

LAW
No.9917, May 19, 2008
“ON THE PREVENTION OF MONEY LAUNDERING AND FINANCING OF
TERRORISM”

(Amended with law no. 10 391, dated 3.3.2011; law no. 66/2012, dated 7.6.2012; law no. 44/2017, dated 6.4.2017; law no. 33/2019, dated 17.6.2019)

(updated)

Pursuant to articles 78 and 83/1 of the Constitution, upon the proposal of the Council of Ministers,

THE ASSEMBLY OF THE REPUBLIC OF ALBANIA
DECIDED

CHAPTER I
GENERAL PRINCIPLES

Article 1

Purpose

The purpose of this law is to prevent money laundering and proceeds derived from criminal offences, as well as, the financing of terrorism.

Article 2

Definitions

(Amended item 10, 12 and added item 22 by law no. 10 391, dated 3.3.2011, amended by law no. 66/2012, dated 7.6.2012; added item 3/1, added two sentences at the end of item 10, amended item 11, added words to paragraph 12, added sentence at the end 13, amended paragraphs 16 and 20, substituted words in paragraph 21, added paragraphs 25, 26, 27, 28, 29 and 30 with the Law No. 33 / 2019, dated 17.6.2019)

The terms used in this law have the following meaning:

1. “Responsible authority” is the General Directorate for the Prevention of Money Laundering that reports directly to the Minister of Finances, and serves as Financial Intelligence Unit of Albania.
2. “Shell bank” is a bank, which does not have a physical presence, including lack of administration and management, and, which is not included in any regulated financial group.
3. “Correspondent bank” means a bank that provides banking services in the interests of another bank (initiating bank) or its customers, to a third bank (receiving bank) based on an agreement, or a contractual relation among them.
 - 3.1 “Correspondent Banking” is the set of banking / financial services provided by one Bank (Correspondent Bank) to another Bank (respondent Bank).
4. “Financing of terrorism” has the same meaning as provided by articles 230/a through 230/ç of the Criminal Code.

5. "Bearer's negotiable instruments" includes monetary instruments in bearer form where the holder of the instrument has title, such as travellers' cheques; negotiable instruments (including but not limited to cheques, promissory notes and money orders) that are either in bearer form, endorsed without restriction of payee, made out to a fictitious payee, or otherwise in such form that title thereto passes upon simple delivery from one person to another; incomplete instruments (including but not limited to cheques, promissory notes and money orders) signed but with the payee's name not included.
6. "Customer" means every person, who is or seeks to be party in a business relation with one of the entities referred to in article 3 of this law.
7. "Business relation" means any professional or commercial relationship, which is related to the activities exercised by the entities of this law and their customers that at the moment it is established, is considered to be a continuous relation.
8. "Cash" means notes (banknotes and coins, national and foreign) in circulation.
9. "Laundering of criminal offence proceeds" has the same meaning as provided by article 287, of the Criminal Code.
10. "Politically exposed persons" are the persons that are obliged to declare their properties, in accordance with law no. 9049, dated 10.04.2003 "On the declaration and audit of assets, financial obligations of the elected officials and certain public employees" including the members of the family or associated persons in close personal, working or business relationships, excluding employees of the middle or lower management level, according to the provisions of the civil service legislation. This category also includes individuals who have had or have important functions in a government and /or in a foreign country, such as: head of state and/or government, senior politicians, senior officials of government, judiciary or the army, senior leaders of public companies, key officials of political parties, including the members of the family or associated persons in close personal, working or business relationships, This category also includes individuals who have had or have significant functions in international organizations, including family members or related persons in close personal, labour or business relationships, as to the understanding and rules defined in the secondary legislation applicable to this law. This category of persons is considered "politically exposed persons" for up to 3 years after leaving office.
11. "Proceeds of Criminal offence" shall mean any property derived or acquired, directly or indirectly, from a criminal offense or criminal activity.
12. "Beneficial owner" means the natural person, who owns or, ultimately controls a customer and/or the person on whose behalf is executed the transaction. This also includes those persons exercising the ultimate effective control on a legal person. The ultimate effective control is the relationship in which a person:
 - a) owns through direct or indirect ownership, at least 25 percent of stocks or votes of a natural person or legal entity;
 - b) by himself owns at least 25 percent of votes of a legal arrangements or legal person, based on an agreement with the other partners or shareholders;
 - c) *de facto* defines the decisions made by the natural person or legal arrangements;
 - ç) controls by all means the election, appointment or dismissal of the majority of administrators of the legal person.

13. "Property" means rights or property interests of any kind over an asset, either movable or immovable, tangible or intangible, material or immaterial, including those identified in an electronic or digital form including, but not limited to, instruments such as bank loans, traveller's cheques, bank cheques, payment orders, all kinds of securities, payment orders and letters of credit, as well as any other interest, dividend, income or other value derived from them. For the purposes of this law, the word "fund" has the same meaning as ownership.
14. "Entity" is a natural or legal person, which establishes business relations with customers in the course of its regular activity or, as part of its commercial or professional activity.
15. "Money or value transfer service" means the performance of a business activity to accept cash and other means or instruments of the money and/or payment market (cheques, bank drafts, certificates of deposit, debit or credit cards, electronic payment cards etc.), securities, as well as any other document that substantiates the existence of a monetary obligation or any other deposited value and to pay to the beneficiary a corresponding amount in cash, or in any other form, by means of communication, message, transfer or by means of a clearing or a settlement service, to which the service of the transfer of money or value belongs.
16. "Transaction" is an exchange or interaction that involves two or more parties, or an action required by the client on its behalf without the involvement of the other parties.
17. "Linked Transactions" means two or more transactions (including direct transfers) where each of them is smaller than the amount specified as threshold according to article 4 of this law and when total amount of these transactions equals or exceeds the applicable threshold amount.
18. "Direct electronic transfer" means every transaction performed on behalf of a primary originator person (natural or legal) through a financial institution, by means of electronic or wire transfer, with the purpose of making available a certain amount of money or other means or instruments of the money and/or payment market at the disposal of a beneficiary in another financial institution. The originator and the beneficiary can be the same person.
19. "Trust" means an agreement in good faith, in which the ownership rests with the trustee on behalf of the beneficiary.
- 19/1 "Due diligence" is the entirety of measures that the entities should apply in order to identify as well as fully and accurately verify the customers, the ultimate beneficial owner, ownership and control structure of legal persons or legal arrangements, nature and purpose of the transaction and the business relationship as well as the ongoing monitoring of the business relationship and the continuous examination of the transactions, in order to ensure that they are in conformity with customer's business activity and risk profiles, including, where necessary, the source of funds.
20. "Enhanced Due Diligence" is a deeper control process, beyond the "Know Your Customer" procedures, that aims to create sufficient certainty to confirm and evaluate:
 - a) the customer's identity,
 - b) to understand and test the customer's profile, business, and its activity with respect to the services, products and transactions provided by the entity;
 - c) to identify the important information and to assess the possible risk of money laundering/terrorism financing pursuant to the decisions aiming at providing

protection against financial, regulatory or reputational risks as well as compliance with legal provisions.

