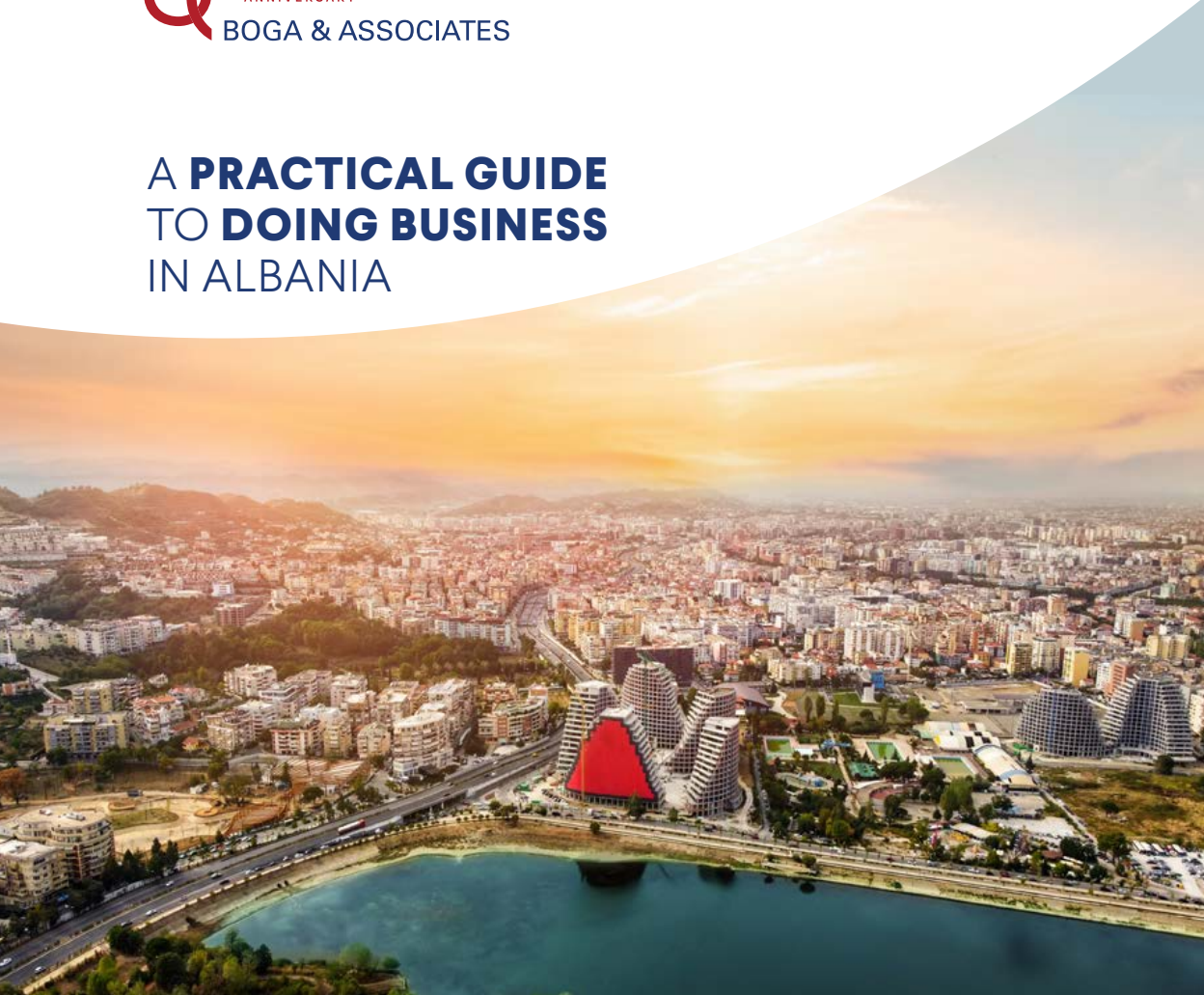




**bogalaw**

LEGAL ■ TAX ■ ACCOUNTING

**A PRACTICAL GUIDE  
TO DOING BUSINESS  
IN ALBANIA**



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## A PRACTICAL GUIDE TO DOING BUSINESS IN ALBANIA

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## BOGA & ASSOCIATES AT A GLANCE!

Boga & Associates, founded in 1993 by Mr. Genc Boga, has emerged as one of the premier law firms in Albania and Kosovo, earning a reputation for providing the highest quality of legal, tax and accounting services to its clients. From 1999 until 2007, the firm was a member firm of KPMG International. Mr. Genc Boga is the Managing Partner of Boga & Associates and until 2007 he was also the Senior Partner/Managing Partner of KPMG Albania.

The firm’s uniqueness is linked to the multidisciplinary services it provides to its clients. Apart of the wide consolidated legal practice, the firm offers also a significant expertise in tax and accounting services with a keen sensitivity to the rapid changes in the Albanian and Kosovar business environment.

Boga & Associates is recognized as a top tier firm in Corporate/Commercial, Dispute Resolution and Intellectual Property by Chambers Europe (2023), Corporate Law by Chambers Global (2023), a top tier firm by The Legal 500 (2024) in Financial and Corporate Law by IFLR1000 (2024), top tier in ITR World Tax (2024) and Trade-mark World Review (2023).

