the local government and two witnesses, to facilitate the transfer of possession to the creditor. Movable objects within the property under possession are promptly removed from the enforcement agent's responsibility and returned to the debtor or their family members. If the debtor or their family members are absent during the release, the enforcement agent may store the movable assets in various locations, including the property itself, designated storage premises, or neutral locations, for a period of two months. If the debtor fails to claim their belongings or cover the expenses within this timeframe, seizable items may be sold by the enforcement agent.

Proceeds from the sale, after deducting release and storage expenses, are deposited into a bank account in the debtor's name. Unseizable items are returned to the debtor without any additional charges. Items unable to be sold and not claimed by the debtor are disposed of or transferred to state institutions or public entities as capital.

### IV.12 Enforcement of obligations to act, refrain from acting or suffer action

In instances where a debtor refuses, incorrectly follows, or fails to adhere to timeframes or act in accordance with a court decision, and where criminal liability is not applicable, the enforcement agent is empowered to levy fines of up to 50,000 ALL for each violation until the obligation is fulfilled.

Third parties who are obligated by the execution order or the law to undertake specific actions are also subject to fines of up to 50,000 ALL if they fail to comply.

Debtors or third parties may appeal the decision imposing fines to the court within 5 days of receiving notification of the fine.

The Civil Procedure Code allows for cases where the creditor is permitted to execute obligations themselves. If the debtor fails to fulfill an obligation that could also be carried out by others, the creditor may request authorization from the enforcement agent to perform the action on behalf of the debtor.

### IV.13 Attachment of goods

Attachment or seizure serves as a prohibition measure initiated by the enforcement agent during the enforcement process. It effectively freezes the debtor's assets, both movable and immovable,

## EU Enforcement Atlas Project – Albania

by notifying relevant institutions to block any transactions involving the debtor's property. This action provides a form of security, ensuring that if the debtor fails to comply with obligations outlined in notices, the creditor's claims can be satisfied through the sale of the seized assets.

Attachment or seizure can encompass various aspects of the debtor's financial landscape, including unsecured accounts, salary, and both movable and immovable properties. The enforcement agent, upon expiration of the notice period for execution, begins compulsory execution by seizing the debtor's assets to the extent necessary to fulfill the obligation. At the debtor's request, seizure can extend to additional assets beyond those identified by the creditor, provided the enforcement agent deems it satisfactory to the creditor's claim.

During foreclosure proceedings, virtually all forms of personal property are subject to seizure, unless exemptions are explicitly outlined in existing laws. The Code of Civil Procedure of the Republic of Albania meticulously delineates items exempt from mandatory execution.

While legislation may not provide specific definitions, items subject to seizure typically encompass any assets, whether movable or immovable, with monetary value. This includes not only currency but also valuables such as jewelry and even shares in commercial enterprises.

Immovable property, including land, is also susceptible to execution, with seizure effected through registration in the real estate registry office of the enforcement agent's act. This process involves noting the type, nature, location, and encumbrances on the property, with registration completed within a specified timeframe. The debtor is promptly notified to exercise their right of appeal.

In cases where seized properties are insured, seizure may extend to any insurance proceeds. Following placement of seizure, the debtor is prohibited from altering, damaging, or disposing of the assets, with legal ramifications outlined in the Penal Code. Additionally, individuals in possession of the debtor's property are also bound by these restrictions.

Attachment of the debtor's movable property entails the creation of an inventory to document the assets.

### IV.14 Enforcement of foreign enforceable documents from Non EU States

There are no specific procedures outlined for the execution of foreign court decisions in Albania. Instead, they are subject to the same rules and procedures applicable to domestic executive titles. Initially, a foreign court decision must undergo a recognition process by the Tirana Court of Appeal. Upon recognition, an executive order is issued to enforce the decision.

## EU Enforcement Atlas Project – Albania

The recognition and enforcement of foreign judicial decisions in Albania are governed by provisions within the Civil Procedure Code and bilateral agreements ratified by Albania. Notably, reciprocity is not considered a prerequisite for recognition and enforcement.

Articles 393-399 of the Civil Procedure Code delineate the rules and procedures for recognizing and enforcing foreign judicial decisions in Albania. Typically, these processes adhere to conditions specified within the Civil Procedure Code and relevant laws. However, if an international agreement addresses the matter, its provisions take precedence.

