

**LAW**  
**ON**  
**ORGANIZATION AND FUNCTIONING OF LOCAL GOVERNMENTS**

**No. 8652, dated 31.07.2000**

On the basis of Articles 13, 81, 83 paragraph 1 and 108-115 of the Constitution of the Republic of Albania and upon the proposal of the Council of Ministers,

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

**D E C I D E D:**

**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1**                      **Purpose of the Law**

This Law regulates the organization and functioning of local government units in the Republic of Albania, as well as sets forth their functions, powers, rights and duties and those of their respective bodies.

**Article 2**                      **Definitions**

The following definitions shall apply to terms that are used in this Law:

1. "Function" is the field of responsibility of a certain level of government
2. "Delegated functions" are functions of central government or other central government institutions that by law or by a contractual agreement between the central government and the local government unit are assigned to a local government for performance in a manner and to a degree which is determined by the central government or other central government institutions.
3. "Shared [Joint] functions" are functions for which the local government unit has its share of responsibility, distinguished from the share of responsibility granted to central government, and the functions are accompanied proportionally with competencies, which are exercised autonomously.
4. "Exclusive functions" are functions given by law to the local government unit, for the realization of which it is responsible and has the authority to make decisions and use means for their realization, within the norms, criteria and standards generally accepted by law. Local governments shall exercise full administrative, service, investment and regulatory authority over these functions.
5. "Authority" [Competency] means authority given by law to a certain entity to carry out a certain function.
6. "Own Authority" means exclusive authority given by law to local governments to carry out their functions.

7. "Administrative authority" refers to the competence to manage structures and personnel (setting up, improvement and merging of structures as well as appointment, dismissal, transfer, training, the setting of wages, compensation ) in compliance with the legislation in force.
8. "Delegated authority" means an authority of the central government that is by law or agreement assigned to a unit of local government.
9. "Investment authority" means authority to plan, distribute and perform an investment.
10. "Regulatory authority" means authority to establish regulations and rules (issuance of licenses, opening / closing hours of local services, and imposing penalties or in general to grant rights and establish obligations) in compliance with the standards and legislation in force.
11. "Service authority" means the authority to plan, deliver and realize the maintenance of objects and perform auxiliary services.
12. "Central Government" means the Council of Ministers, Ministries and other Central state agencies.
13. "Reorganization" means a change in the administrative-territorial division.
14. "Joint Powers Authority" means a committee, entity, institution, enterprise, board or any other body created by two or more units of local government or between one or two more units of local government and central government to exercise a common power or function or satisfy an obligation which is common to them.
15. "Subsidiarity" means that whenever it is possible the services and functions should be carried out by the level of government [governance] which is closest to the citizens.

### **Article 3                      Mission of Local Governments**

The purpose of local government in the Republic of Albania is to guarantee governance, at the level closest to the residents through:

- a. Recognition of the existence of different identities and values of the communities in Albania,
- b. Respect and enforcement of the fundamental rights of citizens provided in the Constitution and other laws in those communities,
- c. Opportunity for communities to make choices between different kinds of local public facilities and services,
- ç. Efficient and effective exercise of the functions, competencies and duties of various bodies of local government,
- d. Delivery of appropriate services
- dh. Promotion of effective participation of local residents in local government.

### **Article 4                      Fundamental Principles of the functioning of local government units**

1. The organs of Local Government exercise their authority on the basis of local autonomy.
2. The relationship between Local Government levels and Central Government, and between the local government units themselves will be based on the principle of subsidiarity and collaboration for solving mutual problems.
3. In their activity local governments act in compliance with the Constitution and laws enacted in the spirit of the Constitution .

4. Local governments are juridical [legal] persons.
5. Any commune, municipality and region is a continuous governing entity with a heritage

## **CHAPTER II LOCAL GOVERNMENT UNITS**

### **Article 5 Designation of Communes, Municipalities and Regions and Subdivisions**

1. Communes and municipalities comprise the basic level of local government.
2. A commune is an administrative-territorial entity and the community of residents usually in a rural area but in special cases in urban areas. The territory, name and the center of each commune is set forth in a law. Sub-divisions of communes are villages and in special cases cities. The sub-divisions of communes are defined by the Commune Council.
3. A municipality is an administrative-territorial entity and the community of residents usually in an urban area and in special cases in rural areas. The territory and name of each municipality is set forth in a law. Sub-divisions of municipality in urban areas are called quarters [lagje]. Upon the decision of the Municipality Council, a quarter [lagje] can not have less than 15,000 residents. When a municipality has under its jurisdiction rural areas the subdivisions are the villages. A village can not have less than 200 hundred inhabitants. A city is a residential center, which will be developed according to an approved future urban plan. City is an urban area that has been called so by law.
4. Regions comprise the second level of local government.
5. A region is an administrative-territorial entity that is comprised of several communes and municipalities that have geographical, traditional, economic and social ties and joint interests. The boundaries of each region should comply with the boundaries of communes and municipalities under its jurisdiction. The center of the region is located in one of the municipalities under its jurisdiction. The territory, name and center of each region is set forth in a law.
6. Subdivisions of the regions are the districts. The boundaries of the districts, their name and seat shall be determined by law.
7. Chapter VIII of this Law determines the organization of subdivisions for communes, municipalities and regions.

### **Article 6 Organs of Local Government Units**

1. The government of each commune, municipality and region shall consist of a representative body and executive organ.
2. The representative body of communes and municipalities shall be the Commune Council and the Municipal Council, respectively. The head of the executive organ shall be the Chairman of the commune, for communes, and the Mayor for municipalities.
3. The representative organ of region shall be the Regional Council. The executive authority of the region is vested on the Chairman and Board of the Regional Council.
4. The representative and executive organs in communes and municipalities shall be elected through general, direct election and secret voting in the manner set forth in the Election Code of the Republic of Albania.

5. The members of Regional Councils shall be selected from the councils of the municipalities and communes that comprise the region. The method by which they are selected shall conform to the Constitution and Chapter IX of this Law.

6. The Chairman and Board of the Regional Council shall be elected by the members of its Regional Council, in the manner as set forth in Chapter IX of this Law.

## **CHAPTER III**

## **RIGHTS OF LOCAL GOVERNMENTS**

### **Article 7 Exercise of Powers in the Interest of the Local Community**

1. Each local government shall have full discretion to exercise initiatives in the interest of the Local Community to any matter which is not prohibited by law or which is not exclusively granted by law to any other government organ.

2. Local government units may exercise its powers [competencies] by issuing decrees, ordinances and orders.

### **Article 8 Rights of Local Governments**

1. Each commune, municipality and region shall have the following rights:

#### **I Right of governance**

a. Take any necessary measures for carrying out their functions and exercise their authority.

b. Based on the Constitution, laws and normative acts, and to carry out their functions and exercise powers, they can issue directives, orders and ordinances, which are obligatory for all its entities within its jurisdiction.

c. Local governments can create administrative structures to carry out their functions and exercise powers, in compliance with the laws in force.

ç. They can establish economic units and other institutions under their authority.

d. Each local government may create committees, boards, commissions as it deems necessary for exercising specific functions.

dh. Each local government may create any administrative-territorial sub-division within its jurisdiction to perform its governing functions, in the manner as set forth in this Law.

#### **II Property rights**

a. Local governments may exercise property rights, including the right to purchase, sell or rent its movable and immovable property or use its property, as well as to exercise other rights in the manner as set forth in the law.

b. Local governments may exercise the right of eminent domain for the purpose of acquiring any movable and immovable property for the public interest in accordance with the procedures set forth in a special law.

c. The property rights are exercised by the respective council, and they may not be delegated to anybody else.

### **III Right to fiscal autonomy**

- a. Local governments may obtain revenues and make expenditures related to the execution of their functions.
- b. Local government units have the right to set taxes and fees in compliance with the legislation in force and the interest of the community.
- c. Local governments have the right to adopt and execute their budget.