The firm is praised by clients and peers as a “law firm with high-calibre expertise”, “accessible, responsive and wise” and is distinguished “among the elite in Albania”, “Transactional front-runner consistently singled out for its stellar reputation in the corporate and commercial arenas” (Chambers Europe 2024).

### Areas of practice

**LEGAL:** Commercial, Corporate, Mergers and Acquisitions, Banking and Finance, Competition, Employment, Construction, Telecommunication, Oil and Energy, Procurement, Environment, Real Estate, IP, Litigation, etc.

**TAX:** Tax Advice, Compliance, Audit, Litigation.

**ACCOUNTING:** Accounting, Bookkeeping and Payroll.

**Languages spoken:** Albanian, English, French, Italian.

# REGISTRATION OF A BRANCH OR REPRESENTATIVE OFFICE

**General overview**

**Documents to be filed**

**Terms, legalization process and official fees**

**Other registrations and declarations**

## GENERAL OVERVIEW

A foreign company may organize its business in Albania through establishment of a branch or a representative office.

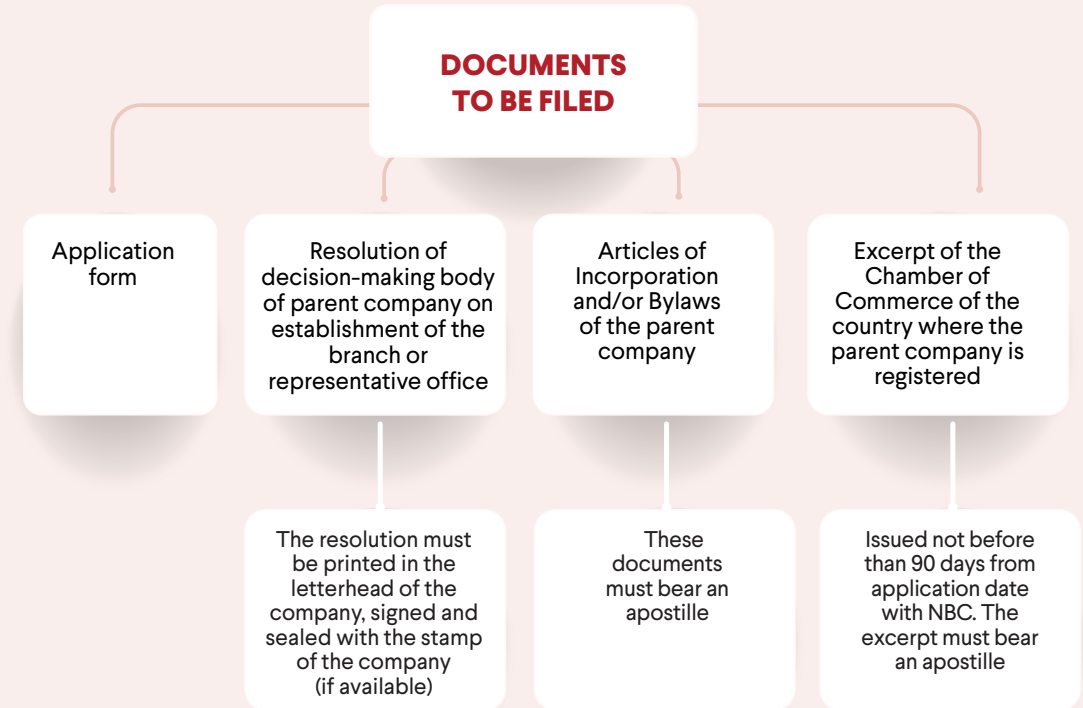
Considering that the parent company and the branch or representative office have the same legal personality, there are no capital requirements (the parent company may allocate to the branch or to the representative office, the funds considered opportune and appropriate for the branch or representative office, to conduct its activity in Albania).

The branch or representative office is managed by one or more managers, foreigner or Albanian.