21. “Know Your Customer” procedure implies a set of rules applied by the entities of this law, related to customer’s acceptance and identification policies as well as their risk management.
22. “Person” within the meaning of this law are considered individuals, natural persons and legal persons.
23. “Payable-through account” refers to a correspondent account that is used directly by third parties to transact business on their own behalf.
24. “Legal arrangement” are trusts or other similar arrangement.
25. “Virtual asset” is a digital representation of a value that can be traded or transferred in digital form, and which may be used for payment or investment purposes, including but not limited to crypto currencies. This definition does not include digital representations of fiat currencies officially issued by central banks, securities and other financial assets provided for in the current legislation.
26. “Virtual asset service provider” means any natural or legal person who performs, for or on behalf of another natural or legal person, one or more of the following activities:
 - i. exchange between virtual assets and fiat currencies;
 - ii. exchange between virtual assets and assets of any kind;
 - iii. exchange between one or more forms of virtual assets;
 - iv. transfer of virtual assets;
 - v. safekeeping and/or administration of virtual assets or instruments enabling control over virtual assets;
 - vi. participation and provision of financial services related to an issuer’s offer and/or sale of a virtual asset.

For the purposes of this paragraph, transfer means performing a transaction on behalf of another natural or legal person, moving the virtual asset from the address of the virtual asset or the account of another person.

27. “Financial Action Task Force” is an intergovernmental body whose responsibility is to set standards and promote the effective implementation of legal, regulatory and operational measures to fight money laundering, terrorist financing, and financing the proliferation of weapons of mass destruction and other threats related to the integrity of the international financial system.
28. “Third Party”, for the purposes of this Law, means an entity supervised by competent authorities, duly registered in Albania, in one of the Member States of the European Union or third countries, provided that the following conditions are fulfilled:
 - a) be regulated by special law and obliged to register in the country concerned; and
 - b) be registered in the Republic of Albania, Member States of the European Union or in a third country, provided that they comply with the requirements equal to or higher than those laid down by this Law for due and enhanced due diligence; identifying the client and beneficial owner, safekeeping of information, and are supervised by competent authorities for compliance with money laundering prevention and/or financing of terrorism matters.
29. “Financial trustee” is the person who is legally authorized on behalf of a third party, to control and administer funds or property of a legal arrangement.

30. “Simplified Diligence” is a set of measures applied by entities to establish and monitor the business relationship with customers, products and services offered, representing a low level of risk for money laundering or terrorist financing.

Article 3

Entities subject to this law

(Amended with law no. 10 391, dated 3.3.2011 and no. 66/2012, dated 7.6.2012; amended letters ‘gj’, ‘j’, ‘k’, added letters ‘l’ and ‘ll’ with the law no. 33/2019, dated 17.6.2019)

Entities of this law include:

- a) banking entities, and any other entity licensed or supervised by the Bank of Albania, including, but not limited to the entities designated in letters ‘ b’, ‘c’ ’ and ‘ç’ of this article.
- b) non-bank financial entities;
- c) exchange offices;
- ç) savings and loans companies and their unions;
- d) postal services that perform payment services;
- dh) repealed
- e) stock exchange and any other entity (agent, broker, brokerage house etc.), which carries out activities related to issuing, counselling, intermediation, financing and any other service related to the trading of securities;
- ë) companies involved in life insurance or re-insurance, agents and their intermediaries as well as pension funds;
- f) the responsible State Authority for Administration and Sale of Public Property and any other public legal entity, which engages in legal transactions related to the conveyance of public property and granting of usufruct thereto, or carries out recording, transfer or conveyance of public property;
- g) gaming, casinos and hippodromes, of any kind;
- gj) attorneys, public notaries and other legal representatives, legal auditors, authorized chartered accountants and other regulated professions when they prepare or perform services for their customers for the following activities:
 - i) transfer of immovable properties, administration of money, securities and other assets;
 - ii) administration of bank accounts;
 - iii) administration of shares of capital to be used for the foundation, functioning or administration of commercial companies;
 - iv) foundation, functioning or administration of legal persons and/or legal arrangement;
 - v) legal agreements, sale of securities or shares of joint stock companies and the transfer of commercial activities;
- h) Real estate agents in accordance with the definition specified in the Albanian legislation for this category, when they are involved in transactions on behalf of their customers related to purchasing or selling of immovable property;
- i) repealed;
- j) companies administering collective investment undertakings and pension funds, as well as their agents;
- k) any other natural or legal person, except the aforementioned ones, engaged in:
 - i) the administration of third parties' assets and/or managing the activities related to them;

- ii) Construction;
 - iii) the business of precious metals and stones;
 - iv) financial agreements and guarantees;
 - v) buying and selling of works of art, or buying and selling in auctions of objects valued at 1,000,000 (one million) Lek or more;
 - vi) safekeeping and administration on behalf of other persons of cash or easily redeemable securities;
 - vii) shipping and /or transportation activity;
 - viii) trading of land, sailing and air motor vehicles; ix) travel agencies.
- l) any natural or legal person serving as a virtual asset provider;
- ll) any natural or legal person, other than those specified above, providing the following services to a customer:
- i) acts as a formation agent of legal persons;
 - ii) acts or assigns another to act as a director or administrator of a legal person, a member of a partnership or a similar position with respect to other legal persons;
 - iii) a registered office, accommodation or business address, official or correspondent address for a business organization, partnership, legal entity or legal organization;
 - iv) acts or designates someone else to act as trustee of a legal arrangement or performs an equivalent function for another form of legal arrangement;
 - v) acts or designates someone else to act on behalf of another person as a shareholder and/ or partner of companies holding bearer shares.

Article 3/1

Obligations of legal arrangements

(Added with law no. 33/2019, dated 17.6.2019)

1. The trustees of legal arrangements are obliged to declare their status and make available the information required by the entities of this law when establishing a business relationship or when conducting occasional transactions with them.
2. Legal arrangements should retain essential information about founders, beneficiaries, trustees or persons with de-facto control over them, other regulated agents and service providers, including advisers, managers, accountants and tax/fiscal advisors.
3. In addition to their obligations as entities of the law, legal arrangements shall retain accurate, appropriate, valid and current information as provided in this article.

CHAPTER II DUE DILIGENCE

Article 4

Cases when due diligence is required

(Amended letter 'b', subdivision 'i' of point 1 and point 2. with law no. 10 391, dated 3.3.2011 and law no. 66/2012, dated 7.6.2012; substituted expression in letter 'b', subdivision 'i' with law no. 33/2019, dated 17.6.2019)

The entities shall undertake customer due diligence measures:

1. before they establish a business relationship;
2. when the customer, in cases other than those specified in letter 'a' of this paragraph, carries out or intends to carry out:
 - i. a transfer within the country or abroad or a transaction at an equal amount or exceeding 100 000 (one hundred thousand) Lek or its equivalent value in foreign currencies, for the entities specified in letters 'a', 'b', 'c', 'g' and 'l' of article 3 of this law, as well as entities providing transfer services, foreign exchange or gaming services;
 - ii. a transaction at an equal amount of not less than 1 000 000 (one million) Lek or its equivalent value in other foreign currencies, executed in a single transaction or in several linked transactions. If the amount of transactions is not known at the time of operation, the identification shall be performed as soon as the amount is known and the threshold above is reached;
3. if there are doubts about the veracity of the previously obtained identification data;
- ç) in all cases when, regardless of the reporting thresholds stipulated in this article, there are doubts about money laundering or financing of terrorism.