### **IV Economic development rights**

- a. Local governments have the right to undertake any initiative for economic development in the interest of their residents, provided that these activities do not contradict the fundamental direction of economic policies of the State.
- b. The major part of revenues from economic activities of local governments shall be used to support the execution of public functions.
- c. The economic activity of the local government units is regulated by legislation on economic activities.

### **V Right of collaboration**

- a. To carry out specific functions on behalf and in the benefit of their inhabitants, two or more units of local government may exercise any competence given to them by law, through implementation of mutual agreements or contracts, delegation of specific competencies and/or responsibilities to one or the other, or contracting a third party.
- b. Local governments may collaborate with similar units of local government in other countries and are represented in international organizations of local governments, in accordance with special legislation in force.
- c. Local government units have the right to be organized in associations in conformity with respective legislation for associations.

### **VI Rights as a juridical person**

Local governments are juridical persons and may exercise all the rights set forth in the Civil Code of the Republic of Albania and in the legislation in force:

- a. the right to enter into contracts;
- b. the right to establish other juridical persons;
- c. the right to bring a civil accusation;
- ç. the right to keep accounts;
- d. other rights to carry out functions, in compliance with the laws and normative acts.

### **VII Other rights**

- a. Local government may grant honorary titles and moral and material stimulus,
- b. Each local government may determine the denominations of territories, objects and institutions under its jurisdiction in accordance with the criteria set forth in law.

2. The local government units have their own seal and symbols.
3. The above mentioned rights are exercised by the local government organs, as set forth in this Law.

## **CHAPTER IV FUNCTIONS AND COMPETENCIES OF COMMUNE, MUNICIPALITY AND REGION**

### **Article 9                   Types of Functions**

Communes, municipalities and regions perform “exclusive functions,” “shared functions” and “delegated functions.”

### **Article 10                 Exclusive Functions of Communes and Municipalities**

1.         The commune and municipality have full administrative, service, investment and regulatory powers for their exclusive functions set forth in this Article. They exercise these functions in accordance with the schedule set forth in Chapter XI of this Law.

2.         The Communes and municipalities exercise their functions in compliance with the regional and national policies. The central government may issue national standards in relation to exclusive functions for the sole purpose of achieving a clear and specific national interest, provided that the national standard does not limit local governments’ discretion in areas of clear local interest. In those cases where a local government does not have adequate resources to meet a national standard, the central government shall provide the necessary support to enable the local government to achieve the national standard.

3.         The communes and municipalities shall assume responsibilities for the following exclusive functions:

#### **I.         Infrastructure and public services**

- a.         Water supply;
- b.         Sewage and drainage system and [flood] protection canals in the residential areas;
- c.         Construction, rehabilitation and maintenance of local roads, sidewalks and squares;
- ç.         Public lighting;
- d.         Public transport;
- dh.        Cemeteries and funeral services;
- e.         City/village decoration;
- ë.         Parks and public spaces;
- f.         Waste management;
- g.         Urban planning, land management and housing according to the manner described in the law.

#### **II         Social cultural and recreational functions**

- a.         Saving and promoting the local cultural and historic values, organization of activities and management of relevant institutions;
- b.         Organization of recreational activities and management of relevant institutions;
- c.         Social services including orphanages, day care, elderly homes, etc.

#### **III        Local Economic development**

- a. The preparation of programs for local economic development;
- b. The setting [regulation] and functioning of public market places and trade network;
- c. Small business development as well as the carrying out of promotional activities, as fairs and advertisement in public places;
- ç. Performance of services in support of the local economic development, as information, necessary structures and infrastructure;
- d. Veterinary service;
- dh. The protection and development of local forests, pastures and natural resources of local character.

#### **IV Civil Security**

- a. The protection of public order to prevent administrative violations and enforce the implementation of commune or municipality acts;
- b. Civil security.

### **Article 11 Shared Functions of Communes and Municipalities**

1. Communes and municipalities may undertake any of the following shared functions separately, or jointly with the central government, in compliance with the schedule set forth in chapter XI of this Law.
2. To the extent that the central government requires a local government to perform any shared function or meet a national standard in the performance of a shared function the central government shall provide financial support of the requirement.
3. Communes and municipalities may undertake any of the following shared functions:
  - a. Pre school and pre university education;
  - b. Priority health service and protection of public health;
  - c. Social assistance and poverty alleviation and ensuring of the functioning of relevant institutions;
  - ç. Public order and civil protection;
  - d. Environmental protection;
  - dh. Other shared functions as described by law.
4. Communes and municipalities may assume responsibility for any of shared functions described in this Article, and which are regulated in any case by law. The relations between the local governments and central government for functions set forth in this Law, are regulated by law and normative acts.

### **Article 12 Delegated Functions of Communes and Municipalities**

1. The delegated functions and powers are mandatory and non-mandatory.
2. The mandatory functions and powers are determined by law.
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3. The central government institutions, when allowed by law, may authorize the commune, municipality or region to undertake a function under their [central government institution] jurisdiction. The central government should describe the procedures for carrying out these functions and the manner in which it will control its provision.
4. The central government institution may authorize the commune, municipality and region to exercise one single competency for a certain function.
5. The Local Government units may be authorized to undertake other functions or competencies of the central government which are non-mandatory [optional]. This should be done solely by an agreement between the central government representative and the local government unit.

6. In any case, the central government guarantees necessary financial support to the local government units to exercise delegated functions and powers.

7. The local government units may, at their own initiative, commit their own financial resources to the performance of delegated functions in order to achieve a higher level of service in the interest of the community.

### **Article 13                      Functions of the Regions**

1. The own functions of the region are developing and implementing regional policies and their harmonization with the national policies at the regional level, as well as any other exclusive function given by law.

2. Each region may perform any functions that are assigned to it by one or more communes or municipalities within the region, according to an agreement between the parties.

3. Each region shall perform those functions delegated to it by the central government, according to the principles stipulated in article 12 of this Law.

### **Article 14                      Joint Performance of Functions by Local Governments**

1. Any units of local government may delegate performance of any of its functions to another local government according to article 8 of this Law and by any of the following means:

- a. By agreement for executing jointly one or more functions;
- b. By contracting another local government unit for carrying out one or more functions, or
- c. By having more than one local government contract a third party for performance of one or more functions.

2. Any agreement shall:

- a. Describe the purpose and functions to be performed;
- b. Provide for the method by which it shall be performed;
- c. Describe the level and period of delegation of powers; and,
- ç. Set forth respective financial inputs of the local governments and the method of sharing of revenues and other profits from the activity.

3. Two or more units of local governments or units of local government and an organ of the central government may execute a joint powers agreement to create a legal entity separate from the parties to whom they assign specified powers. In the meaning of this law, this juridical person is called a “joint powers authority.” For each party is defined the respective contribution: financial, service, equipment and qualified personnel, or any other contribution of other assets necessary for achieving the objectives.

4. Within thirty (30) days after its creation, the joint powers authority shall file a notice with the Prefect.

5. The official notice should contain:

- a. The name of each unit of local government which is a party to the agreement;
- b. The date on which the agreement became effective;
- c. A statement of the purpose of the joint powers agreement or the power to be exercised by the joint powers authority;
- ç. The decisions of the local government units included in the related agreement;
- d. The contributions of parties to the joint powers agreement.

6. After filing notice with Prefect, the joint powers agreement becomes effective and the joint powers authority is authorized to execute the powers set forth in the agreement.