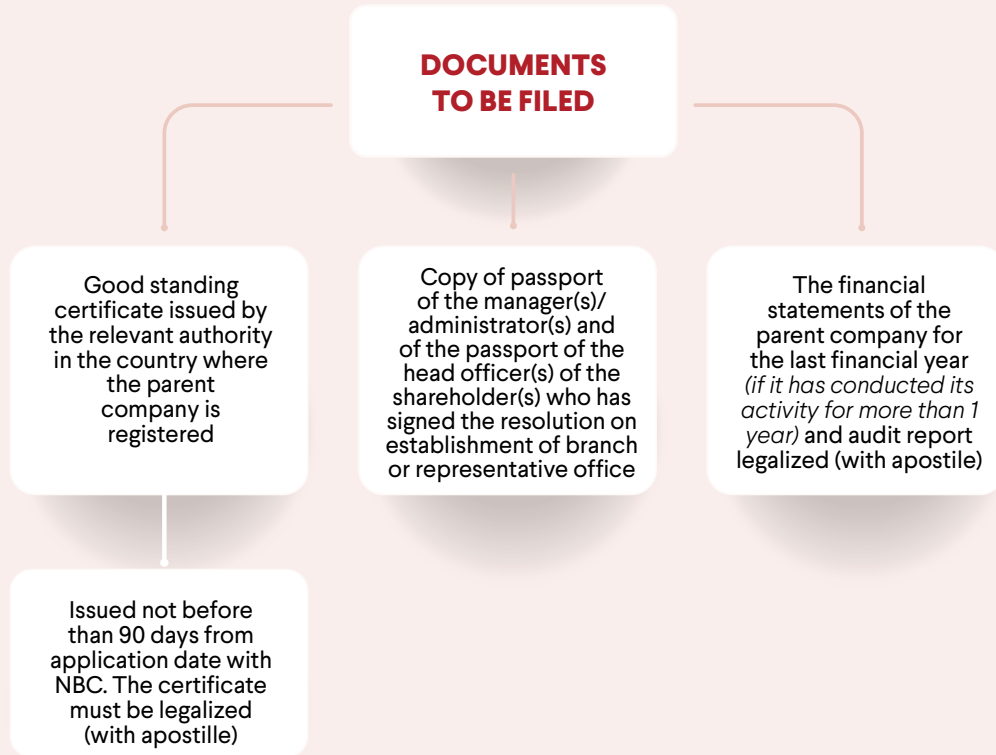
Registration with the Albanian Commercial Register kept by the National Business Center (NBC) implies also registration for tax purposes.

Upon completion of registration procedures, the NBC issues to the branch or representative office, the business number (which is also used as tax identification number) and the certificate of registration.

## DOCUMENTS TO BE FILED



## DOCUMENTS TO BE FILED



## TERMS, LEGALIZATION PROCESS AND OFFICIAL FEES

The registration application is submitted electronically through the government portal e-Albania. The application form along with the above documents shall be filed electronically within 30 calendar days from the date of the resolution; otherwise, a penalty in the amount of ALL 60,000 (approx. EUR 600) applies.

All the documents in foreign language and executed abroad or issued by foreign public authorities that are submitted to Albanian public authorities for registration purposes should be in original or certified true copies. In addition, only the documents issued by foreign public authorities should be legalized (with an apostille) in accordance with the Hague Convention of October 1961, if the country of residence of the foreigner has ratified such Convention and has not expressed any reserve as to its application in Albania; otherwise, the so-called “traditional legalization procedure” should be followed. The documents shall subsequently be translated into Albanian language and such translation must be certified by an Albanian notary public.

Registration certificate must be issued by NBC within one day from the application date if the presented file is accurate and complete. However, in practice, the registration with the NBC takes approximately 3 days.

There are no official fees.

## OTHER REGISTRATIONS AND DECLARATIONS

### ULTIMATE BENEFICIAL OWNER (UBO) REGISTRATION

- (i) Excerpt of each shareholder who directly or indirectly owns or controls 25% or more of the capital shares or ownership interests of the company (i.e., reporting entity share register) – The extracts shall contain information regarding the shareholders i.e., the date of determination of the individual as UBO and type and percentage of ownership - Legalized with apostille.
- (ii) Passport copies of the individuals who will be identified as UBO and their address of permanent residence.
- (iii) Statement given by the reporting entity in case there is no UBO identified – signed and stamped.

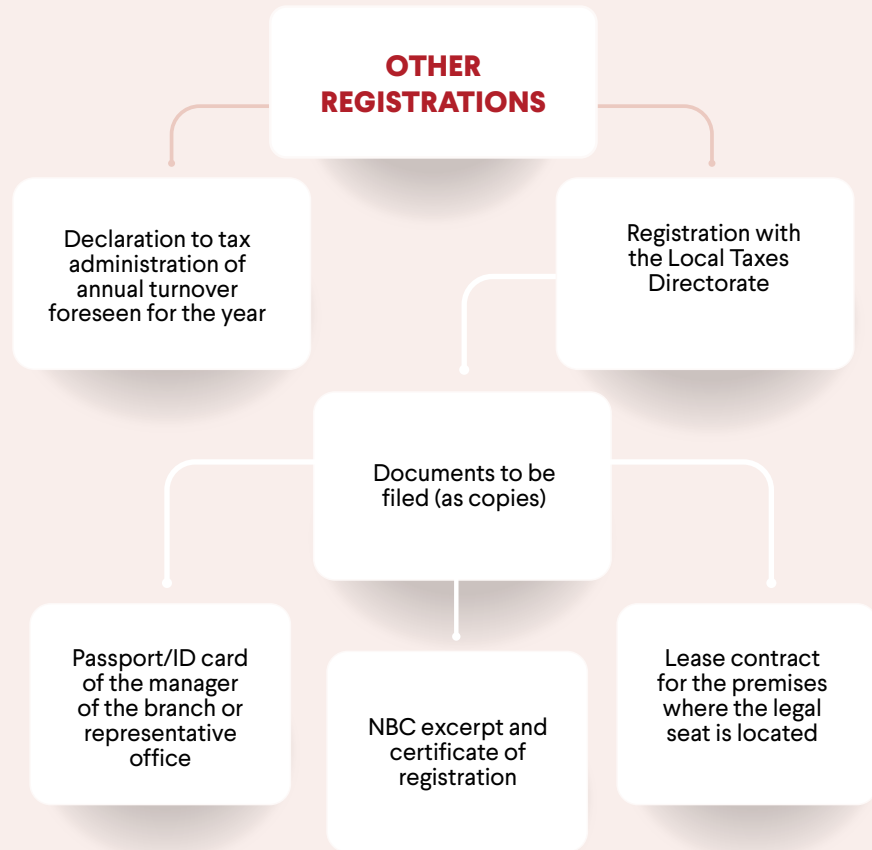
### TERMS, LEGALIZATION PROCESS AND OFFICIAL FEES – UBO