In all cases, a decision from an Albanian court of appeal (Exequatur) is essential to enforce a foreign judicial decision within the territory of Albania. Albania is party to various bilateral and multilateral conventions governing the recognition and enforcement of foreign judicial decisions. Additionally, Albania's membership in the Hague Conference on Private International Law, since June 4, 2002, further informs the regulatory framework governing these matters. In this regard, the main regulatory acts in Albania, except the Civil Procedure Code, are also:

- The Hague Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters, ratified by Law no. 10 194, dated 10.12.2009.
- Law no. 10428/2011 "On private international law", approximated with:
  - Regulation (EC) no. 593/2008 of the European Parliament and of the Council "On the law applicable to contractual obligations";
  - Regulation (EC) no. 864/2007 of the European Parliament and of the Council "On the law applicable to non-contractual obligations";
  - Council Regulation no. 44/2001 of 22 December 2000 "On Jurisdiction, Recognition and Enforcement of Judgments in Civil and Commercial Matters".

Mutual legal assistance with the courts of foreign countries is regulated by international agreements, ratified by the Republic of Albania, as well as by the legislation in force. International acts applicable in the Republic of Albania, are:

- Convention of The Hague Conference "On Taking Evidence Abroad in Civil or Commercial Matters", ratified by law no. 10255, dated 25.03.2010;
- The Hague Convention "On the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters", ratified by Law no. 10 194, dated 10.12.2009;
- Convention "On the Recognition and Enforcement of Foreign Arbitral Awards" dated 7 June 1959, ratified without any reservation by Law no. 8688, dated 9.11.2000'
- Convention of The Hague Conference "On civil procedure", ratified by Law no. 10182, dated 29.10.2009;
- Convention "On the notification and submission abroad of judicial and extrajudicial documents in the civil and commercial field", ratified by Law no. 9554, dated 08.06.2006 and published in the official gazette on 06.07.2006;

## EU Enforcement Atlas Project – Albania

- Additional Protocol to the European Convention on Information on Foreign Law, ratified by Law no. 9488, dated 13.3.2006;
- European Convention on Information on Foreign Law, ratified by Law no. 8703, dated 1.12.2000;
- Additional Protocol to the European Agreement on the Transmission of Applications for Legal Aid, ratified by Law no. 8882, dated 18.04.2002;
- European Agreement on the Transmission of Judicial Assistance Requests ratified by Law no. 8705, dated 1.12.2000, etc.

Albania has signed bilateral agreements which contain provisions on recognition and enforcement of foreign civil and commercial judgments. At present the following bilateral agreements are in force:

- Agreement with Greece “On legal assistance in civil and criminal matters”(1993);
- Agreement with the Russian Federation “On legal assistance in the civil, criminal and family domain” (1996);
- Agreement with North Macedonia “On legal assistance in civil and criminal matters” (1998);
- Agreement with Turkey “On mutual legal assistance in civil, criminal and commercial matters” (1995); - Agreement with Romania “On mutual legal assistance in civil, criminal and family matters” (1961);
- Agreement with Hungary “On mutual legal assistance in civil, criminal and family matters” (1960);
- Agreement with Bulgaria “On legal assistance in civil matters” (2005).

These bilateral agreements regulate cross-border cooperation in civil, commercial, and criminal matters, as well as the recognition and enforcement of court decisions in the respective countries.

Enforcing foreign judgments in Albania follows the general enforcement rules outlined in the Civil Procedure Code. Article 510 of the Code specifies that enforcement can proceed based on the enforcement titles listed therein. Decisions from foreign courts become enforcement titles once they are given effect in accordance with the procedures outlined in the Civil Procedure Code. Enforcement of these titles occurs at the request of the creditor.

## EU Enforcement Atlas Project – Albania

### PART V ENFORCEMENT COSTS

#### V.1 The costs of enforcement

The fee for the enforcement procedure is a crucial requirement to initiate the process. However, the Civil Procedure Code allows for exceptions to the general rule of prepayment, providing flexibility in certain cases as outlined in specific laws and regulations.

Laws no. 26/2019 and no. 8/2023 dictate the fixed fee for enforcement actions, the types of actions subject to charges, and exemptions from prepayment, which are determined by a joint instruction from the Minister of Justice and the Minister responsible for finance.

