

**UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE**

**The Second UNECE/REAG Land for Development Programme Forum  
(Rome, Italy 30-31 October 2003)**

**ASPECTS OF PRIVATISATION REFORM AND LAND ADMINISTRATION IN  
ALBANIA**

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***SUMMARY***

As a result of the implementation of the land reform in Albania, till the end of 2002 it are privatized 563696 ha land or 98.9% of the planned surface to be distributed. The land title is given for 550600 ha land or 97.6% of the distributed land.

The privatization of land in the rural areas, privatization of buildings in urban areas of the cities, and the activity of the Property Restitution Commission and National Privatization Agency, resulted in the creation of about 3 million properties in Albania.

Till the end of 2002, it is submitted to the registration offices of the immobile properties, the ownership documentation for 2263 cadastral zones (out of 3063) or 73.8% of the total zones, 2.589.961 cartels are completed and 819.678 ha of land are updated and surveyed.

Actually in Albania there are no legal barriers for the land market because the Parliament has approved the legal packet for the buying and selling and renting the arable land.

The land market has started to function. In 2002, 3081 transactions of buying and selling for the arable land are done and till September 2003, 2615 transactions of a surface of 715 ha are done.

Based on the law no.8752, date 26.01.2001 are established the section of administration and protection of land in the regions as well as the offices of land management in the communes and/or in municipalities.

The sections of land administration have taken the form as multifunctional cadastre and the aim of their setting up is the creation of the information system of the land.

## ***INTRODUCTION***

For about 50 years the ownership in Albania was very highly restricted only to the state. After 1991, started privatization reforms and attempts for establishment Registration System of Immovable Property.

During this period, we needed for new concepts of land administration, knowledges, new legislation, new technologies e ct.

Ten last years in Albania have happened many changes. As result we have a modern registration system and are traing to update system of land administration.

The purpose of this article is to describe some of Albanian results during last years in the field of land privatization and other properties, in establishment end functioning of Registration System, in establishment and functioning of land market, and in the updating of legislation and land administration structures.

## ***PRIVATISATION***

The process of transition from a centralized economy to a free market one which Albania has been through, imposed the need for the transition from state ownership to private ones in all economic aspects.

The privatization of real estate or immovable property, as the term is used in Albania, is being carried out through various programs.

- The division and distribution of agricultural land formerly organized into cooperatives and state farms. The former members of the cooperatives and former workers on the state farms have received the land subdivided and distributed by programs. The legal basis for these efforts is the law “On Land” of July 19, 1999, supported by various government decisions. The Ministry of Agriculture and Food (MoAF) is the coordinating agency for this effort.
- The sale of housing units in state-constructed apartment buildings to adult residents, in a program launched in 1992, under Ministry of Construction and Territorial Adjustment.
- The restitution of property by the state to the owners prior to state acquisition, or to their heirs, under the coordination of National Commission of Compensation and restitution.
- The privatization of enterprises (through government decisions for the acceleration of privatization of small and medium enterprises), under the National Agency for privatization.
- The sale of business sites in 1991-1992 to individual owners, carried out by various municipalities.

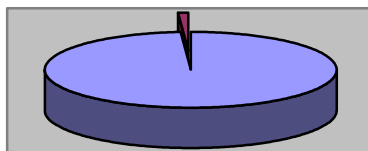
## Privatization of the arable land

As a result of the implementation of the land reform till the end of 2002 it are privatized 563696 ha land or 98.9% of the planned surface to be distributed. The land title is given for 550600 ha land or 97.6% of the distributed land. Out of the total fund of the arable land (699423 ha), 110584 ha of the ex-cooperative sector and 25143 ha of the ex-state sector in total 135727 ha or 19.4% of the fund of the arable land is not privatized.

**Table 1. The indicators of the distributed land**

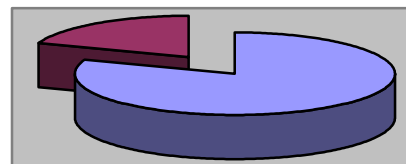
No	Nomination of the districts	Land fund in ha	Planned surface to be distributed in ha	Distributed Surface		Non-Distributed Surface			
				ha	%	ha	%	Ex-State	Ex-Coop
1	2	3	4	5	6(5/4)	7	8(7/3)	9	10
1	Berat	53037	41207	40953	99.4	12084	22.7	1336	10748
2	Diber	41409	25935	25107	96.8	16302	39.3	1584	14718
3	Durres	41464	38892	38892	100	2572	6.2	1497	1075
4	Elbasan	73544	57000	56027	98.3	17517	23.8	2900	14617
5	Fier	122242	111116	110848	99.8	11394	9.3	4974	6420
6	Gjirokaster	45197	31628	31498	99.6	13699	30.3	1196	12503
7	Kukes	25292	18640	18640	100	6652	26.3	166	6486
8	Korçe	91533	64524	63755	98.8	27778	30.3	3055	24723
9	Lezhe	35205	32794	32794	100	2411	6.8	322	2089
10	Tirane	56579	51463	51463	100	5116	9	3352	1764
11	Shkoder	50637	38176	37150	97.3	13487	26.6	1812	11675
12	Vlore	63284	58547	56569	96	6715	10.6	2949	3766
	Gjithsej	699423	569922	563696	98.9	135727	19.4	25143	110584