The UBO application is submitted electronically through the government portal e-Albania. In the event that the initial UBO registration is not submitted within 40 days after registration of the company, a fine of ALL 50,000 (approx. EUR 500) will be imposed. A fine of ALL 600,000 (approx. EUR 6000) is imposed if the initial UBO registration is not submitted within 40 days after the end of the aforementioned 40 -day period and the company enters passive status.

All the documents in foreign language and executed abroad or issued by foreign public authorities that are submitted to Albanian public authorities for registration purposes should be in original or certified true copies. In addition, only the documents issued by foreign public authorities should be legalized (with an apostille) in accordance with the Hague Convention of October 1961, if the country of residence of the foreigner has ratified such Convention and has not expressed any reserve as to its application in Albania; otherwise, the so-called “traditional legalization procedure” should be followed. The documents shall subsequently be translated into Albanian language and such translation must be certified by an Albanian notary public. Note that the validity period of these documents is 90 days from the date of their issuance by the public authority.

The application will be reviewed by the National Business Centre no later than 2 (two) working days from the receipt of the application. The decision of approval or rejection of application is notified through publication in the Registry of Ultimate Beneficial Owner and in the e-Albania account of the reporting entity.

There are no official fees.



# REGISTRATION OF A LIMITED LIABILITY COMPANY

**General overview**

**Documents to be filed**

**Additional documents to be filed**

**Terms, legalization process and official fees**

**Other registrations and declarations**



## GENERAL OVERVIEW

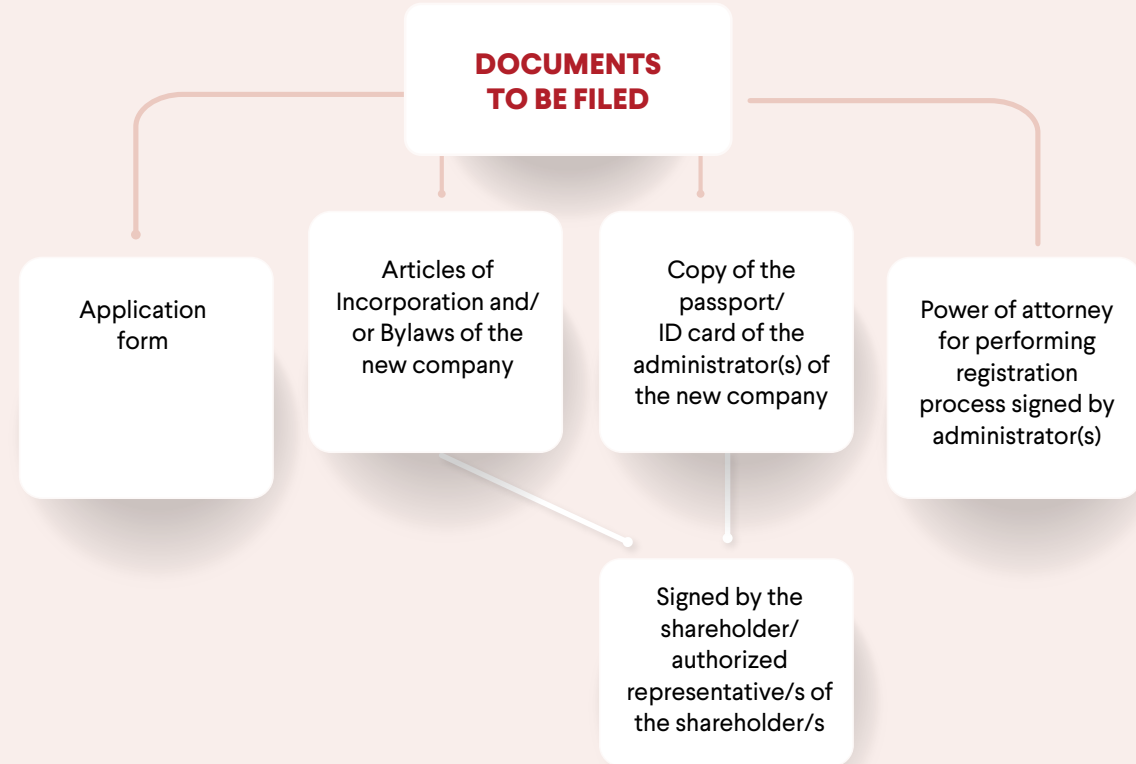
The limited liability company is the most common and preferred legal form for conducting business in Albania. It has the following features:

- (i) minimum share capital is ALL 100 (approximately EUR 1)
- (ii) no limitation on the number of shareholders, either individuals or legal entities, foreigner or Albanian;
- (iii) it may be managed by one or more individuals, either foreigner or Albanian.