Exemptions from prepayment include:

- Natural persons fully or partially exempted from legal aid or state fee payment due to insolvency, presenting a decision from judicial proceedings for execution.
- Natural persons seeking execution of a decision from criminal proceedings obligating compensation for damages caused by a criminal offense.
- Creditors seeking execution of a final decision from the Administrative Court according to legislation on administrative disputes adjudication.
- Creditors seeking execution of an executive title for administrative misdemeanors fines as per relevant legislation.

The enforcement service operates on a fee-for-service basis, with the fee initially paid by the process creditor and later charged to the debtor upon completion. Mandatory prepayment of the enforcement fee ensures strict adherence to the law by the enforcement agent, benefiting both the creditor and the debtor.

In both public and private enforcement services, collecting the enforcement fee at the outset of the process is standard practice to uphold the legal authority of the enforcement agent. This approach prevents compromised authority resulting from fee payment, which could lead to unlawful enforcement actions driven by profit motives and narrow economic interests.

The enforcement fee, as outlined in the Service Contract between the creditor and the private enforcement service, follows a specific payment structure. Initially, when the creditor submits documentation in line with Article 515 of the Civil Procedure Code, a preliminary fee is paid based on the value of the obligation. Failure to pay the preliminary fee prohibits the enforcement entity from commencing the procedure, prompting the immediate return of legal documents to the

## EU Enforcement Atlas Project – Albania

creditor. Payment of the enforcement fee is made to a separate bank account designated for the enforcement agent.

The fees for executing the executive order include:

- **Fixed fees:** Initially paid by the creditor and later charged to the debtor upon completion of the execution procedure.
- **Success fee:** This fee, not always applicable, is determined through agreement between the creditor and the enforcement agent, as per legislation governing the enforcement service. It is solely borne by the creditor and is not transferred to the debtor. The success fee, except in non-applicable cases, is determined by agreement in accordance with regulations governing judicial enforcement services.

The fixed fee amount considers the value and type of obligation, along with the procedural enforcement action's complexity. The determination of the fixed fee amount, the types of charged enforcement actions, and cases of fee prepayment exemption for specific categories are outlined in a joint instruction by the Minister of Justice and the Minister responsible for finance.

The judicial enforcement agent is entitled to receive a success fee, which can take various forms such as a fixed amount, a percentage of the levied obligation or executed title, or a combination thereof based on the enforced amount. The specific amount of the success fee is determined through an agreement between the creditor and the judicial enforcement agent.

The Minister of Justice and the minister responsible for finances establish the minimum and maximum levels of the success fee through joint instruction, providing guidelines for enforcement actions. Should be emphasized, the success fee is not prepaid and is not charged to the debtor.

Additional expenses incurred during the execution procedure are the responsibility of the party that incurred them, ensuring fair allocation of financial obligations.

In Albania, the state and private enforcement services operate under separate fee structures, reflecting the distinct nature of each service, even though since 2018 they refer to the same level in value of the fee scale.

The fee setting considers the costs directly or indirectly associated with executing executive titles, ensuring that the expenses are covered by fixed fees imposed on applicants or beneficiaries of the services.

Transparency and efficiency are ensured through a fee scheme that balances costs with expected results, aiming to provide financial guarantees for enforcement entities.



## EU Enforcement Atlas Project – Albania

The fee itself encompasses:

- Fixed fees
- Costs incurred during the process
- Other expenses as outlined in Article 525 of the Code of Civil Procedure

In cases where the debtor fails to fulfill obligations within the voluntary execution period, they are charged with fixed fees calculated and invoiced on a case-by-case basis:

Fix Fee	Fee (in Albanian LEK/ALL)
For the seizure of the property owned by the debtor	0.1% of the value of the seized immovable property
For the sale of the item at public auction	3% of the selling price
For enforcement action in distance	10 ALL/km
For enforcement actions outside the office	1,000 ALL/hour

Other expenses according to Article 525 of the Code of Civil Procedure encompass various costs necessary for the execution of procedural actions related to the enforcement of the executive title, including:

- ⇒ Expenses for managing essential data required for enforcement procedures.
- ⇒ Correspondence expenses related to the enforcement process.
- ⇒ Costs associated with the transportation, storage, and preservation of seized items or property.
- ⇒ Expenses related to the opening, inventorying, closing, moving, demolishing, and cleaning of premises or other subjects involved in the execution process.
- ⇒ Costs associated with appointing a legal representative for the debtor, expenses for separating the debtor's portion, and expenses for issuing proof of the debtor's inheritance.
- ⇒ Expenses for publishing auction notices.
- ⇒ Costs incurred for delivering the pledge.
- ⇒ Expenses for legal aid utilized by the enforcement agent to resolve legal issues, particularly in cases where objections are raised against the enforcement agent's actions or the validity of the executive title is questioned. If a final court decision determines that enforcement actions were invalid due to incorrect application or non-application of the law by the enforcement agent, the creditor cannot be billed for these expenses. If the creditor has prepaid these expenses, they will be refunded by the enforcement agent.
- ⇒ Expenses for procedural actions at the Real Estate Registration Offices, based on official fees.