Article 4/1

Due diligence measures

(Added with law no. 66/2012, dated 7.6.2012; added sentences at the end of letter 'dh', added words and amended subdivisions 'ii' and 'iii' of letter 'g', added item 1/1, substituted words in point 2 with law no. 33/2019, dated 17.6.2019)

1. In the framework of the exercise of due diligence, the entities shall:
 - a) Identify the customer (permanent or occasional, natural or legal person, or legal arrangement) and verify his identity through documents, data or information received from reliable and independent sources.
 - b) For the customers who are legal persons or legal arrangements:
 - i. verify if any person acting on behalf of the customer is duly authorized and to identify and verify his identity;
 - ii. verify their legal status through the documents of foundation, registration or similar evidence of their existence and provide information about the name of the customer, the name of trustees (for legal arrangements), legal form, address, managers and/or legal representatives (for legal persons) and provisions regulating the legal relationship;
 - c) Identify the beneficial owner and undertake reasonable measures to verify his/her identity through information or data provided from reliable sources, on the basis of which the entity establishes his/her identity;
 - ç) Determine for all customers, before establishing business relationships, if they are acting on behalf of another person and undertake reasonable measures to obtain sufficient data for the identification of that person.
 - d) Understand the ownership and control structure for the customers who are legal persons or legal arrangements;
 - dh) Determine who are the individuals owning or controlling the customer, including those persons who exercise the ultimate effective control over the legal persons or legal arrangement. For legal entities this should also include the identification of natural persons constituting the decision-making and managerial part of the legal person. In the

- case of legal arrangements, this includes identifying the founder, beneficiary, trustee or person with a factual control over them;
- e) Obtain information about the purpose and nature of the business relationship and to establish the risk profile during the ongoing monitoring.
 - ë) Conduct continuous monitoring of the business relationship with the customer, including the analysis of transactions executed in the course of duration of this relationship, to ensure that they are consistent with the knowledge of the entity about the customer, nature of his/her business, risk profile and source of funds.
 - f) Ensure, through the examination of customers' files, that documents, data and information obtained during the process of due diligence are current, relevant and appropriate, especially for the customers or business relationships classified with high risk.
 - g) Verify the identity of the customer and beneficial owner, before or in the course of establishing of a business relationship or conducting a transaction for the occasional customers. The verification of identity of the customer and beneficial owner may be carried out after the establishment of business relationship, provided that:
 - i. it occurs as soon as practically possible;
 - ii. does not interrupt the normal conduct of the business activity and
 - iii. money laundering and terrorist financing risks are effectively managed in accordance with the measures set out in this article;
 - g) Define the risk management procedures to be applied in cases where a customer may be permitted to enter into a business relationship, prior or during the completion of the verification process. These procedures should inter alia include measures such as the limitation of number, type and/or amount of transactions that may be executed, as well as the monitoring of large and complex transactions carried out outside of the scope of the expected profile for the characteristics of that relationship.
 - h) Comply with the aforementioned obligations for the existing customers based on evidence, facts and risk of exposure to money laundering and financing of terrorism.
- 1/1 Entities verify that each person claiming to act on behalf of their client is authorized for the actions required, as well as identify and verify the identity of the authorized person.
2. When the entities are unable to comply with the customer due diligence obligations according to this article and articles 4, 4/1 and 5 of this law, they:
- a) shall not open accounts, refrain from performing transactions or commence a business relationship;
 - b) shall terminate the business relationship if it has commenced;
 - c) shall submit a suspicious activity report to the responsible authority.
 - d) not open or keep anonymous accounts, accounts with fictitious names or identified only with a number or code, including the issue of bearer passbooks and other bearer instruments. If there are such accounts, their customers shall be identified and verified in accordance with the provisions of this article. If this is not possible, the account should be closed and a suspicious activity report should be submitted to the responsible authority.

Article 4/2

Simplified diligence

(Added with law no. 33/2019, dated 17.6.2019)

1. Simplified diligence on customers may be carried out in cases where low risk of money laundering and /or terrorist financing is identified, based on the risk assessments of competent authorities, as well as risk assessments and management procedures defined by the entities themselves. In assessing the risks of money laundering and terrorist financing related to the type of customers, geographical area, products, services, transactions or particular distribution channels, the entities shall take into account the factors and situations provided for by the decision of Council of Ministers.
2. When applying simplified diligence, entities may:
 - i. reduce the frequency of updating data on the identification process and the rate of continuous monitoring;
 - ii. not collect specific information or take specific measures to understand the purpose and nature of the business relationship in each case, but may determine this on the basis of the established business relationship.
3. Simplified diligence for the customer may be performed only when monitoring of the client's business relationships continues to be performed during or after the simplified diligence of the customer and there is a possibility to identify unusual or suspicious transactions.
4. If, while conducting ongoing monitoring of the business relationship with the client, there is an assessment or reason to believe that the risk of money laundering, terrorist financing, offenses or criminal activity generating proceeds is no longer low, the entities are obliged to undertake the complete measures for the implementation of due diligence in accordance with article 4/1 of this Law.
5. Simplified diligence cannot be applied where there is a suspicion of money laundering, terrorist financing, criminal offenses or criminal activity generating proceeds of crime as well as when due diligence or specific high-risk scenarios apply.
6. Simplified diligence on customer categories is prohibited upon a decision of the responsible authority.

Article 5

Required documents for customer's identification

(Amended para.1, added word in para.2 with Law no. 33/2019, dated 17.6.2019)

1. For the purposes of identification and verification of the identity of customers, the entities must register and retain the following data:
 - a) In the case of natural persons: first name, last name, date of birth, place of birth, place of permanent residence and of temporary residence (if any), employment, type and number of identification document, personal number for citizens of the Republic of Albania, as well as equivalent to foreign nationals, as well as the issuing authority and all changes made at the moment of execution of the financial transaction;
 - b) In the case of natural persons, which carry out for-profit activity: first name, last name, number and date of registration with the National Registration Centre, documents certifying the scope of activity, Taxpayer Identification Number (TIN), address and all changes made in the moment of execution of the financial transaction;
 - c) In the case of legal persons, that carry out for-profit activity: name, date of registration with the National Registration Centre, document certifying the object of activity,

- Taxpayer Identification Number (TIN), the address of the registered head office and, if different, the main place of business activity, and all changes made in the moment of execution of the financial transaction;
- c) In the case of legal persons, that do not carry out for-profit activity: name, number and date of the court decision for the registration as a legal person, the statute and the act of incorporation, the unique identification number of the entity, the address of the registered head office and, if different, the main place of where the activity is performed, the nature of the activity, the legal representatives, as well as the persons holding the leading decision-making position;
 - d) In the case of legal or proxy representatives of a customer: name, surname, date of birth, place of birth, citizenship, temporary and permanent residence, if any, employment, type and number of identification document, personal number for citizens of the Republic of Albania , as well as the equivalent for foreign nationals, the authority that issued it and the copy of the act of representation;
 - dh) for legal arrangements: identification of the founder, the beneficiary, the trustee or the person exercising factual control over them, according to the data required in the points above, depending on whether it is a natural person or a private legal entity.
2. To obtain data according to the stipulations of this article, the entities shall accept from the customer only authentic documents or their notarized copies or electronic document that meets the validity requirements, according to the current legislation for electronic document or electronic signature. For the purposes of this Law, the entity shall retain in the customers' file copies of the documents submitted by the customer in the above form stamped with the entity's seal, within the time limits of their validity.
 3. When deemed necessary, the entities must ask the customer to submit other identification documents to confirm the data provided by the latter.