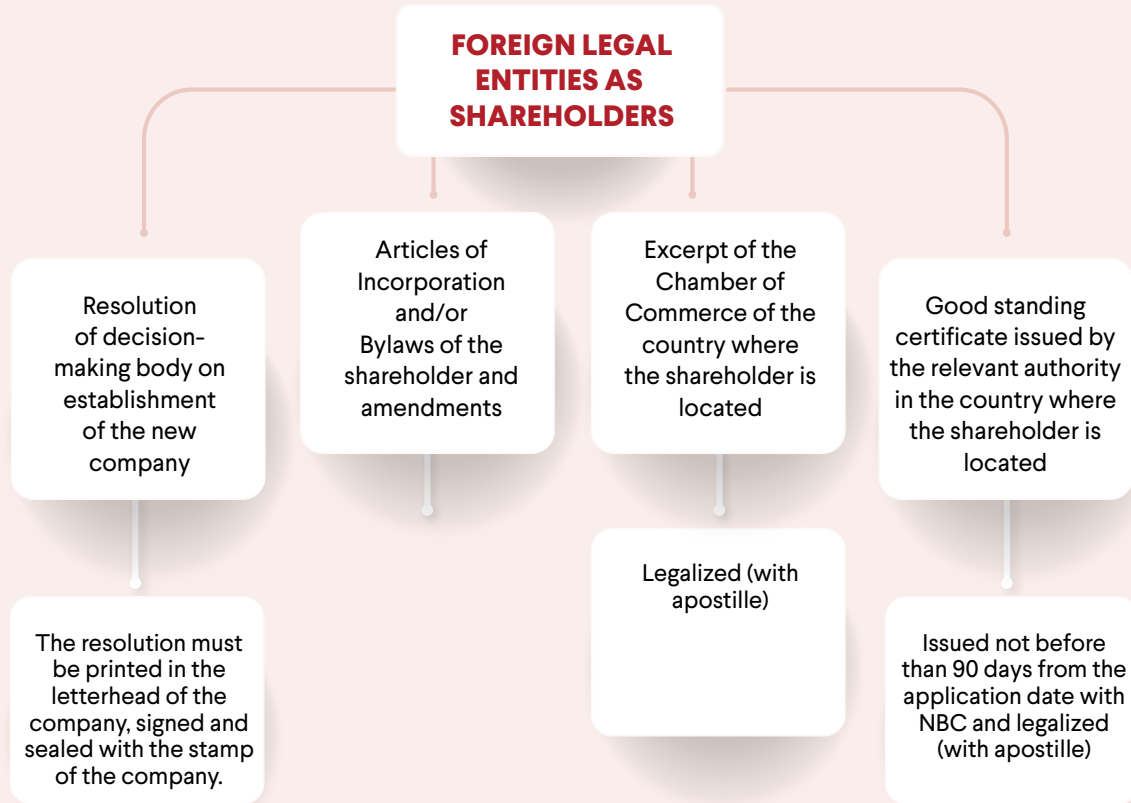
Registration with the Albanian Commercial Register kept by the National Registration Center (NBC) implies also registration for tax purposes.

Upon completion of registration procedures, the NBC issues to the new company the business number (which is also used as tax identification number) and the certificate of registration.