When official fees are established by relevant public authorities for specific actions or services, the charging levels outlined in the applicable legal regulations and by-laws are adhered to. These expenses represent an obligation to be settled by the debtor against whom the enforcement



## EU Enforcement Atlas Project – Albania

procedure has been initiated, and they are billed to the debtor upon the conclusion of the execution process.

The enforcement entity issues a tax invoice to the creditor or debtor parties for these expenses, accompanied by copies of payment documents issued by third parties. These documents serve as evidence of the deductible expenses incurred by the enforcement agent, in accordance with the prevailing legislation. The breakdown of enforcement expenses is detailed in a summary document titled "Procedural Expenses During Enforcement," which includes relevant invoices. The debtor, who is responsible for these expenses, is entitled to receive a copy of this document.

The specific amount of the fixed service fee for the state judicial enforcement service is determined by Joint Instruction No. 1276/5, dated 27.7.2017, issued by the Minister of Justice and the Minister of Finance, "On Setting Fees for Services Provided by the State Judicial Enforcement Service," as amended.

Likewise, the fixed service fee for the private judicial enforcement service is established by Joint Instruction No. 385/7, dated 28.6.2017, issued by the Minister of Justice and the Minister of Finance, "On Setting the Fees for Services Provided by the Private Judicial Enforcement Service," as amended.

Starting from 2018, both the state and private enforcement services apply identical fees for the enforcement service as they refer to the same level in value of the fee scale.

The fixed fee for the enforcement service, applicable when the executive title involves a monetary obligation such as a refund or payment, is determined based on the following scale:

- For monetary values ranging from 1 to 10,000 ALL, the fixed fee is 6,000 ALL.
- For values between 10,001 and 20,000 ALL, the fixed fee is 7,000 ALL.
- For values between 20,001 and 30,000 ALL, the fixed fee is 8,000 ALL.
- And so forth, with incremental increases in the fixed fee corresponding to higher monetary values, as outlined in the provided table.

Monetary value from....ALL to ....ALL	Fix fee (in ALL on the monetary value)
<b>1 – 10,000</b>	6,000
<b>10,001 – 20,000</b>	7,000
<b>20,001 – 30,000</b>	8,000
<b>30,001 – 40,000</b>	9,000
<b>40,001 – 50,000</b>	10,000
<b>50,001 – 60,000</b>	11,000
<b>60,001 – 70,000</b>	12,000

## EU Enforcement Atlas Project – Albania

<b>70,001 – 80,000</b>	13,000
<b>80,001 – 90,000</b>	14,000
<b>90,001 – 100,000</b>	15,000
<b>100,001 – 150,000</b>	17,000
<b>150,001 – 200,000</b>	18,000
<b>200,001 – 250,000</b>	20,000
<b>250,001 – 300,000</b>	22,000
<b>300,001 – 350,000</b>	24,000
<b>350,001 – 400,000</b>	26,000
<b>400,001 – 450,000</b>	28,000
<b>450,001 – 500,000</b>	30,000

The fixed enforcement fees as a percentage of monetary values are as follows:

- For values ranging from 500,001 to 2,000,000 ALL, the fixed fee is 5.5% of the monetary value.
- For values between 2,000,001 and 5,000,000 ALL, the fixed fee is 3.85%.
- For values between 5,000,001 and 10,000,000 ALL, the fixed fee is 2.75%.
- For values between 10,000,001 and 30,000,000 ALL, the fixed fee is 2.2%.
- For values between 30,000,001 and 90,000,000 ALL, the fixed fee is 1.65%.
- For values exceeding 90,000,000 ALL, the fixed fee is 1.1%.

However, there are minimum and maximum thresholds for the fixed fees:

- The minimum fixed fee is set at 1,485,000 ALL.
- The maximum fixed fee is capped at 2,500,000 ALL.