Article 6

Technological developments

(Amended with law no. 66/2012, dated 7.6.2012; changed the title of the article, substituted expression in para. 1, second paragraph, repealed para.3 with law no. 33/2019, dated 17.6.2019)

1. The entities shall implement policies or undertake adequate measures accordingly, to identify and assess the money laundering and financing of terrorism risks arising from:
 - a) the development of new products, business practices, delivery methods or distribution channels;
 - b) the use of new or evolving technologies;Entities should implement such measures prior to the introduction of new products or business practices or the use of new technologies for new and existing products, in order to manage and mitigate identified risks.
2. Entities should apply specific procedures and undertake adequate and effective measures to prevent the risk related transactions or business relationships, performed without the presence of the customer.
3. Repealed.

Article 6/1

Reliance on third parties

(Added with law no. 33/2019, dated 17.6.2019)

1. Banks, as well as the entities defined in letters ‘b’, ‘ç’, ‘e’, ‘ë’ and ‘j’ of article 3 of this law, may rely on third parties to carry out the measures provided for in point 1, in letters ‘a’, ‘b’, ‘c’, ‘d’, ‘dh’ and ‘e’, of article 4/1, provided that they fulfil the following criteria:
 - a) the entity relying on a third party must be able to obtain immediately the information necessary for each of the above;
 - b) the entity shall undertake appropriate measures to ensure that copies of identifying data and other relevant documentation related to due diligence obligations are made available immediately by a third party, as required by the entity itself or the relevant authorities in pursuance of this law;
 - c) the entity must ensure that the third party is regulated by law, supervised or monitored by the relevant authority for this activity, has an internal control structure also charged with checking compliance with these obligations, and has taken appropriate compliance measures with the requirements for due diligence and data protection measures, as defined in this law.
2. In any case, if the obligations are not fulfilled by third parties, the legal responsibility remains on the entity of this law that relies on the third party.
3. When establishing relationships with third parties abroad, the information available on that country’s risk level shall also be taken into account. Reliance on third parties created in high-risk sites is prohibited.
4. Third-party reliance on cases provided for in this law, as well as in cases decided by the responsible authority, is prohibited.

CHAPTER III

ENHANCED DUE DILIGENCE

Article 7

Enhanced due diligence

(Amended para.1 and added para.3 with law no. 66/2012, dated 7.6.2012; added words in para.1, redrafted para.2, substituted words in para.3 with law no. 33/2019, dated 17.6.2019)

1. Enhanced due diligence should include additional measures in addition to those foreseen for the due diligence concerning business relationships, high risk customers or transactions. In order to mitigate the risk of money laundering and terrorism financing, in addition to the categories stipulated in this law and secondary legislation enacted thereto, the entities should identify other categories of high-risk business relationships, customers and transactions to whom enhanced due diligence measures shall be applied.
2. In order to implement the enhanced due diligence, the entities should require the physical presence of customers and their representatives prior to establishing a business relationship with the customer;
3. When the entities are unable to fulfil the enhanced due diligence obligations to the customer, they should apply the provisions of paragraph 2 of article 4/1.

Article 8

Categories of customers and transactions subject to enhanced due diligence

(Amended paras. 1 and 2 by law no. 10 391, dated 3.3.2011, amended para. 1 and added paras. 4, 5 and 6 by law no. 66/2012, dated 7.6.2012; changed title, letter 'd', amending paras.5 and 6, adding paras. 7, 8, 9, 10 and 11 to Law No. 33/2019, dated 17.6.2019)

1. For politically exposed persons, the entities should:
 - a) design and implement effective systems of risk management to determine whether an existing or potential customer or the beneficial owner is a politically exposed person;
 - b) to obtain the senior managers approval for establishing business relationships with the politically exposed persons;
 - c) to request and receive the approval of senior managers to continue the business relationship, in cases when the business relationship with the customer is established and the entity finds out that the customer or the beneficial owner became or subsequently becomes a politically exposed person;
 - ç) to undertake reasonable measures to understand the source of wealth and funds of customers and the beneficial owners, identified as politically exposed persons;
 - d) to undertake measures to verify that beneficiaries or beneficial owners of life insurance policies are politically exposed persons no later than at the time of payout. When high risks are identified, senior executives are notified before making the payment, a detailed verification of the business relationship with the policyholder is performed and the submission of a suspicious activity report is considered.
2. In cases where entities have a business relationship with politically exposed persons, they must monitor this relationship with an enhanced diligence.
3. For customers that are non-profit organizations, the entities should:
 - a) gather sufficient information about them, in order to completely understand the sources of funds, the nature of the activity, as well as, their manner of administration and management;
 - b) establish customers' reputation by using public information or other means;
 - c) obtain the approval of the higher instances of administration/management before establishing a business relation with them;
 - ç) perform enhanced monitoring of the business relation;
4. Entities should exercise enhanced due diligence to business relationships and transactions with non-resident customers, particularly where such relationships and transactions are undertaken without the physical presence of the customer.
5. Entities shall verify and apply enhanced due diligence to business relationships and transactions with all types of the customers residing in or carrying out their activity in countries where special measures are required or specified by the responsible authority. Entities should analyse the reasons and purpose for performing such transactions and shall maintain written records of the conclusions, which should be made available to the responsible supervisory authority and auditors, as may be required. The responsible authority may require additional measures and restrictions beyond enhanced due diligence.
6. Entities shall exercise enhanced due diligence to business relationships with legal arrangements or companies holding bearer shares, transactions performed on their behalf,

as well as in cases when legal arrangements or companies holding bearer shares are part of their customer's ownership, control or decision making structure.

7. Entities should apply enhanced due diligence to all complex, unusual large transactions that have no obvious economic or legal purpose. Entities should analyse the reasons and purpose of such transactions and retain written records of the conclusions that should be made available to the responsible authority, supervisory authorities and auditors, if required.
8. Entities should apply enhanced due diligence to business relationships and transactions with customers that it has categorized as high risk or if during a transaction or business relationship high risks arise that were not identified or anticipated previously, or are not explicitly stipulated in the law and secondary legislation enacted thereto.
9. Entities should apply enhanced due diligence to business relationships and transactions with customers when requested by the responsible authority.
10. The beneficiary of life insurance policies should be considered as a risk factor in determining whether or not to apply enhanced due diligence measures. If it is determined that the beneficiary, natural person, legal entity or legal arrangement poses a high risk, enhanced due diligence involving measures to identify and verify the identity of the beneficial owner at the time of payout shall apply.
11. The data, analysis, information and documentation collected pursuant to this article shall be retained for a period of five years.