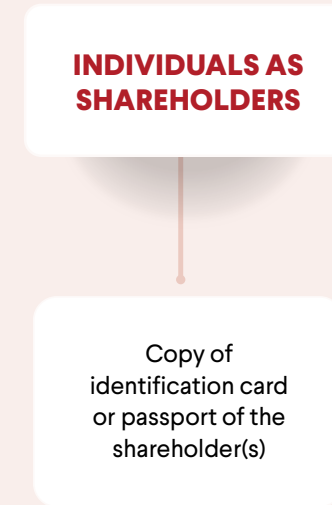
## DOCUMENTS TO BE FILED



## ADDITIONAL DOCUMENTS TO BE FILED



## ADDITIONAL DOCUMENTS TO BE FILED



## TERMS, LEGALIZATION PROCESS AND OFFICIAL FEES

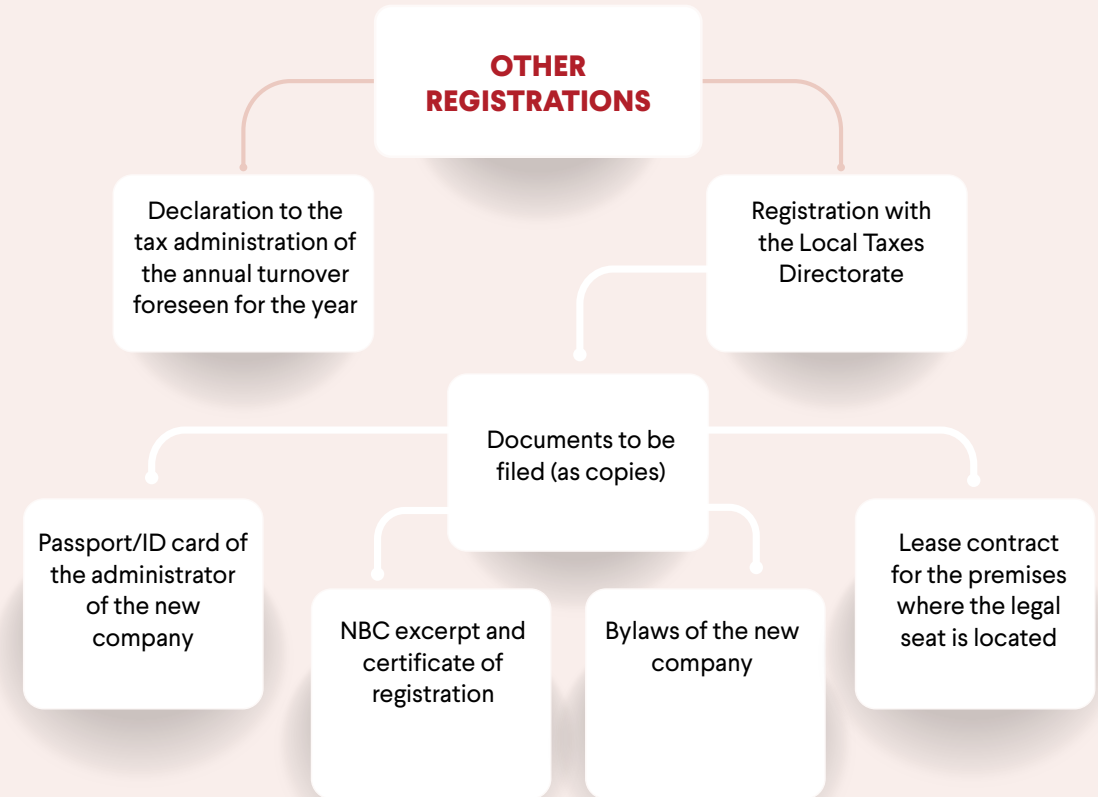
The registration application is submitted electronically through the government portal e-Albania. The application form along with the above documents must be filed within 30 days from the establishment of the new company (i.e. from the date of signature of Articles of Incorporation and/or Bylaws); otherwise, a penalty in the amount of ALL 60,000 (approx. EUR 600) applies.

All the documents in foreign language and executed abroad or issued by foreign public authorities that are submitted to Albanian public authorities for registration or filing purposes should be in original or certified true copies. In addition, only the documents issued by foreign public authorities should be legalized (with an apostille) in accordance with the Hague Convention of October 1961, if the country of residence of the foreigner has ratified such Convention and has not expressed any reserve as to its application in Albania; otherwise, the so-called “traditional legalization procedure” should be followed. The documents shall subsequently be translated into Albanian language and such translation must be certified by an Albanian notary public. Note that the validity period of these documents is 90 days from the date of their issuance by the public authority.

The certificate of registration of a new business must be issued by NBC within one day from the application date if the presented file is accurate and complete. However, in practice, the registration with the NBC takes approximately 2-3 days.

There are no official fees.