The calculation of the fixed fee for the enforcement service, when the executive title is a court decision to secure the lawsuit, is determined as follows:

- If the decision to secure the lawsuit includes a monetary obligation and the value of the claim is up to 500,000 ALL, the fee is 1/4 of the basic minimum monthly salary.
- If the decision to secure the lawsuit includes a monetary obligation and the value of the claim is more than 500,000 ALL but no more than 2,000,000 ALL, the fee is 1/2 of the basic minimum monthly salary.
- If the decision to secure the lawsuit includes a monetary obligation and the value of the claim is more than 2,000,000 ALL, the fee is an amount equal to 1 minimum basic monthly salary.
- If the decision to secure the lawsuit includes a non-monetary obligation or the value of the claim is not determined, the fee is an amount equal to 1/3 of the basic minimum monthly salary.

## EU Enforcement Atlas Project – Albania

Regardless of the value of the obligation, the fee for the enforcement process cannot exceed 2,500,000 ALL.

The enforcement procedure in Albania involves fees that are crucial for initiating the process. Exceptions to prepayment exist, with laws dictating fixed fees, types of actions subject to charges, and exemptions outlined in specific regulations. The enforcement service operates on a fee-for-service basis, with fees initially paid by the creditor and later charged to the debtor upon completion. Transparency is ensured through a detailed breakdown of expenses, including fixed fees, costs incurred during the process, and other expenses outlined in legal provisions. State and private enforcement services operate under separate fee structures but apply identical fees starting from 2018. The fixed fee for enforcement services varies based on monetary values, with minimum and maximum thresholds set. Additionally, fees for securing a lawsuit are determined based on the value of the claim. Regardless of the obligation's value, the fee for the enforcement process cannot exceed a specified maximum.

In accordance with Order No. 4321/4, dated July 18, 2017, issued by the Minister of Justice, a mandatory service contract must be established between a private enforcement agent or company and the creditor prior to commencing the execution procedure. This contract ensures the payment of a fixed fee as outlined in Article 7.

This mandatory contract serves as a prerequisite for the initiation of the execution procedure by the private enforcement agent. Article 8 stipulates that the execution cannot commence until the fixed fee is paid.

Similar conditions apply to State Judicial Enforcement: fixed fees for enforcement actions must be settled to initiate execution procedures. However, in this case, there is no formal service contract; instead, a demand for execution is submitted.

Law No. 8/2023 extends the same authority granted to private enforcement services to secondary activities. State judicial enforcement agents now engage in secondary tasks such as notifying parties of judicial actions, collecting financial obligations amicably, recording factual statements, and conducting public auctions to sell items upon request.

This aligns both private and state enforcement services in Albania, as they share comparable economic incentives and competencies in executing services, differing primarily in organizational structure and direct oversight.

## EU Enforcement Atlas Project – Albania

### PART VI LINKS AND SOURCES

#### Legislation:

Civil Procedure Code (in Albanian):

<https://qbz.gov.al/preview/63ca3bd6-ed1c-42d4-a44f-05c970f7714d>

Civil Code (in Albanian):

<https://qbz.gov.al/preview/f010097e-d6c8-402f-8f10-d9b60af94744>

Law no. 26/2019 “On Private Judicial Enforcement Service”:

<https://qbz.gov.al/eli/ligj/2019/05/08/26/33ad5732-eb8b-443f-910f-ef8bdc0eb71d;q=ligj%2026%2F2019>

Law no. 8/2023 “On the organization and functioning of the State Judicial Enforcement Service”:

<https://qbz.gov.al/eli/ligj/2023/02/02/8/25d609c1-694f-42bd-b7c7-aaa91e3d8324;q=ligj%2026%2F2019>

Register of Private Judicial Enforcement Agents:

<https://www.drejtesia.gov.al/wp-content/uploads/2021/02/Regjistri-i-P%C3%ABrmbaruesve-Gjyq%C3%ABsor%C3%AB-Privat%C3%AB-i-p%C3%ABrdit%C3%ABsuar-17.02.2021.pdf>

#### Institutional links:

Center for Official Publishings: <https://qbz.gov.al/>

Ministry of Justice: <https://www.drejtesia.gov.al/>

Ministry of Finance: <https://financa.gov.al/>

Albanian Chamber of Private Judicial Enforcement Agents: <http://38.242.238.213/>

General Directorate of Enforcement (for state enforcement service) : <https://dpp.gov.al/>