## **CHAPTER V LOCAL GOVERNMENT FINANCE**

### **Article 15                    Fundamental Principles of Local Government Finance**

1. National fiscal policy shall guarantee the fiscal self-sufficiency of local governments through diversified sources of revenue.
2. The local government units are financed with the revenues from locally derived taxes and fees, funds transferred from the central government and funds derived from shared national taxes.
3. Through law, communes and municipalities are empowered with sufficient authority to obtain revenue independently to finance the exclusive functions under their jurisdiction.
4. The central government shall provide local governments with funds that are sufficient to meet the requirements for the provision of shared and delegated functions:
5. Each local government shall adopt, carry out and administer a budget each year that does not include a deficit in compliance with the Law No. 8379, dated 29.7.1998 “ On the drafting and execution of the State Budget of the Republic of Albania.”

### **Article 16                    Locally Derived Revenue**

1. Communes and municipalities shall be authorized to derive revenues from:
  - a. local taxes and levies on the movable and immovable property, as well as on the transactions conducted on them.
  - b. local taxes and levies on the economic activity of small businesses and on hotel residency, restaurants, bars and other services;
  - c. local taxes and levies on the personal income derived from donations; inheritances, testaments, and from local lotteries;
  - ç. Other taxes and levies given by law
2. The law defines the tax base as well as the minimum and/or maximum rates. Communes and municipalities have the right to apply or not a local tax. In case they decide to apply the tax, they decide the tax rate, as well as the manner for collection and administration within the limits and criteria set forth in the respective law.
3. Communes and municipalities derive revenues from local fees for:
  - a. public services offered by them;
  - b. the right to use local public property;
  - c. the issuance of licenses, permits, authorizations and issuance of other documentation, at the discretion of local government.
4. Communes and municipalities set the level of the local fees, determine the manner of collection of local tariffs and their administration in compliance with policies and general principles defined in the normative acts of central government.
5. Communes and municipalities shall be authorized to borrow funds for public purposes in a manner that is consistent with the conditions established by law.
6. Communes and municipalities shall be entitled to receive all revenues generated from their economic activities, rents and sale of property and from donations, interest income and penalties.

## **Article 17**                      **Revenue Derived from National Sources**

1. Communes and municipalities shall be entitled to receive funds from national sources, including:
  - a. Shared taxes, consisting of a portion of certain central government taxes, such as the personal income tax and the company profit tax. These taxes shall be collected and distributed to communes and municipalities by the central government on a regular basis not less than three times a year during the fiscal year. The part of the tax and levy which goes to their favor, as well as their collection and administration are determined by law for each shared tax or levy.
  - b. Unconditional transfers from the central government to commune and municipality governments based on the ratio of exclusive and shared functions performed by the local governments and for the purpose of achieving equalization of resources among local governments.
  - c. Conditional transfers from the central government.
2. The central government shall cooperate with local governments, in regularly analyzing the adequacy and stability of these revenue sources during the period of drafting the budget.

## **Article 18**                      **Sources of Revenues for Regions**

1. Regions shall obtain their financial resources from regionally derived revenues and from national sources.
2. Regionally derived revenues include:
  - a. Unconditional transfers, including quotas of membership from the budgets of communes and municipalities, defined in the statute and in the annual budget of the region, for the performance of own and shared functions;
  - b. Conditional transfers for the performance of the functions and powers, delegated by municipalities and communes;
  - c. Regional taxes defined by law;
  - ç. Fees for public services provided by the region as well as from other resources defined in Article 16 of this Law.
3. The criteria and norms for creation and administration of revenues from regional sources are similar to the criteria and norms described in this Law for communes and municipalities.
4. The revenues from national sources for the region are created and administered according to the manner described in Article 17 of this Law.

## **Article 19**                      **Local Government Budgets**

1. Each local government budget shall include all revenues and all expenditures, including repayment of debt, of the local government.
2. Conditional transfers from the central government, which are recorded in the local government budget, shall be used solely for the purpose for which the funds have been attributed, in the amount and according to the rules set by the central government for their use.
3. Each local government shall have full discretion in deciding how to use all other sources of revenue which are not conditional transfers. Part of these funds that have not been used during a fiscal year can be carried over to the next year.
4. The budget adoption and the close of past year budget will be made observing the dates determined in the Law no. 8379, dated 29.7.1998 “On the drafting and execution of the Budget of the Republic of Albania.”

5. The local government budget is adopted by the council. The budget adoption and the annual close of accounts will be made observing the dates determined in the Law No. 8379, dated 29.7.1998 “On the drafting and execution of the Budget of the Republic of Albania”.
6. The purpose of the local government budget is :
  - a. Effective use of the revenues to perform functions and exercise powers;
  - b. To set forth the exact financial situation of each unit of local government;
  - c. To provide information which will enable the residents of the local jurisdiction to understand and participate in decisions regarding the exclusive, shared and delegated functions of the local government.
7. Each local government budget shall include:
  - a. All revenues and all the expenditures in the manner described below:
    - i) detailed revenues according to the classifications of Articles 16,17 18 of this Law;
    - ii) Detailed expenditures in compliance with the functional and economic classification;
    - iii) The reserve fund which must not exceed 3% of total expenditures.
  - b. Forecast of revenues and expenditures for the following two fiscal years.
  - c. Forecast of expenditures for investments with the following information:
    - i)The purpose of the investment;
    - ii)The financing plan, including the means and sources of financing;
    - iii)The annual amount of loan repayment and an estimate of additional operating expenditures the investment will require.
8. The executive organ of the Local Government unit prepares the draft budget for the new fiscal year as well as the draft closing of accounts of the past year and submits them for adoption to the respective council observing the terms set forth in the Law No. 8379, dated 29.7.1998 “On the Drafting and Execution of the Budget of the Republic of Albania.”
9. The amendments to independent budget concerning the transfers and the distribution of funds and the manner how to use the reserve fund are made by the relevant council, upon the proposal of its chairman, in compliance with the criteria set forth in the Law No. 8379, dated 29.7.1998 “On the Drafting and Execution of the Budget of the Republic of Albania” and relevant normative acts.

## **Article 20 Archiving of Finance Records**

1. Each local government shall take measures for archiving, storing and administering their financial documents and is responsible for any damage or loss, in compliance with the Law on archives.
2. Each local government shall approve an internal regulation for implementing the Law on archives.

## **Article 21 Internal Financial Controls**

1. Each communal, municipal and regional council shall appoint a Finance Commission that shall act during the council mandate.
2. The Finance Commission controls the revenues and expenditures made by the executive body, in compliance with the budget adopted by the Local Council. The executive of the local government shall report to the Finance Commission regularly during the year and shall provide all documents requested by it. The executive organ of the local government or its administration may not be a member of the Finance Commission.
3. In order to perform its functions, the Finance Commission shall have full access to all accounting documents, including the tax rolls. The Finance Commission may request an external audit of the accounts be carried out by a certified accountant

## **Article 22 External Finance Controls**

1. Each unit of local government shall be subject to external control by the High State Control which is based on the principle of legality of use of financial resources.
2. Each unit of local government shall be subject to external finance control by the organs of central government, in the manner as stipulated by law.

## **CHAPTER VI COMPOSITION, ESTABLISHMENT, ORGANIZATION, AUTHORITY AND TASKS OF THE MUNICIPAL AND COMMUNAL COUNCILS**

### **Article 23 Conduct of Municipality and Commune Council Elections**

Members of Commune and Municipality Councils shall be elected by procedures set forth in the Election Code of the Republic of Albania.

### **Article 24 Number of Councilors**

1. The number of members of Commune and Municipality Councils shall be determined according to the population of the communes and municipalities, as follows:

Communes and municipalities up to	5 000 inhabitants	13 Councilors
“ “	5 000-10 000 inhabitants	15 Councilors
“ “	10 000-20 000 inhabitants	17 Councilors
“ “	20 000-50 000 inhabitants	25 Councilors
“ “	50 000-100 000 inhabitants	35 Councilors
“ “	100 000-200 000 inhabitants	45 Councilors
Municipality of Tirana		55 Councilors

2. In application of this article, the Prefect defines the number of the members of the council for each commune and municipality in its jurisdiction, based on the number of inhabitants according to the official statistics of the civil office as of January 1 of the year the [local] election takes place.