Article 9

Corresponding banking services or financial

(Amended with law no. 10391, dated 3.3.2011 and law no 66/2012, dated 7.6.2012; title amended, repealed para.1, substituted and added words in para. 2, added words in para. 3, substituted words in para. 4, amended para. 5 by law no. 33/2019, dated 17.6.2019)

1. Repealed;
2. Banks subject to this law, with regard to cross-border corresponding bank or financial services that they offer, prior to establishing a business relation should:
 - a) collect adequate information about the respondent and intermediary institution, to understand fully the nature of the business;
 - b) determine through public information, the reputation of the respondent and intermediary institution and the quality of its supervision, including whether it has been the subject of investigations or regulatory sanctions related to money laundering or the financing of terrorism;
 - c) to ensure the adequacy and effectiveness of the respondent and intermediary institution's internal control procedures against money laundering and financing of terrorism;
 - ç) obtain the approval from senior administration/management and document respectively for each institution the responsibilities for prevention of money laundering and financing of terrorism;
 - d) draft special procedures for the ongoing monitoring of direct electronic transactions;
3. Entities are prohibited from entering into, or continuing correspondent banking or financial relationships with shell banks.

4. Entities should undertake the necessary measures to satisfy themselves that the corresponding foreign banks or financial institutions do not permit their accounts to be used by shell banks. Entities should interrupt the business relations and report to the responsible authority when they consider that the corresponding bank accounts are used by shell banks.
5. When the correspondent relationship includes the maintenance of payable through accounts, the entities should ensure that the correspondent financial institution:
 - a) has undertaken appropriate due diligence measures for customers that have direct access to these accounts;
 - b) is able, if required, to provide relevant information resulting from due diligence measures, if requested by the corresponding financial institution;

Article 10

Obligations for money or values transfer service

(Amended item 1, 3 and added para. 4 by law no. 66/2012, dated 7.6.2012; added para. 3/1, 3/2 and 3/3, added para.5 by law no. 33/2019, dated 17.6 .2019)

1. Entities, the activities of which include money or value transfers, must obtain and identify, first name, last name, address, document identification number or account number of the originator, including the name of the financial institution from which the transfer is made. The information must be included in the message or payment form attached to the transfer. If there is no account number, the transfer shall be accompanied by a unique reference number.
2. Entities transmit the information together with the payment, including the case when they act as intermediaries in a chain of payments.
3. If the entity referred to in paragraph 1, of this article receives money or value transfers, including direct electronic transfers, which do not include the necessary information about the originator, the entity must request the missing information from the sending institution. If it fails to register the missing information, it should refuse the transfer and report it to the responsible authority.
- 3/1 Where the entities referred to in point (a) of article 3 of this Law act as correspondent and/or intermediary financial institutions, they shall take reasonable measures to identify cross-border transfers lacking information about the ordering or beneficiary, and implement risk-based policies and procedures to determine:
 - a) when a transfer with the above deficiencies is executed, refused or suspended;
 - b) appropriate follow-up actions;
 When the entities referred to in article 3(a) of this law act as correspondent and/or intermediary financial institutions, they shall take reasonable measures.
- 3/2 For cross-border transfers above the threshold set forth in article 4 of this law, the beneficiary financial entities shall verify the identity of the beneficiary, if this process has not been carried out previously.
- 3/3 Entities are prohibited from making money or value transfers to persons designated by United Nations Security Council, under relevant acts of international organizations or international agreements to which the Republic of Albania is a party, even prior to their approval by means of legal or secondary legislation procedures within the country, in

accordance with the provisions of applicable legislation on measures against the financing of terrorism.

4. Entities, the activities of which include money or value transfers, shall retain a list of their agents and when requested make such list available to the responsible authority, supervisory authorities, and auditors. For the purposes of this law these agents shall be considered as part of the entity and they shall therefore include their agents in their training programs for the prevention of money laundering and financing of terrorism and ensure that they apply the same measures for customer due diligence, record keeping and reporting.
5. The data, information and documentation collected pursuant to this article shall be kept for a period of five years.

Article 11

Preventive measures to be undertaken by entities

(Added one sentence at the end of letter 'b' of para.1 by law no. 10 391, dated 3.3.2011, amended letter 'b', 'e' of point 1, and repealed para. 2 with law no. 66/2012, dated 7.6.2012, letter 'a' was added and the letters 'a/1' and 'a/2' were amended, letters 'ç' and 'dh/1' of para.1 were added, paras. 1/1 and 1/2 were added, para. 4 was added with law no. 33/2019, dated 17.6.2019)

1. According to this law and its secondary legislation, the entities shall have the following obligations:
 - a) Develop, update and effectively implement internal regulations and/or guidelines which, commensurate with the nature and size of the entity, provide for appropriate measures to understand the risk of money laundering and financing of terrorism, which may arise from customers or transactions, including but not limited to:
 - i. a customer acceptance policy;
 - ii. a policy for the implementation of the business relationship, procedures for enhanced vigilance in the case of high risk clients and transactions;
 - iii. the risk policies to which they are exposed when providing their services and products, their geographical location and distribution mechanisms and channels;
 - a/1) identify, assess and understand their money laundering and terrorist financing risks for customers, countries or geographical areas, products, services, transactions or distribution channels. To this end the entities are required to:
 - i. document their risk assessments;
 - ii. consider all risk factors, before determining the overall level of risk, the level and type of mitigation measures to be applied;
 - iii. consider national risk assessments, sectorial assessments, other similar data, and recommendations of the responsible authority and/or supervisory authorities;
 - iv. update the assessments;
 - v. establish appropriate mechanisms to provide risk assessments conducted to the responsible authorities, supervisory authorities, and other bodies designated by law;
 - a/2) take additional measures to manage and mitigate high risks when identified;
 - b) nominate a responsible person for the prevention of money laundering, at the administrative/management level in the central office and in every representative office, branch, subsidiary or agency, to which all employees shall report all suspicious facts,

which may comprise a suspicion related to money laundering or terrorism financing, and develop adequate compliance management procedures for the prevention of money laundering and financing of terrorism. The responsible persons have continuous access to all data prescribed in article 16, of this law and any other information available to the entity that is relevant for the responsible person to fulfil its responsibilities.

- c) establish a centralized system, for the collection and analysis of data;
 - ç) apply fit and proper procedures when hiring new employees, as well as procedures for the verification of existing employees, which set standards for ensuring ethical and moral integrity and their professional abilities to ensure their integrity;
 - d) train their employees on the prevention of money laundering and terrorism financing through regular organization of training programs;
 - dh) instruct the internal audit to check the compliance with the obligations of this law and of the relevant secondary legislation acts;
 - dh/1) Entities commensurate with their size and nature of the business shall apply to its employees at all levels appropriate procedures for reporting violations within the entity, through a specific, independent and anonymous system, as far as is related to the obligations provided by this law;
 - e) ensure that subsidiaries, branches, sub-branches, as well as their agencies, outside the territory of the Republic of Albania, and in particular in territories which do not or insufficiently apply the international standards, act in compliance with preventive measures that are consistent with this law. If the preventive measures in the two countries differ, then entities shall ensure that the highest obligations prevail. If the laws of the country where the subsidiaries, branches, sub-branches or agencies have been established foresee impediments for the implementation of the obligations, the entity shall report about those impediments to the responsible authority and, depending on the case, to its supervising authority.
 - ë) submit information, data and additional documents to the responsible authority, in accordance with the provisions and time limits set forth in this law. Upon the request of the entity, the responsible authority may extend this time limit in writing for a period of no more than 15 days.
- 1/1. Regulations, procedures and internal instructions adopted by entities subject to the obligations arising from this law, shall be approved by senior management of the entity that is its legal representative or by the board of directors.
- 1/2. Entities that are part of the banking and / or financial groups must implement the group's anti-money laundering and terrorist financing programs, as long as they comply with the obligations set forth in this law and its implementing legislation. These programs and measures, other than those provided for in paragraph 1 of this article, shall include:
- a) the policies and procedures for sharing information required for the purposes of due diligence and risk management of money laundering or terrorist financing;
 - b) determine at group level where necessary, audit structures and/or compliance functions for customers, accounts and transactional information from any unit within the entity, for the purpose of preventing money laundering and terrorist financing, including information and analysis of transactions or activities that appear unusual, if such an analysis is performed; and
 - c) adequate measures to safeguard the confidentiality of the information exchanged, to prevent unauthorized disclosure.

