

Law

No. 119/2020

ON SOME AMENDMENTS AND ADDITIONS TO LAW NO. 107/2014, "ON TERRITORY PLANNING AND DEVELOPMENT," AS AMENDED

Pursuant to Articles 78 and 83, point 1, of the Constitution, upon the proposal of the Council of Ministers,

**THE ASSEMBLY
OF THE REPUBLIC OF ALBANIA,**

DECIDES:

In Law No. 107/2014, "On Territory Planning and Development," the following amendments and additions are made:

Article 1

In Article 28, point 1 is amended as follows:

"1. The NTC is the responsible authority for decision-making regarding development permits and construction permits for complex types of development, as defined in the development regulation, and those related to issues, areas, or objects of national importance or strategic investments in the interest of the country, as well as for decision-making on development and construction permits for objects within the controlled development zone, as defined by the law on integrated coastal zone management. NTC decides on the approval of special regulations for development conditions in cases under its jurisdiction."

Article 2

In Article 38, after point 2, point 3 is added with the following content:

"3. "For cases reviewed by the National Territorial Council, a development permit is mandatory only in cases where the object is planned to be built in phases."

Article 3

In Article 39, after point 4, point 5 is added with the following content:

"5. Developers, in addition to the technical-legal documentation, must also submit an insurance contract, with the public authority responsible for approving the construction permit as the beneficiary. The insurance contract must cover any damage that may result from carrying out construction work in violation of the construction permit or development permit, planning documents, and the applicable legislation governing the construction sector in the Republic of Albania. It must also cover any necessary and essential expenses for carrying out new works or completing unfinished works in cases where the developer does not complete the work as per the permit approved by the responsible public authority.

The insurance company, in the event of an insured incident, is obligated to compensate for the damage within 30 days from the date the request is submitted by the responsible public authority. In any case, the insured amount must be equal to the estimated construction cost of the object, as per the respective budget estimate.

Detailed rules regarding insurance in cases of violations of the construction permit, according to this point, shall be determined by a decision of the Council of Ministers."

Article 4

In Article 41, after point 1, point 1/1 is added with the following content:

"1/1. Exceptionally, regardless of the nature of the interventions, all types of works within the controlled development zone or areas prioritized for tourism development are subject to a construction permit approved by the National Territorial Council."

Article 5

In Article 42, in point 9, the word "builder" is replaced with the word "developer."

Article 6

In Article 47, point 2 is amended as follows:

"2. The submission of the construction permit is preceded by the issuance and submission of mandatory insurance coverage for civil and professional liability, arising from non-compliance with the applicable legislation on design and construction, for all professionals involved in the design process. The responsibilities that are subject to mandatory insurance in the construction sector are detailed in the development regulation."

Article 7

In Article 52, in point 1, letters "e" and "ë" are amended as follows:

"e) Carrying out construction work without a permit is punishable by a fine equal to the value of the work performed without a permit, but in any case, not less than 35,000 (thirty-five thousand) ALL per square meter when the construction is done for profit purposes, and by:

- i. Immediate demolition of the unauthorized construction in flagrante conditions;
- ii. Demolition of unauthorized work when the unauthorized construction results in a floor addition or lateral volume extension, if it exceeds 2% of the total above-ground construction area;
- iii. Confiscation for public interest or social housing of unauthorized work when the unauthorized construction results in a floor addition or lateral volume extension, if it exceeds 2% of the total above-ground construction area, and where, due to the structural stability of the building, demolition is impossible;
- iv. Confiscation for public interest with the proposal of the National Inspectorate for Territorial Protection (NITP) or the Inspectorate for Territorial Protection (ITP) and a decision of the NTC for the entire building when the unauthorized construction results in a floor addition or lateral volume extension exceeding 10% of the total above-ground construction area, provided the building is structurally sound and complies with general and detailed local plans.

The detailed rules and procedures for confiscation for public interest shall be approved by a decision of the Council of Ministers.

v. Carrying out construction work without a permit within the controlled development zones, in priority tourism development areas, protected areas, or the buffer zone of a cultural monument is punishable by a fine of 5,000,000 (five million) ALL. Permits or preliminary work declarations issued in these areas by local government authorities without first obtaining confirmation from the NTC are considered absolutely null and void. Violation of this rule by local authorities is punishable by a fine of 2,000,000 (two million) ALL.

vi. Demolition and debris removal expenses shall be covered by the developer, and if not, they will be compensated through the confiscation of the developer's revenues, based on the demolition and debris removal invoice issued by state authorities.

"ë) Making changes to the project or carrying out work in violation of the permit conditions, without resulting in increases in built-up area or construction volume, is punishable by

a fine equal to the value of the work performed without a permit, but not less than 300,000 (three hundred thousand) ALL, suspension of work, and the measures as determined at the end of the procedure, in accordance with points 3 and 4 of this article."

Article 8
Entry into force

This law comes into force 15 days after the publication in the Official Gazette.

CHAIRPERSON
Gramoz Ruçi

Adopted on 7.10.2020.