### **Article 25 Incompatibility of Councilor Functions**

1. Function of councilor is incompatible:
  - a. With the function of Chairman, Deputy Chairman of Commune and Mayor or deputy Mayor of a municipality;
  - b. With the function of the Council Secretary;
  - c. With the function of employee of the executive organs of the respective commune and municipality;
  - ç. With the function of a member of Parliament.
2. No person can be elected at the same time in more than one Commune or Municipality Council.
3. No two persons who are immediate relatives as a parent, a spouse, a child, a sibling or the immediate relatives of a spouse may serve simultaneously on the same Commune or Municipality Council.

## **Article 26 First Municipal or Commune Council Meeting**

1. Nor later than twenty (20) days after the Central Election Commission has officially notified the local election results, each Commune and Municipality Council shall conduct its first meeting.
2. The Commune or Municipal Council Secretary shall issue the notice of the first meeting. In the absence of a Council Secretary, the local Prefect shall issue the notice.
3. In case the above mentioned subjects fail to exercise this right within the time limit stipulated in section 1 of this Article, then the council is held by its initiative within ten (10) days.
4. The first meeting of the council is official only when more than half of all of the Councilors, which have been officially notified by the Election Commission, are in attendance. Where more than half of the Councilors are not in attendance, the meeting shall be canceled and another meeting shall be called three (3) days later, but not more than three consecutive times. In case, even after these three times, there has not been the required attendance, the Council shall be dissolved.
5. The eldest councilor shall preside at the first meeting of the Council until a Chairman of the Council shall be elected.
6. In the first meeting of the Commune or Municipality Council, the following matters shall be taken up:
  - a. The Council shall elect the mandate commission;
  - b. The Council shall verify and approve mandates of Councilors;
  - c. Councilors shall take the oath;
  - ç. The Council shall elect the Chairman and deputy-chairman of the Council;
  - d. The Council shall elect the members that will represent the Commune or Municipality on the Regional Council and shall provide them with a mandate of representation.
7. The Commune or Municipality Council shall be constituted after more than half of its members have had their mandates verified.

## **Article 27 Councilor Mandate**

1. The mandate is given [recognized] to the council member by the Council.
2. The recognition or the cancellation of the mandate of Councilor is adopted by the majority of the votes of all the Councilors.
3. No council member may vote on his or her eligibility.
4. The Councilor's mandate may expire earlier, with the proposal of the mandate Commission, in case of:
  - a. change of residence;
  - b. resignation from the Council;
  - c. creation of conditions of incompatibility as defined in Article 25 of this Law;
  - ç. mandate is taken by him in an irregular manner;
  - d. loss of juridical competence by a court decision;
  - dh. death;
  - e. absence from the council meetings for a period of six months;
  - ë. condemned for a penal act by a final decision of a court;
  - f. dissolution of the council by the competent organ.

## **Article 28 Oath**

1. Each of the Councilors shall take the oath before the council, after verification of their mandate.

The following is the oath:

*“I pledge in the name of the voters who elected me to protect the Constitution of the Republic of Albania and all its laws. I pledge in all my activity that I will be guided by the interests of citizens of [Name of Commune or Municipality], and I will work honestly and with devotion for the development and the improvement of their welfare.”*

2. Any Councilor who refuses to take and sign the oath is considered to have given his resignation and his mandate is not given to him.

## **Article 29 Rights of the Councilor**

1. A Councilor shall not be held liable in any penal or civil proceedings for any opinion expressed during the exercise of his duties.
2. A Councilor shall be paid for his work. Criteria determined by the respective Council shall be used to establish the compensation of Councilors.
3. Upon his request, the Councilor is informed or is given for his use at any time, from the administration of his commune / municipality, any kind of documents.
4. The Councilor has the right to professional training, according to the program adopted by the council. In such cases, financing is performed in compliance with the legislation and rules in force.

## **Article 30 Conflict of interest**

1. The Councilor does not take part and vote in any meeting where the case being considered is of personal interest to him, his spouse, parents, children, brothers, sisters, in-laws.
2. In any case of conflict of interests, the disqualifying provisions set forth in the Code of Administrative Procedures of the Republic of Albania are applied.

## **Article 31 Functioning of Municipal or Commune Council**

1. The local Council shall commence exercising its function upon being constituted in accordance with Article 26 of this Law and shall continue to function until a successor Council is constituted.
2. The schedule for the regular [ordinary] meetings is decided by the Council itself, but not less than one per month.
3. The Council meets in extraordinary meeting in the following cases:
  - a. Requested by the Chairman of the Commune or the Mayor of the Municipality;
  - b. By the request of one-third (1/3) of its members;
  - c. With the motivated request of Prefect concerning issues related to the functions of the Council.
4. The meeting is called by the Chairman of the Council, and the meeting shall be notified [posted] at least five (5) days before the meeting. The notice shall state the date, time, place and agenda of the meeting.
5. The agenda of each meeting should be approved by the Council
6. In the period from the date of elections up to the constitution of the new Council, the previous Council can exercise only limited functions and can take decisions only in case of emergencies.

7. A majority of the Council constitutes a quorum, which is necessary to conduct ordinary issues, as except for cases, when a majority of voting is required, according to article 33 of this Law.

8. Where a Council is unable to function due to a lack of a quorum for a period of three consecutive months, starting from the last meeting date, the Council is dissolved. The Secretary of the Council notifies the Prefect ten (10) days after the three months of nonfunctioning. After the dissolution, new elections must take place.

9. Minutes are held for each council meeting. The manner the minutes and meeting reports are held should be clearly stated in the internal regulation approved by the Council.

### **Article 32 Duties and Competencies of Commune and Municipality Councils**

The commune and municipality Council exercises the following duties and competencies:

- a) Adopts the statute [charter] of Commune and Municipality and the internal regulations of functioning of the Local Council.
- b) Elects and dismisses the Chairman and deputy Chairman of the Council.
- c) Appoints and dismisses the Secretary of the Communal and Municipal Council .
- ç) Adopts organizational and administration structure of commune and municipality and its budgetary institutions under the authority of the commune and municipality, as well as the number of their personnel, the criteria for qualifications, salaries and criteria for compensation [bonuses] of the personnel or of the elected or appointed persons, in compliance with the legislation in force.
- d) Approves the foundation documents of the enterprises, companies and other judicial persons it establishes or co-founds.
- dh) Approve its budget and amendments to it.
- e) Approve the change of the ownership or giving in use [usufruct] to third parties of its property.
- ë) Implements and supervises the internal control of commune and municipality.
- f) Decides rates of all local taxes and tariffs [fees].
- g) Decides to credit and liquidate obligations to third parties.
- gj) Approves the setting up of joint institutions with other local government units, including the Joint Powers Authority, or with third parties.
- h) Approves any legal proceedings instituted in its name.
- i) Determines the representations of communal or municipal council in Regional Council
- j) Adopts the approval or withdrawal of the mandate of a councilor.
- k) Adopts norms, standards and criteria for the regulation and the enforcement of the functions granted to the council by law, as well as protects and guarantees the public interest.
- l) Decides emblem of commune or municipality.
- ll) Approves the names of streets, squares, territories, institutions and objects under its jurisdiction.
- m) Grants honorary titles and bonuses.
- n) Adopts regulations, procedures and manner of execution of delegated functions, in compliance with the Law through which the delegation to commune and municipality is decided.

### **Article 33 Voting**

1. Voting can be by roll-call [open] or secret. The Council decides when the voting will be by secret ballot. All voting for individual affairs are by secret ballot.