## ADDITIONAL DOCUMENTS TO BE FILED



# REGISTRATION OF A VAT REPRESENTATIVE

**General overview**

**Documents to be filed**

**Terms, legalization process and official fees**

**Other registrations and declarations**

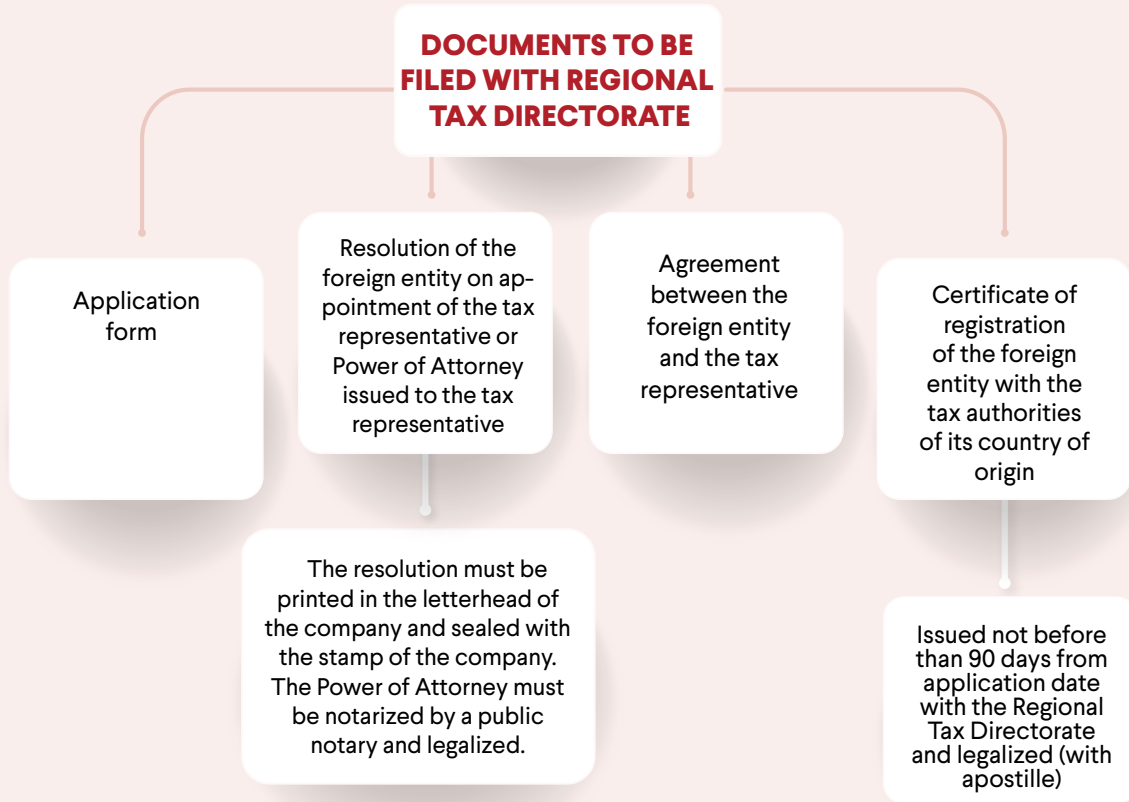
## GENERAL OVERVIEW

Under specific circumstances, a foreign entity liable for VAT in Albania, may appoint a tax representative for VAT purposes.

The tax representative may be a resident individual or legal entity.

The VAT representative must be registered with the Regional Tax Directorate, which shall issue the tax identification number and the certificate of registration.

## DOCUMENTS TO BE FILED



## DOCUMENTS TO BE FILED



## TERMS, LEGALIZATION PROCESS AND OFFICIAL FEES

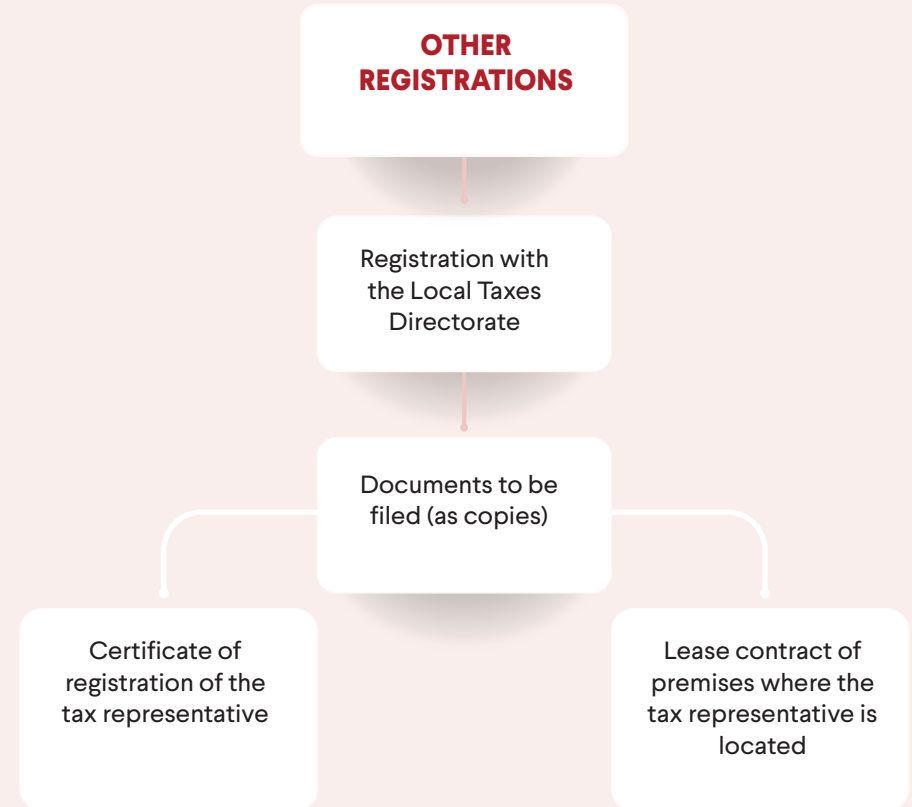
The application form along with the required documents must be filed within 5 days from appointment of the tax representative.

All the documents presented in foreign language and executed abroad or issued by foreign public authorities that are submitted to Albanian public authorities for registration purposes should be in original or certified true copies. In addition, only the documents issued by foreign public authorities should be legalized (with an apostille) in accordance with the Hague Convention of October 1961, if the country of residence of the foreigner has ratified such Convention and has not expressed any reserve as to its application in Albania; otherwise, the so-called “traditional legalization procedure” should be followed. The documents shall subsequently be translated into Albanian language and such translation must be certified by an Albanian notary public.

The Regional Tax Directorate issues the certificate of registration within 2 working days from the day the application for registration is considered complete. However, in practice, the registration with the Regional Tax Directorate is mostly completed within 1 week.

Apart of the notary public fees for any notarization of the documents to be filed with the Regional Tax Directorate, no official fee applies.

## OTHER REGISTRATIONS AND DECLARATIONS



# WORKING AND RESIDING IN ALBANIA

## Unique permit

### How to obtain unique permit

### How to obtain the residence permit

### Notes

## UNIQUE PERMIT

Foreign citizens can work and reside in the Republic of Albania by obtaining a unique permit. Unique permits are issued by the border and migration authorities. A unique permit allows foreign citizens to legally stay in the territory of the Republic of Albania for employment motives (i.e., transferred within the enterprise, self-employed persons, digital mobile employees, investors, vocational trainers, performance of services, etc.)