2. repealed.
3. If the number of the employees of the entities referred to in this law is less than 3 persons, the obligations of this law shall be fulfilled by the administrator or by an authorized employee of the entity.
4. Entities shall comply with the obligations set forth in this article in accordance with the risks of money laundering and terrorist financing, based on the size and nature of the entity's business.

CHAPTER IV OBLIGATION TO REPORT

Article 12

Reporting to responsible authority

(Amended with law no. 10391, dated 3.3.2011, and law no.66/2012, dated 7.6.2012; words removed in para.2, added sentence at the end of para.3 with law no. 33/2019, dated 17.6.2019)

1. Entities submit a report to the responsible authority, in which they present suspicions for the cases when they know or suspect that laundering of the proceeds of crime or terrorism financing is being committed, was committed or attempted to be committed or funds involved derive from criminal activity. The reporting is to be done immediately and not later than 72 hours.
2. When the entity upon being asked by the customer to carry out a transaction, suspects that the transaction may be related to money laundering or terrorism financing, or funds involved derive from criminal activity, should not perform the transaction and immediately report the case to the responsible authority, and ask for instructions as to whether it should execute the transaction or not. The responsible authority replies within 48 hours from the time when was first notified, stating the position for permitting the transaction or the issuance of the freezing order. When the responsible authority does not respond within this prescribed term, the reporting entity may proceed with the execution of the transaction.
3. Entities are required to report to the responsible authority within the time limits set forth in the secondary legislation pursuant to this law, all cash transactions, at an amount equal to or greater than 1 000 000 (one million) Lek or its equivalent in other currencies, performed as a single transaction or transactions related with each other within 24 hours. This obligation excludes transactions with public bodies or enterprises.

Article 13

Protection of the reporting entity's identity

(First sentence amended with law no. 10 391, dated 3.3.2011 and with law no. 66/2012, dated 7.6.2012)

For the suspicious activity reports received pursuant to this law the responsible authority is obliged to protect the identity of reporting entities and of their staff that have reported.

Article 14

Exemption from legal liability of reporting to the responsible authority
(Added expression at the end of the article with law no. 33/2019, dated 17.6.2019)

Entities or supervising authorities, their managers, officials or employees who report or submit information in good faith in compliance with the stipulations of this law, shall be exempted from criminal, civil or administrative liability arising from the disclosure of professional or banking secrecy defined by the pertinent legislation in force.

Article 15

Requirements for non-declaration
(Amended with law no. 66/2012, dated 7.6.2012)

Directors, officials and employees whether temporary or permanent, of entities, supervising authorities, or other institutions required by this law to report information to the responsible authority, are prohibited from informing the customer or any other person, about the submission or the preparation for submission to the responsible authority of information about reporting of the suspicious activity, as well as any information that is requested by the responsible authority, or about an investigation that is being carried out.

Article 15/1

repealed

(Added with law no. 10 391, dated 3.3.2011 and repealed with law no. 66/2012, dated 7.6.2012)

Article 16

Record keeping obligations
(Amended para.1 with law no. 10 391, dated 3.3.2011; amended first sentence of paras.1 and 2 with law No. 33/2019, dated 17.6.2019)

1. Entities must retain the documentation originating from due diligence and enhanced due diligence process, records of accounts, transactions, correspondence with the customer, and results of analyses performed for 5 years from the date of termination of the business relationship among the customer and the entity, closing the account or the occasional transaction. Upon the request of the responsible authority, the documentation is retained for more than 5 years.
2. Entities must keep registers on data, reports and documents related to financial transactions, national or international, regardless of whether the transaction has been executed on behalf of the customer or of third parties, together with all supporting documentation, including account files and business correspondence, for 5 years from the date of the execution of the financial transaction. Upon the request of the responsible authority, the information is retained for more than 5 years, even if the account or the business relation has been terminated.
3. The entities must retain the data of the transactions, including those defined in article 10 of this law, with all the necessary details to allow the reconstruction of the entire cycle of transactions, in order to provide information to the responsible authority in accordance with this law and the sub legal acts thereto. This information shall be retained for 5 years

from the date the last financial transaction has been carried out. Upon the request of the responsible authority this information is retained for more than 5 years.

4. Entities must ensure that all customer and transaction data, as well as the information retained according to this article, should upon the request be made available immediately to the responsible authority.

Article 17

Reporting of customs authorities

(Amended with law no. 33/2019, dated 17.6.2019)

1. The customs authorities shall report immediately and no later than 72 hours to the responsible authority every suspicion, information or data related to money laundering or financing of terrorism for the activities under their jurisdiction.
2. Customs Authorities shall implement the provisions of article 11 of this law.

Article 17/1

Border declarations

(Added with law no. 33/2019, dated 17.6.2019)

1. Any person entering and/or leaving the territory of the Republic of Albania is obliged to declare cash amounts, any kind of bearer's negotiable instrument, precious metals or stones, valuables and antiquities, starting from the amount of 10 000 Euro or its equivalent value in other currencies, the purpose for carrying them and presenting relevant supporting documents.
2. Representatives of persons entering and/or leaving the territory of the Republic of Albania by any means of transportation by land, air or sea or by postal service shall also have the obligation to declare, in accordance with paragraph 1 of this article.
3. The customs authorities shall deposit/report to the responsible authority copies of the declaration forms, supporting documents presented and other data as appropriate, as well as complete data on non-declaration cases.
4. In cases when the customs authorities mainly or in cooperation with the competent structures of the State Police ascertain the non-declaration under paragraph 1 of this article, in parallel with the handling of the case, in accordance with the provisions of the Criminal Code and the Criminal Procedure Code, impose a fine which for the first time depending on the undeclared amount is in a fixed amount, and for recurring cases shall be calculated as a percentage of the undeclared value as follows:
 - a) for the amounts of 10 000 - 19 999 Euro or their equivalent in other foreign currencies, the fine is in the amount of 20 000 (twenty thousand) Lek for the first time, 10% of the undeclared value for the second time, and 30% of undeclared value for other cases;
 - b) for the amounts of 20 000 - 49 999 Euro or their equivalent in other foreign currencies, the fine is 40 000 (forty thousand) Lek for the first time, 20% of the undeclared value for the second time, and 40% of undeclared value for other cases;
 - c) for the amounts over 50 000 Euro or their equivalent in other foreign currencies, the fine is 60 000 (sixty thousand) Lek for the first time, 30% of the undeclared value for the second time, and 50% of undeclared value in other cases.