2. The adoption of a Council decision shall require the vote of the majority of all Council members in attendance.

3. The adoption of decisions requires the vote of the majority of all the Council members for cases described in article 32 paragraphs “b”, “c”, “d”, “dh”, “g”, “gj”, “i”, and “j” of this Law.

4. Adoption of decisions requires three-fifths (3/5) of the total number of the Council members for cases described in article 32 paragraphs “e” and “f” of this Law.

5. Where voting for chair, deputy chair and secretary of Council has not resulted in the required majority, the vote shall be taken again for the two candidates who received the most votes in the first round.

6. The acts [decrees, ordinances and orders] are published [notified] within ten (10) days from the date of their approval. They shall be effective ten (10) days from the date of their publication [notification]. Acts pertaining to an individual shall be effective from the date the person involved is notified.

### **Article 34 Open Meetings**

1. Meetings of council shall be open to the public. Every citizen has the right to attend Council meetings according to the regulation approved by the council.

2. The announcement of the council meeting will be made in the places assigned by the Council and in the media. The announcement contains the date, place, time, and agenda.

3. By a majority vote of all the Councilors, the Council might decide for cases when the meetings will be closed to the public.

### **Article 35 Public Hearings and the Right of the Public to be Informed**

1. In advance of discussing and approving its acts, the Council holds public hearings [panels]. The public hearings are obligatory in cases determined in Article 32, paragraphs “dh”, “e” ,”f” and “k” of this Law.

2. The public hearings shall be organized according to the manner determined in the regulations of the Council by using but not limited to one of the following methods: such as open meetings with citizens [inhabitants], meetings with specialists [experts], institutions, or NGOs as well as taking the initiative to organize local referendums.

3. The council shall have the obligation to announce all decisions in public places within the territory of the commune or municipality and the council also uses other forms to publicize its decisions. The information to the public shall be made in compliance with the law No. 8503, dated 30.06.1999 “On the right of public to be informed about official documents”, and by additional rules determined by the council.

### **Article 36 Chair of Communal and Municipal Council**

1. The chair and deputy chair are elected from among the Councilors. The proposal for discharging them from this function can not be initiated by less than one-third (1/3) of the number of the council members.

2. The chairman of the Council shall have the following duties:

- a) Calls the Council meetings in compliance with Article 31 of this Law;
- b) Presides the Council meetings according to the statute of the Council;
- c) Sign all acts and reports of the Council;
- ç) [Carries out] other duties assigned by the Council.

3. Where the chair is absent, the deputy chair shall act in his/her place.

### **Article 37 Secretary of Communal and Municipal Council**

1. The council nominates or discharges the secretary of the communal and municipal Council upon the proposal of the Council chairman, with the majority vote of all the councilors. No less than one-third (1/3) of the council members can propose the discharge of the secretary.

2. A secretary of the communal or municipality council is responsible to:

- a) Maintain the official documents of the Council;

- b) Prepare the notice and agenda of the Council meetings;
  - c) Sends the notifications for the Council meetings;
  - ç) Publish any notice and decision taken by the Council;
  - d) Prepare the public hearings with the municipality;
  - dh) Supervise the regulation of the functioning of the Council.
3. Other duties assigned to him by the Council.

### **Article 38 Dissolution of the Commune or Municipality Council**

1. The Municipal or Communal Council can be dissolved by the Council of Ministers before the termination of the regular mandate in the following cases:
- a) It does not meet for an uninterrupted period of three months;
  - b) It is not able to adopt the budget three months after the deadline determined in Article 19 of this Law;
  - c) It commits serious violations of the Constitution or other laws.
2. The Communal or Municipal Council is also dissolved after a reorganization for the change of boundaries, according to Article 70 of this Law.
3. In case of dissolution of the Council, new council elections are held in the respective commune or municipality, according to the Election Code of the Republic of Albania.

## **CHAPTER VII MAYOR OF COMMUNE AND MUNICIPALITY**

### **Article 39 Mayor of Commune and Municipality**

1. Legal electors of a commune and municipality directly elect Mayor for a three-year term, through general, direct and secret voting, according to the manner described in the Election Code of the Republic of Albania.
2. Mayors of commune and municipality shall be supported by one or more Deputy Mayors during execution of their duties. The communal and municipal council shall determine the number of Deputy Mayors. Mayors of commune and municipality shall appoint or discharge the Deputy Mayor.

### **Article 40 Mandate of Mayor of Commune and Municipality**

1. The mandate of Mayor of commune and municipality shall be verified by the court, which has jurisdiction over the municipality and commune where the Mayor was elected not later than twenty (20) days after the official elections results have been announced [notified].
2. Invalidity of the Mayor's mandate shall be declared in case the conditions of Article 45 of the Constitution and Article 10 of Election Code of the Republic of Albania are not met.
3. The notification of the validity of Mayor's mandate shall be made in the following scheduled meeting of communal or municipal Council in which the Mayor shall take and sign the oath defined in Article 28 of this Law.
4. The term of a Mayor of a commune or municipality shall begin from the date he takes and signs the oath and shall finish when newly elected Mayor shall take and sign the oath.
5. In case the municipality or communal Council is not convened within thirty (30) days from the date of announcement [notification] of election results by the Central Election Commission, the prefect organizes the

oath ceremony for the municipality or commune Mayor in the premises of the municipality of commune and in the presence of the residents [inhabitants] of the respective unit.

#### **Article 41 Discharge of Mayor of Commune and Municipality**

1. The mandate of a Mayor may expire before the previously defined time limit in case of:
  - a) Refusal to take the oath;
  - b) Resignation;
  - c) No longer resident of the commune or municipality where he is elected;
  - ç) Discharged from competent organ, as specified in Article 42 of this Law;
  - d) Runs or is elected as a member of Parliament ;
  - dh) Loss of juridical capacity to act, upon a final court decision;
  - e) Death.
2. Where a Mayor resigns he shall inform the communal and municipal council and file this notification. The secretary of the council shall inform the Prefect of the Mayor's resignation in order to follow necessary procedures.
3. Where the Mayor's term expires earlier [anticipated loss of mandate], the communal or municipal Council shall inform the Council of Ministers through the Prefect
4. Where a Mayor's term expires earlier, new elections shall be organized for the Mayor of the commune or municipality, in compliance with the provisions of the Election Code of the Republic of Albania.
5. If a Mayor's mandate expires earlier according to this Article, the duties of the Mayor shall be exercised by the Deputy Mayor until the election of the new Mayor. When there are more than one Deputy Mayors the council shall elect one of them to be the acting Mayor until the election of the new Mayor.
6. If the place of the commune or municipality Mayor remains vacant during the last 6 months of his regular mandate, the municipal council shall elect one of its members by majority voting, to exercise the functions of the Mayor until the end of regular mandate.

#### **Article 42 Dismissal of the Mayor**

1. A Mayor may be discharged by the Council of Ministers for the following reasons:
  - a) Acts in serious violation of the Constitution or other laws;
  - b) Conviction by a final decision of a court for a penal act [crime];
  - c) Proposed to be dismissed by the council due to his absence from duty for a consecutive three month period.

#### **Article 43 Symbol of Mayor**

1. The distinctive symbol of the Mayor is a stripe with the colors of the national flag, 111 mm wide, divided in three sections with equal width of red-black -red color.
2. The mayor shall wear the symbol from the right shoulder.
3. The Mayor shall wear the symbol during solemn meetings, official receptions, public ceremonies and marriage ceremonies.