The approval process is subject of (i) approval from the National Employment and Skills Agency, where it is approved or refused the employment of the foreigner and (ii) approval from the relevant regional border and migration authority.

The following categories of foreign citizens are exempted from obtaining the approval from National Employment and Skills Agency:

- (i) Citizens of those countries which are part of the European Union and EU Schengen area and their family members, citizens of United States of America and their family, citizens of one of the countries of the Western Balkans (Bosnia and Herzegovina, Montenegro, Kosovo, Serbia and North Macedonia) except where the legislation in force requires Albanian citizenship for the specific job position;
- (ii) The foreigner who is staying for only one month in any one year in case of: (i) foreigners who are negotiating an agreement or supervising a trade event stall; (ii) business visitors; (iii) crew members of ships or aircrafts; (iv) lecturers, researchers or foreign specialists who come into Albania pursuant to agreements between governments, governments and educational institutions or private sector parties and educational institutions; (v) trainers who come in the framework of cooperation between government institutions or the educational institutions; (vi) employees of humanitarian organizations active in Albania pursuant to international programs of cooperation.

## HOW TO OBTAIN UNIQUE PERMIT

Unique permits are classified as follows: (i) type “A/P” for employees; (ii) type “A/PS”, for seasonal work; (iii) type “A/TN”, for employees transferred within the company; (iv) type “A/NK” for cross-border employment; (v) type “A/FP” for professional training; (vi) type “A/SP”, for athletes; (vii) type “A/SHV”, for foreigners providing volunteer services; (viii) type “A/KL”, for highly skilled workers; (ix) type “B/VP”, for the self-employed; (x) Unique permit for digital employees; (xi) type “B/I” for investors; (xii) type “C/CS”, for contractual services; (xiii) unique permits for specific categories.

Generally, to obtain the unique permit the following documents must be submitted to the Regional Labor Directorate. However, depending on the type of the unique permit, additional documents may be requested:

- (i) Standard application form (to fill-in the form the following data are needed: (i) name of parents; and (ii) civil status);
- (ii) Excerpt of the National Registration Center proving the registration of the employer;
- (iii) Original copy of the Employment Contract;
- (iv) Copy of the passport;
- (v) Copy of the lease or purchase contract of the premises where the applicant is residing;
- (vi) Authorization for the person filing the application (if filed from a person other than the employer or the employee);

The official fee which varies depending on the citizenship of the applicant.

## HOW TO OBTAIN RESIDENCE PERMIT

Foreigners entering the Republic of Albania without a visa may stay within the Albanian territory up to 90 days for a period of 180 days from the date of their entrance into the Albanian territory. In case the said term is exceeded the residence permit is required.

In order to obtain the residence permit the application must be filed 60 days prior to the expiring of the staying term (i.e. within 30 days from the first entry for foreigners entering the country without visa).

A foreigner can stay in the Republic of Albania for a short period, temporarily or permanently.

The following types of residency permits are issued by the Albanian migration authorities: Type A (Non-renewable residence permit which allows the holder to stay in the Republic of Albania for its term of validity); Type B (Renewable residence permit which allows the holder to stay in the Republic of Albania for its term of validity); Type C (Permanent residence permit); Type Card Blue AL (Renewable residence permit issued to highly qualified employees); Type Card Blue AL-C (Permanent residence permit issued to highly qualified employees).



## HOW TO OBTAIN RESIDENCE PERMIT

In order to obtain a biometric residence permit, generally, the following documents must be submitted at the Border and Migration Department of the Police Station :

- (i) Standard application form, filled in and signed by the applicant (to fill-in the form online it is requested the information on the cross-border point and the date of last entrance in the Albanian territory and the name of the parents of the applicant);
- (ii) Passport of the applicant. The passport should be valid for at least three months after the expiry of the residence permit's term;
- (iii) Evidence of insurance in Albania;
- (iv) Notarized copy of the lease contract for the premises where the applicant is residing;
- (v) Three (3) photos.

The official fee varies depending on the reason of the residence in Albania.

Additional documents might be needed depending on the type of the residency permit requested. The residence permit will be issued within 60 days from the application.

## NOTES

In order to obtain unique and/or residence permit, all official documents executed abroad and/or issued by foreign public authorities should be legalized with Apostille in accordance with the Hague Convention of October 1961 if the country of residence of the foreigner has ratified such Convention and has not expressed any reserve as regards its application in Albania; otherwise, the so-called "traditional legalization procedure" should be followed. They shall be then translated into Albanian language and certified by an Albanian public notary.

The application for a residence permit or for the renewal of the same should be submitted respectively, not later than 30 days after the entrance in the Albanian territory and up to 60 days prior to the expiry of the relevant residence permit.

The residence permits are issued for a period of:

- (i) Three months, six months and one year (renewable up to five consecutive times);
- (ii) Two years (renewable only once);
- (iii) Permanent, if the foreigner has had legally resided in Albania for five consecutive years;
- (iv) Five years according to the provisions of the law.

Citizens of United States of America, European Union member states citizens and citizens of the Republic of Kosovo, when applying for the first time and meet the general criteria, obtain a 5-year residence permit.

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