5. The Council of Ministers shall lay down detailed rules for the implementation of this article.

Article 18

Reporting of Tax authorities

1. Tax authorities identify their reporting entities, according to procedures defined in article 4 of this law, and report in all cases to the responsible authority immediately and no later than 72 hours, every suspicion, indication, notification or data related to money laundering or terrorism financing.
2. Tax authorities apply the requirements of the article 11 of this law.

Article 19

Reporting of the State Cadastre Agency

1. The State Cadastre Agency shall report within 72 hours the registration of contracts for the transfer of property rights for amounts equal to or more than 6,000,000 (six million) Lek or its equivalent in foreign currencies.
2. The State Cadastre Agency shall report immediately and no later than 72 hours to the responsible authority every suspicion, information or data related to money laundering or terrorism financing for the activities under its jurisdiction.
3. The State Cadastre Agency shall apply the provisions defined in the articles 5 and 11 of this law.

Article 20

Non-profit Organizations

Every authority that registers or licenses non-profit organizations shall report immediately to the responsible authority every suspicion, information or data related to money laundering or terrorism financing.

CHAPTER V

COMPETENT AND MONITORING BODIES FOR THE IMPLEMENTATION OF THE LAW

Article 21

Organization of the Responsible Authority

(Added paras. 5 and 6 with law no. 10 391, dated 3.3.2011; added para. 1/1, amended paras. 3 and 5, repealed para. 6 with law no. 33/2019, dated 17.6.2019)

1. The General Directorate for the Prevention of Money Laundering, pursuant to this law, exercises the functions of the responsible authority as an institution subordinate to the Minister of Finances. This directorate, within its scope of activity, is empowered to

determine the manner of pursuing and resolving cases related to potential money laundering and financing of potential terrorist activities.

- 1/1 In order to maintain confidentiality in the field of its activity, personnel security or systems in use, the General Directorate for the Prevention of Money Laundering may impose restrictions on the data required in accordance with the right of information, if the restriction is indispensable and proportionate. The General Directorate for the Prevention of Money Laundering should reason the restriction on a case-by-case basis.
2. The General Directorate for the Prevention of Money Laundering acts as a specialized financial unit for the prevention and fight against money laundering and terrorism financing. This directorate also functions as the national centre in charge of the collection, analysis and dissemination to law enforcement agencies of data regarding the potential money laundering and terrorism financing activities.
3. The General Director of the General Directorate for the Prevention of Money Laundering shall be appointed, released or dismissed from office by decision of the Council of Ministers, upon the proposal of the Minister responsible for finance.
The working relations of the directorate employees, including the structure of information technology, are regulated based on current civil servant legislation. Work relations for the administrative employees are regulated in accordance with the provisions of the Labour Code.
4. The manner of organization and functioning of the Directorate are defined by Council of Ministers' Decision.
5. The General Directorate for the Prevention of Money Laundering shall have the following powers in respect of the information and communication technology (ICT) structure in use:
 - a) establish, maintain and administer ICT systems, applications and infrastructure, including those classified as "state secret";
 - b) manages the relevant structure of the information technology staff in the institution;
 - c) organizes, carries out procurements and concludes contracts for computer systems, their maintenance, for all contracts classified, according to the legislation in force for information classified "state secret";
 - ç) administers the relevant code of each system used for the purpose of functioning of the institution;
 - d) use, as far as possible, electronic data exchange with interconnected databases on the governmental interaction platform;
 - dh) cooperates with the National Agency of Information Society (NAIS):
 - i) coordinating projects in the field of information society;
 - ii) using, as far as possible, Albanian standards in the field of ICT, adopted by the NAIS, in accordance with international standards, as well as centralized ICT services, for institutions and bodies of public administration under the responsibility of the Council of Ministers;
 - iii) to guarantee a high level of cyber security and solutions to cyber security incidents.
6. Repealed.

Article 21/1

Obligation of entities of law and public bodies to respond to information requests from the responsible authority

(Added with law no. 33/2019, dated 17.6.2019)

1. The entities of this law, state bodies or public entities are obliged to respond to requests for information, data and documents sent by the responsible authority, within 10 calendar days and without delay.
2. In urgent cases, the responsible authority may request information within a shorter term than the one provided for in paragraph 1 of this article, and the entities of this law, state bodies or public entities are obliged to provide such information.

Article 22

Duties and functions of the responsible authority

(Amended letters 'a', 'c' and 'e' with law no. 10 391, dated 3.3.2011, amended with law no. 66/2012, dated 7.6.2012, amended para. 'e', added letter 'm' with law no. 44/2017, dated 6.4.2017; letter 'b', 'e' and 'f', substituted words in letter 'g', removed words in letter 'gj' with law no. 33/2019, dated 17.6.2019)

The General Directorate for the Prevention of Money Laundering as a financial intelligence unit, shall, pursuant to this law, have the following duties and functions:

- a) collects, manages, processes, analyses and disseminates to the competent authorities, data, reports and information regarding cases of money laundering and terrorism financing.
- b) has direct access to information technology systems or databases and to any information administered by public institutions, to private entities owned by the state or granted by the state in favour of private entities under a contract, and in any public register, relating to court records, cross- border data, foreign citizen registry, civil registry, passport and other identification cross- border documents, data on movable and immovable property of any kind, data on the rights or property interests of any kind on movable and immovable property, centralized register of contracts and / or liabilities of private entities with state bodies, notary registers, beneficiary owners register, bank account register, vehicles and driving licences data, tax and customs data, data on possible business relationships, commercial activities or other professional activities.

The institutions or entities that have this data are obliged to cooperate and provide the required access to information.

Other information and data, databases or systems classified as "state secret" may be accessed, if this action is in accordance with the legislation in force and in agreement with the relevant institution.

The collection, processing and administration of data are subject to the rules for the protection of personal data, according to the current legislation;

- c) for the purpose of preventing money laundering and terrorism financing, requests any kind of information from the entities subject to this law;
- ç) supervises the activity of the reporting entities regarding compliance with the requirements of laws and secondary legislation on prevention of money laundering and