#### **Article 44 Authority and Duties of the Mayor**

The Mayor of the municipality or commune have the following jurisdiction and duties :

- a) Exercises all competencies for the carrying out of the functions of the Commune or Municipality with the exception of those competencies that are exclusive to the Council;

- b) Implement the decisions of the Local Council;
- c) Takes measures for the preparation of materials for the meetings of the council, in compliance with the agenda of the meeting and also for topics that he is interested to discuss with the Council;
- ç) Reports to the Council on the financial economic situation and on the service levels achieved every six months and more often if required by the Local Council;
- d). Reports to the Council, as required by the latter, on issues that are related to the functions of the municipality/commune;
- dh) Member of the Regional Council;
- e) Appoints and dismisses from duty the Deputy Mayors;
- ë) Appoints and dismisses the managers of the enterprises and institutions under municipality or communal jurisdiction [authority];
- f) Appoints and dismisses other non-managerial employees of the agencies under the jurisdiction of the municipality or commune except as otherwise stipulated in the Law No 8549, dated 11.11.1999 on the Civil Service;
- g) Exercises all the rights and guarantees the meeting of all obligations of the local government due to its status as a juridical person;
- gj) Takes measures for qualification and training of personnel of administrative staff, personnel of education, social, cultural and sportive institutions;
- h) Has the right to only once ask the council for reconsideration of a decision of the Council that he deems harmful to the interests of the community.

## **CHAPTER VIII**

### **TERRITORIAL SUBDIVISIONS OF THE COMMUNE, MUNICIPALITY AND REGION**

#### **Article 45                      Creation of Sub-division of Commune**

1. Village is headed by village board and head of village. The board is the advisory organ of the head of village. The members of the village board are elected in meetings of the village in which no less than one-half (1/2) of residents with the right to vote participate. Where village is composed of quarters, each quarter shall elect a member to the board. The respective communal Council defines the voting rules.
2. Number of members village board shall be determined by communal and municipal Council (when there is a village under the jurisdiction of the municipality) based on the number of inhabitants of the villages and its constituent quarters.
3. Chair shall be elected from members of the board with secret voting with no less than two (2) candidates.
4. The election of the board and head of village shall be carried out once in three years after communal election and not later than six (6) months after this election.
5. Where there is any vacant place of head of village or a member of the board, the above procedures shall be followed again for the vacant place. In this case the mandate of the newly elected member shall continue until the end of remaining period of three (3) years.
6. The election process and the activity of the board and head of village shall be supervised by the communal and municipal Council.

#### **Article 46                      The Rights and Duties of Board and Head of a Village**

1. Head of village and Board shall exercise and/or support the execution of all self-government duties in its village as well shall take care of economic development, use of mutual resources and shall ensure social harmony.
2. More detailed duties shall be defined in regulations and rules of the communal or municipal council.

3. Head of village shall have the communal seal and shall have the authority to issue certificates or verifications about facts and data for residents and/or territory of village, of which he is aware and whenever it is required by the commune or municipality, by the residents themselves or by any other institution in compliance with the law.
4. Decisions of communal and municipal organs shall be obligatory for head of village and board.
5. The compensation of the head of village and the board shall be determined by the communal and municipal council.
6. Head of village shall participate in respective communal and municipal Council meeting without the right of vote, on his own initiative or as called by council. Head of village shall have the right to express his opinion in council meeting for issues that are related to his village.

#### **Article 47                      Functions of Sub-divisions of Municipalities**

1. In municipal quarters shall be functioning the administrative organs. The Municipal Council shall determine the structure and number of employees of quarters. Administrator is in the head of executive organs. He is a civil servant and directly under the authority of the Mayor. The training of other administrative personnel of the quarter (lagje) is subject to Law No. 8549, dated 11.11.1999 on the Civil Servant.
2. Administration of a quarter shall exercise all administrative duties placed in their in charge by the Mayor and the Council, as well as shall take care of economic development, use of mutual resources and shall ensure social harmony. More detailed duties shall be defined in regulations and rules issued by the Mayor and municipal Council.

#### **Article 48                      The Administrative Structure of the District**

In the district there will be established administrative structures of the State as described by its regulations and administrative structures of the regions as described by the decisions of the Regional Council.

### **CHAPTER IX ORGANIZATION OF REGIONAL COUNCIL**

#### **Article 49                      Composition of Regional Council**

1. The Regional Council is composed of representatives of communal and municipal Councils.
2. All Mayors of communes and municipalities from the constituent members are automatically members of the Regional Council.
3. Number of members of Regional Council shall be determined according to Article 50 of this Law.
4. The function of member of Regional Council is incompatible with the function of employee of the respective regional administration.

#### **Article 50                      Number of Regional Councilors**

1. Number of representatives of communal and municipal council in Regional Council shall be determined in proportion to population as follows:

Communes and municipalities up to 5 000 inhabitants	1 representatives
“                      “                      5 001-10 000 inhabitants	2 representatives

“	“	10 001-30 000 inhabitants	3 representatives
“	“	30 001-50 000 inhabitants	4 representatives
“	“	50 001-100 000 inhabitants	5 representatives
		over 100 000 inhabitants	5 + 1 representative for each 1-50 000 inhabitants above 100,000.

2. Where a commune and municipality shall have only one representative, this function is executed directly by the Mayor of commune and municipality. Where a commune and municipality shall have more than one representative, additional representatives over one (1) are elected by the respective council.

3. In application of this article, the Prefect defines the number of representatives for each commune and municipality council in its jurisdiction, based on the number of inhabitants according to the official statistics of the civil office as of January 1 of the year the [local] election takes place.

4. The regional council sends a copy of its decisions to the Prefect within ten (10) days after they are taken.

## **Article 51 First Meeting of the Regional Council**

1. The Regional Council shall hold its first meeting not later than fifty (50) days after the Central Election Commission has officially declared the final election results.

2. The Mayor of the municipality-seat of region or one-third (1/3) of the Region Council members call the first meeting of Regional Council or sends a written notification to all the regional council members at least ten (10) days before the date of the meeting.

3. A council may hold its first meeting only when more than one-half (1/2) of Regional Councilors shall be present.

4. The Mayor of center [capital] of the region shall preside in the first meeting of the Council until the chair of Council shall be elected.

5. In the first meeting of the Regional Council, the following matters shall be undertaken:

- Election of the mandate commission, which verifies the mandates of Regional Councilors;
- Certification of the mandates of the Regional Council members;
- Election of the chair, deputy chair and board of Regional Council.

6. The Regional Council shall be constituted after not less than one-half (1/2) of all Councilors have had their mandates verified.

7. Where one-half (1/2) of all the Councilors are not in attendance, the meeting shall be canceled and another meeting shall be called ten (10) days later, for as many consecutive times as necessary to obtain the presence of requested Councilors.

8. If the Regional Council shall not be constituted until ninety (90) days after the local election results have been officially declared by the Central Election Commission, the Prefect shall execute all the functions and competencies of the Regional Council.

## **Article 52 Councilor Mandate**

1. The mandate of the regional councilor is won by all the Mayors of commune and municipality when they have obtained their own respective mandate as Mayors.

2. Election of Councilors among councilors of communal and municipal Councils, in accordance with Article 26 of this Law is by vote of a list of multiple candidates and the notified winners are the candidate or candidates that have received the largest of number of votes.

3. The councilor mandate shall expire when:
  - a. Mayors of commune and municipality lose their mandate;
  - b. The mandate is revoked by respective council;
  - c. The mandate is canceled by Regional Council upon verification that is taken in an irregular manner.
4. The seat made vacant due to the loss of a mandate of a member of the Regional Council are replaced by the respective commune or municipality Councils.
5. A seat made vacant due to the loss of a mandate of a member of the Regional Council, or by a commune or municipality Mayor in the last six (6) months of the term of his mandate, is replaced by the Chair elected by the respective communal or municipality Council.

### **Article 53      Functioning of the Regional Council**

1. The Regional Council shall exercise its function upon being constituted until the new successor council shall be constituted.
2. Each Regional Council shall hold regular meetings not less than once every three (3) months.
3. The ordinary meetings of the Regional Council shall be based on the agenda approved by the Council.
4. The Regional Council meets in extraordinary meetings with the request of:
  - a) the chair;
  - b) the Board;
  - c) one-third (1/3) of its regional councilors;
  - ç) the motivated request of the Prefect, for issues related to the functions of the Council.
5. The meeting is called by the Chairman of the Council.
6. The meeting shall be notified [posted] at least ten (10) days before the meeting. The notice shall state have the date, time, place and agenda of meeting.
7. A majority of the Council constitutes a quorum.