**Design 1 Percentage on the foreseen land to be distributed**



Distributed land in fact  
Non- distributed land

**Design 2 Percentage on the total land**



Distributed land in fact  
Non- distributed land

In the meeting held in December 2002, the Land Governmental Commission orientated during 2003 the land commissions of all levels (village, commune or municipality and district) to focus their work mainly in the legal solution of disagreements raised as the result of the commissions' mistakes, to complete the legal documentation and to prepare the documentation for the registration system.

## **REGISTRATION**

To create the institutional basis for a land market, Albania's Parliament approved in July, 1994 a law establishing the immovable property registration system.

### **The main principles of our system are:**

- ✓ The information about immovable property which is contained in the registration offices should be a reflection of what really exists. To achieve this goal, information about interests in the properties is being collected by field teams from existing and recently produced decisions about the privatisation of this rights. Field teams also verify the boundaries of the properties.
- ✓ The property registers (kartelas) should show information about ownership and other interests that does not require further verification. The field work and documentation produced is checked for accuracy, and the essential information is recorded on the kartelas.
- ✓ The costs of access to the registration offices should be minimized, so that any person regardless of their wealth or location, can have easy access to the registration system. The registration offices are located in each district so that geographically they are accessible to the people.
- ✓ The immovable properties, privately and publicly owned, urban and rural is contained in the Registration System. The privatization documents which are being produced by different programs of privatization are being collected and used to register right to all types of immovable property. Governmental agencies which are responsible for publicly owned immovable properties are being identified on the relevant kartelas.

The privatization of land in the rural areas, privatization of buildings in urban areas of the cities, and the activity of the Property Restitution Commission and National Privatization Agency, resulted in the creation of about 3 million properties in Albania.

**Table 2. Estimated numbers of family and individual owners of real property, and the number of properties created.**

Nomination	New owners		New properties	
	Number	%	Number	%
Ex-coop land	383000	43.1	1.900.000	63.6
Ex-state farm	106000	11.9	300.000	10.0
Ur.Dwell. Unit.	400000	45	800.000	26.7
Total	889000	100	3.000.000	100

Till the end of 2002, it is submitted to the registration offices of the immobile properties, the ownership documentation for 2263 cadastral zones (out of 3063) or 73.8% of the total zones. 2.589.961 cartels are completed and 819.678 ha of land are updated and surveyed.

Actually it is operating according to the stages of registration in 306 cadastral zones in the process and it is forecasted till the end of 2003 to submit the documentation to the registration offices for 100 cadastral zones with 110.000 properties.

### ***LAND MARKET***

During this period as priorities of the policies of the Ministry of Agriculture and Food has been the compiling of the legal frame to promote the land market, study of the constraint factors for the implementation of the various forms of consolidation, promotion and support of the cooperative initiatives.

Actually in Albania there are no legal barriers for the land market because the Parliament has approved the legal packet for the buying and selling and renting the arable land.

The land market has started to function. In 2002, 3081 transactions of buying and selling for the arable land are done and till September 2003, 2615 transactions of a surface of 715 ha are done.

It is to be underlined, that for different reasons the informality of the transactions, particularly in the direction of renting is great and it is not presented in the offices of registration of the immobile properties.

This year, it is prepared and is in the process of approval an amendment of the law for taxes and tariffs, in the direction of the reduction of the tax for the transfer of the ownership. The high tariff of the existing tax impedes formalization of the transactions in the offices of registration and creates the conditions for non-reflection of the real value of land.

### ***LAND ADMINISTRATION***

Another direction of the policies of the Ministry of Agriculture and Food was consolidation of the institutions dealing with land administration.

Based on the law no.8752, date 26.01.2001 are established the section of administration and protection of land in the regions as well as the offices of land management in the communes and/or in municipalities.

The sections of land administration have taken the form as multifunctional cadastre and the aim of their setting up is the creation of the information system for the land.

Our objective is to provide information by maps and register for the size, forms, ownership, qualitative indicators, value and the using of land based on the plot and using GIS techniques.

By the end of the previous year it was approved the Decision of Council of Ministers no. 532 date 31.10.2002 “For the functioning of the section of administration and land protection as well as the offices of land management”.

Currently, the sections are established in all the regions of the country, and the main their function are:

- Providing of information in form of maps and register for the size and form of parcels.(cadastre)
- Registering land quality, and reflecting of changes.
- Land use.
- Land valuation
- Preparing of documents for land taxation.
- Land protection.
- Application of GIS