### **Article 54                      Duties of the Regional Council**

The Regional Council exercises the following competencies and duties:

- a) Adopts the statute and internal regulations of functioning of the Council;
- b) Decides on the obligatory quotas for each commune and municipality, to be transferred to the regional budget;
- c) Elects and dismisses the Chairman, Deputy Chairman and Board members;
- ç) Appoints and dismisses the Secretary of the Regional Council;
- d) Adopts organizational and administration structure and main regulations of the regional administration, of budgetary units and institutions, as well as the number of administrative staff, their qualifications, salaries and criteria for compensation [bonuses] of the personnel or of the elected or appointed persons, in compliance with the legislation in force;
- dh) Approves the foundation documents of the enterprises, as well as of those of other juridical entities, created by the Regional Council or in which it is a co-founder;
- e) Approves its budget and amendments to it;
- ë) Approves change of ownership [sale, purchase, disposition] and usufruct of its immovable property to third parties;
- f) Implements and supervises the internal control of the region;
- g) Decide rates of all taxes and tariffs [fees];
- gj) Decides to credit and liquidate obligations to third parties;
- h) Approves the creation of joint institutions with other local governments units or third parties;

- i) Appoints and dismisses the heads of the enterprises and other institutions dependent on it;
- j) Approves any legal proceedings instituted in its name;
- k) Determines the incompatibility of a councilor;
- l) Adopts norms, standards and criteria for the regulation and enforcement of functions granted to the Regional Council by law, as well as protects and guarantees the public interest on a regional level;
- ll) Decides on the Region's symbols;
- m) Grants honorary titles and bonuses;
- n) Adopts regulations, procedures and manner of execution of delegated functions, in compliance with law;
- nj) Adopt and repeal the decisions of the regional board.

## **Article 55                    Voting**

1. The adoption of a decision, for whatever purpose shall require the vote of a majority of all council members in attendance, with the exception of cases defined in Article 54, Sections "b", "e", "ë", "g", "gj", "ll", of this Law, which requires a majority vote of all members of the Regional Council.
2. Where voting for chair, deputy chair and secretary of council has not achieved the requested majority, the vote shall be taken again between two candidates that in the first round received the most votes.
3. The acts of the Council shall be published [notified] within ten (10) days from the date of their approval and shall be effective ten (10) days from the date of their publication (notification). Acts pertaining to an individual shall be effective from the date the person involved is notified.

## **Article 56                    Open Meetings, Public Hearings and the Right of the Public to be Informed**

Meetings of the Council shall be open to the public. The date, time, place and agenda of the Council meeting shall be public in compliance with Articles 34 and 35 of this Law..

## **Article 57                    Conflict of Interest**

1. The Councilor does not take part and vote in any meeting where the case being considered is of personal interest to him, his spouse, parents, children, brothers, sisters, in-laws.
2. In any case of conflict of interests, the disqualifying provisions set forth in the Code of Administrative Procedures of the Republic of Albania are applied.

## **Article 58                    Board of the Regional Council**

1. The Board of the Regional Council is composed of the Chair, Deputy Chair and of 5 to 9 members.
2. The council shall elect or dismiss the Chair and its deputy Chair with a majority vote of the councilors in attendance. Where voting for Chair and Deputy Chair has not resulted in the required majority, the vote shall be taken again for the two candidates who received the most votes in the first round.
3. The other members of the Regional Board are elected and dismissed by vote and winners are the candidates who have gained the largest number of votes.
4. The Board is called into meetings by the Chair, no less than once a month.
5. A Board meeting is valid when more than one-half of the members of the Board are in attendance.

6. Functions of Chair and Deputy Chair and secretary of the Council are incompatible with the function of Mayors of commune and municipality.

## **Article 59 Competencies of the Board of the Regional Council**

1. The Board shall exercise all the functions and competencies of Regional Council:
  - a) exercises all the competencies, with the exception of those which have been clearly and exclusively granted to the Regional Council;
  - b) adopts the draft acts and other draft materials for the meeting of the Regional Council, in compliance with the agenda defined by the Council, as well as for other problems requested;
  - c) reports to the Council on the economic-financial situation no less than every six (6) months or when requested by the Council;
  - ç) Reports to the Council at any time as requested by the Council, on other issues related to the regional functions;
  - d) exercises the rights and ensures the fulfillment of all the obligations of the region as a juridical person;
2. Exercising its competencies, the Board may issue decisions which are approved by the majority of the members attending and they are effective after being published or being notified to the interested parties.
3. The decisions of the Board should be adopted in the following meeting of the Regional Council and in case they are not adopted, they lose their effectiveness from the beginning.

## **Article 60 Chairman of the Regional Council**

1. The Chair represents the Regional Council in relations with state organs, with local government units, with Albanian or foreign physical and juridical persons and exercises the following competencies:
  - a) Presides the Regional Council meetings and its Board;
  - b) Signs all acts of council and its Board and as well as minutes of the Council meeting and its Board;
  - c) Ensures the enforcement of decisions of Regional Council and its Board;
  - ç) In compliance with the agenda of Regional Council meeting and its Board, shall prepare reports, draft-decisions and other necessary materials;
  - d) Manages the administration of the region and is accountable to the Regional Council for its functioning;
  - dh) Hires and dismisses the administrative staff of Regional Council, with the exception of the cases otherwise described in the law no. 8549, dated 11.11.1999 on The Civil Servant;
  - e) Guarantees the execution of functions of regions defined by law;
  - ë) Takes measures for the provision of functioning of all structures of council, meetings of the Regional Council and its Board;
  - f). Exercises other competencies given to him by law, by the Regional Council or by the Board.
2. The chair of the Regional Council issues orders during exercising the competencies with individual character.
3. In the absence of the Chair, functions are performed by Deputy Chair.

## **Article 61 Secretary of the Regional Council**

The Secretary of the Regional Council exercises his duties similarly with those of the Secretary of Municipal or Communal Council, defined in Article 37 of this Law.

## **Article 62 Limitations of Regional Authority**

1. A Region shall take no action to violate the autonomy of its constituent communes and municipalities.

2. The decisions of the organs of the Region shall aim towards the equitable distribution of resources and benefits in favor of its constituent communes and municipalities.

## **CHAPTER X REORGANIZATION OF LOCAL GOVERNMENTS**

### **Article 63 Administrative – Territorial Reorganization**

The existing administrative-territorial division can be reorganized either with or without a change in boundaries, in compliance with the local economic, social interests, tradition, culture, and other local values for the efficient provision of functions to the benefit of the local community and the implementation of local, regional and national policies.

### **Article 64 Reorganization with border change**

Reorganization with border changes can take place when:

- a) A unit of local government is divided into two or more units of local governments;
- b) Two or more units of local governments are merged to form a territory of a single unit of local government;
- c) A part of the territory of one local government unit is transferred to the territory and administration of another local government unit; or
- ç) A combination of the cases listed above is necessary.

### **Article 65 Reorganization without border change**

Reorganization without changing the borders can happen in the cases of a Change of the name of the local government unit or a Change of the geographic center of a local government unit.

### **Article 66 Legal support and the initiation of the reorganization**

The reorganization of the existing territorial – administrative division with or without changing borders can be made effective only by a special law.

### **Article 67 Justification and documentation of the reorganization process**

The proposal for reorganization of one or more units of local governments for each case shall be submitted to the Parliament accompanied by the following facts and justifications:

- a) The economic, social, cultural, demographic, administrative reasons in favor of the need and advantages of reorganization proposed;
- b) The methods, materials or documents used to inform the public on the reorganization and the issues related to it;
- c) The opinion of the community that lives in the local units that shall be affected by the reorganization as well as the opinion “For” and “Against” expressed directly or indirectly by various interested subjects or groups in this reorganization;
- ç) The methods used to collect the opinions of the community such as public hearings, open meetings, surveys and referenda if it is possible;
- d) The administrative territorial maps, in which are reflected the changes which would result from the reorganization;
- dh) The expected economic, financial, social, demographic impacts that will result from the reorganization, as well as the civil and administrative liabilities or obligations which will result, will be inherited or will be shared:

e) Agreements and proposals for existing liabilities and assets and the way they will be administered after the reorganization.

#### **Article 68                      The requirement to express the opinion**

1. The municipal, communal and regional Councils which are directly involved in this reorganization as well as their chairmen shall give their official opinion on the reorganization and as well, the opposing opinion of a part of the councilors.
2. The Council of Ministers, when it has not made the proposal and other state institutions which are not under the jurisdiction of the Council of Ministers, but are interested in the specific reorganization, shall also express the opinion in favor or against the reorganization.
3. The above mentioned organs should give their opinion no later than sixty days after the receipt of the request for an expression of opinion by the initiator.

#### **Article 69                      Rights and obligations of the reorganized units**

1. In each case when the reorganization affects the financial, property rights or obligations to third parties and other civil rights of the local government units the issues that might arise will be solved in negotiations between parties concerned, according to the legislation in force.
2. In case of disagreements of the issues anticipated in paragraph 1 of this article, the conflicts will be resolved in the court.

#### **Article 70                      Guarantee of continuation of the basic functions**

1. In the case of reorganization affecting boundary changes that results in new units of local governments, or when this reorganization causes incompatibility to the mandate of the majority members of the council of a local government unit which loses part of its territory, partial local elections shall be held in these territories, in compliance with the methods and schedule anticipated in the Election Code of the Republic of Albania.
2. The new local government units, as well as other central and local government bodies have the authority to take necessary measures, so that the local government units created or affected by the reorganization, can function normally, according to this Law, ensuring the provision of the public services for the population in the transition period.

### **CHAPTER XI TRANSITORY AND CLOSING PROVISIONS**

#### **Article 71                      Implementation of this Law**

Functions of the units of local governments, in accordance with this Law, is realized in compliance with the time limits established in the articles of this Chapter.

#### **Article 72                      Functioning and Organization of Local Government Units**

1. With the enforcement of this Law, communal, municipal and regional Councils will exercise their full rights and powers for:

- a) Adoption of decisions, orders, and other acts for their organization in the manner as set forth in this Law;
- b) Exercise of fiscal authority;
- c) Undertake initiatives in the interest of their respective local communities;
- ç) Adoption of personnel rules/procedures;
- d) Exercise of any other rights and powers set forth in this Law and other laws in relation to the control of commune and municipality property and performance of its functions.

2. Communes, municipalities and regions shall undertake ownership and control of such property in accordance and in compliance with the timetable defined in specific law.

3. Communes, municipalities and regions will undertake ownership of public enterprises, according to the schedules set forth in a specific law, as well as will exercise the right to establish juridical entities in compliance with this Law.

4. Beginning on January 1, 2001, commune and municipality governments shall be fully responsible for performing the following exclusive functions:

#### **I. Infrastructure and public services**

- a) Construction, rehabilitation and maintenance of local roads, sidewalks and public squares;
- b) Public lighting;
- c) Public transport;
- ç) Cemeteries and funeral services;
- d) City/village decoration;
- dh) Parks and public spaces;
- e) Waste management [collection, transport, disposal / treatment]

#### **II Social cultural and recreational functions**

- a) Saving and promoting the local cultural and historic values, organization of activities and management of relevant institutions
- b) Organization of recreational activities and management of relevant institutions
- c) Social services including orphanages, day care, elderly homes etc

#### **III Local Economic development**

- a) The preparation of programs for local economic development;
- b) The setting [regulation] and functioning of public markets and trade network;
- c) Small business development as well as the carrying out of promotional activities, such as fairs and advertisement in public places;
- ç) Performance of services in support of local economic development, such as information, necessary structures and infrastructure;
- d) Veterinary service;
- dh) The protection and development of local forests, pastures and natural resources of local character.

5. Beginning on January 1, 2002, the communes and municipalities shall be fully responsible for the performing of the following exclusive functions:

#### **I. In infrastructure and public services:**

- a) Water supply;
- b) Sewage and drainage and [flood] protection canals in the residential areas;

c.) Urban planning, land management and housing, as defined by the law, except for the authority to adopt construction permits, which shall be transferred to the communes and municipalities from January 1, 2001.

## **II. Civil Security**

- a) The protection of public order to prevent administrative violations and ensure the implementation of commune or municipality acts;
- b) Civil security.

6. Beginning on January 1, 2002, the manner of carrying out the following shared functions and competencies:

- a) The functioning of pre- school and pre- university education;
- b) The functioning of the priority health service system and the protection of public health;
- c) Social assistance and poverty alleviation and ensuring of the functioning of relevant institutions;
- ç) Public order and civil protection;
- d) Environmental protection.

7. The communes and municipalities will also exercise other shared functions, according to the manner defined by law.

8. No later than January 1, 2001, the regions shall carry out all the functions and powers granted by this Law.

## **Article 73 Fiscal Authority of Communes and Municipalities**

1. Beginning on January 1, 2001, communes, municipalities and regions shall have the authority to impose local taxes and tariffs, defined by special law.

2. Beginning on January 1, 2001, the communes, municipalities and regions shall have the authority to set local fees on the following categories:

- a) Fees for public services;
- b) Fees for public goods, with the exception of those produced by the central government;
- c) Fees for licenses, authorizations and official documentation.

3. The communes, municipalities and regions shall have the right to of property use and use the revenues created in compliance with the respective laws on local property.

4. Beginning on January 1, 2002, communes, municipalities and regions shall be authorized to borrow funds for investments, in accordance with this Law and subject to the procedures and limitations set forth in special laws.

5. Beginning on January 1, 2002 the communes, municipalities and regions will receive financing as described by a special law from the following sources:

- a) General and equalization unconditional transfers;
- b) Shared national taxes;
- c) Conditional transfers to achieve national objectives;
- ç) Funds transferred from the central government to communes, municipalities and regions for performing the delegated functions.

6. Beginning on January 1, 2001, each communal, municipal and regional Council shall develop and adopt a local budget, based on the principle of local autonomy and the unique national accounting standards with zero budget deficit.

7. Beginning on January 1, 2001, communes, municipalities and regions shall institute internal financial controls.

8. Beginning on January 1, 2001, communes and municipalities will transfer their quotas to the regional budget.

#### **Article 74 Duties of Council of Ministers**

1. The Council of Ministers is responsible for drafting the laws and normative acts to enable the compliance with the implementation schedule set in this chapter of this Law.

2. This process shall be done in collaboration and consultation with representatives of local governments, local communities and civil society in general.

#### **Article 75 Disolution of Council District**

1. District Councils shall remain in force until the date of the 2000 local elections. Thereafter, the district council administration shall be under the authority of the Prefect.

2. The Prefect is responsible for the performing of the functions of former district councils, which have not been transferred to the communes and municipalities according to this chapter.

#### **Article 76 Abolition**

When this Law comes into effect, Law no. 7572, date 06.10.1992 "For the Organization and Functioning of Local Government" including its adopted changes and whatever other legal provisions contrary to this Law are abolished.

#### **Article 77 Effective date**

This Law shall come into effect 15 days after its publication in the official journal.

**Promulgated with the decree No. 2729, dated 08.07.2000, of the President of the Republic of Albania, Rexhep Meidani**