- financing of terrorism, including inspections, solely or in cooperation with the supervising authorities;
- d) exchanges information with any foreign counterpart, subjected to similar obligations of confidentiality. The information provided should be utilized only for the purposes of prevention and fighting of money laundering and financing of terrorism. The information may be disseminated only upon prior consent of the parties;
 - dh) enter into agreements with any foreign counterpart, subjected to similar obligations of confidentiality.
 - e) exchanges information with the General Jurisdiction Prosecution Offices, the Special Prosecutor's Office, the State Police, the National Bureau of Investigation, the State Intelligence Service and other competent law enforcement or intelligence authorities on issues relating to the laundering of criminal proceeds, offenses or criminal activities generating proceeds of crime, financing of terrorism, and may sign bilateral or multilateral cooperation agreements with them;
 - ë) keeps comprehensive statistics and reports with regard to registered criminal proceedings for money laundering and financing of terrorism and the manner of their conclusion;
 - f) mainly, on the basis of a decision of the Council of Ministers, or in the cases requested by the Financial Action Task Force, other international bodies from which obligations arise for the Republic of Albania, issue a list of countries for restriction and / or controlling the transactions or business relationships of the entities, commensurate with the risks identified, decisions binding on them to be enforced by state entities and authorities having obligations under this Act;
 - g) orders when there are reasons based on facts and concrete circumstances for money laundering or financing of terrorism, the blocking or temporary freezing of the transaction or of the financial operation for a period not longer than 72 hours. If elements of a criminal offence are noted, the responsible authority shall, within this timeframe, present the denunciation to the Prosecution by submitting also a copy of the order for the temporary freezing of the transaction or of the account, according to this article as well as all the relevant documentation;
 - gj) retains and administers all data and other legal documentation for 10 years from the date of receiving the information;
 - h) provides to entities its feedback on the reports submitted with this authority;
 - i) organizes and participates, together with public and private institutions, in training activities related to money laundering and terrorism financing, as well as, organizes or participates in programs aimed at raising public awareness;
 - j) notifies the relevant supervising authority when observing that an entity fails to comply with the obligations specified in this law;
 - k) publishes within the first quarter of each year the annual public report for the previous year, regarding the activity of the responsible authority. The report should include detailed statistics on the origin of the received reports and the results of the cases disseminated to the prosecution.
 - l) orders, when there are reasonable grounds for money laundering and financing of terrorism, the monitoring, during a certain period of time, of bank transactions that are being made through one or more specified accounts.
 - ll) periodically reviews the effectiveness and efficiency of the national systems for combating money laundering and financing of terrorism through statistics and other

available information. To this effect the responsible authority requests statistics and data from entities, supervisory authorities and other competent authorities with a responsibility for combating money laundering and the financing of terrorism, that as a minimum, shall include:

- i. suspicious transaction reports including breakdown by reporting entities, analysis and dissemination;
 - ii. on-site supervisory examinations, sanctions imposed including breakdown by type, sector and amount;
 - iii. cases investigated, persons prosecuted and persons convicted;
 - iv. property frozen, seized or confiscated;
 - v. mutual legal assistance and other international requests for cooperation;
- m) exercises any additional legally prescribed function.

Article 22/1

Use of data

(Added with law no. 66/2012, dated 7.6.2012, added a paragraph with law no. 44/2017, dated 6.4.2017)

Any information or data disseminated by the responsible authority to law enforcement bodies, is subject to the law on information classified as state secret and will not constitute evidence as per definition of the Criminal Procedure Code.

Information or data submitted in pursuance of the law “For the temporary reassessment of the judges and prosecutors in the Republic of Albania”, are handled in accordance with the stipulations of that law.

Article 23

Coordination Committee for the Fight against Money Laundering

(Amended para. 2 with law no. 44/2017, dated 6.4.2017; amended para. 2 with law no. 33/2019, dated 17.6.2019)

1. The Coordination Committee for the Fight against Money Laundering shall be responsible for planning the directions of the general state policy in the area of the prevention and fight against money laundering and terrorism financing.
2. The Prime Minister shall chair the Committee consisting of the Minister responsible for Finance, the Minister responsible for foreign affairs, the Minister responsible for defence affairs, the Minister responsible for Public Order and Security, the Minister responsible for Justice, the General Prosecutor, and the Director of Special Prosecutor's Office, Governor of the Bank of Albania, General Director of the Financial Supervisory Authority, Director of the State Intelligence Service, General Inspector of the High Inspectorate of Declaration and Audit of Assets and Conflicts of Interest, Director of the National Bureau Investigation and General Director of State Police.
3. The Committee shall convene at least once a year to review and analyse the reports on the activities performed by the responsible authority and the reports on the documents drafted by the institutions and international organizations, which operate in the field of the fight against money laundering and terrorism financing. The general director of the responsible

authority shall provide to the Committee upon its request and act as an advisor during the meetings of this Committee.

4. Ministers, members of the parliament, directors or representatives of institutions and experts of the field of prevention and fight against money laundering and financing of terrorism may be invited to the meetings of the Committee.
5. The Committee may establish technical and/or operational working groups to assist in the performance of its functions, as well as, to study money laundering and terrorism financing typologies and techniques.
6. The rules of operation shall be defined in the internal regulation to be adopted by this committee.

Article 24

Functions of supervisory authorities

(Amended letter 'b' of para.1, para.2 and added letter a/1 in para.4 with law no. 66/2012, dated 7.6.2012; substituted words in para. 1, letter 'b', changed letter 'c' and abrogated letter 'dh' of para.1, substituted words in point 2; added words in para. 4 letter 'b' with law no. 33/2019, dated 17.6.2019)

1. The Supervisory Authorities are:
 - a) The Bank of Albania for the entities referred to in letters 'a', 'b', 'c', 'ç' and 'd', of article 3, of this law;
 - b) The Financial Supervisory Authority for the entities referred to in letters 'e' and 'ë' and 'j' of article 3 of this law
 - c) Respective ministries for the supervision for the entities referred to in letters 'f', 'g', 'gj', 'h', 'i', 'k' and 'l', of article 3, of this law;
 - ç) The National Chamber of Advocates for lawyers;
 - d) The Ministry of Justice for notaries;
 - dh) repealed;
2. The supervisory authorities supervise, through inspections, the compliance of the activity of the entities with the obligations set forth in this law. For the purposes of this law, and notwithstanding provisions of any other law, supervisory authorities may request from the entity the production of or access to information or documents related to their compliance with this law.
3. The Supervisory Authorities shall immediately report to the responsible authority every suspicion, information or data related to money laundering or financing of terrorism for the activities under their jurisdiction.
4. The Supervisory Authorities also perform the following functions;
 - a) check implementation by the entities of programs against money laundering and terrorism financing as well as ensure that these programs are adequate;
 - a/1) provide timely information and cooperate with the responsible authority on noncompliance issues, the outcomes of their inspections, remedial measures to be taken, and any administrative sanctions.
 - b) take the necessary measures to prevent an ineligible person according to the definitions and criteria set by the supervisory authorities, from owning, controlling and directly or indirectly participating in the management, administration or operation of an entity;

- c) cooperate and provide expert assistance according to the field of their activity in the identification and investigation of money laundering and terrorism financing, in compliance with the requests of the responsible authority;
 - ç) cooperate in preparing and distribution of training programs regarding the fight against money laundering and terrorism financing;
 - d) keep statistics on the actions performed, as well as, on the sanctions imposed for money laundering and financing of terrorism;
5. The supervisory authorities are accurately defined in the secondary legislation pursuant to this law.

Article 25

Prohibition of speculation with professional secrecy or its benefits

1. Entities shall not use professional secrecy or benefits deriving from it as a rationale for failing to comply with the legal provisions of this law, when information is requested or when, in accordance with this law, the release of a document, which is relevant to the information, is ordered.
2. Attorneys and notaries shall be subject to the obligation of reporting information about the customer to the responsible authority, in accordance with this law. Attorneys shall be exempted from the obligation to report with regard to the data that they have obtained from the person defended or represented by them in a court case, or from documents made available by the defendant in support of the defence requested.

Article 26

Revocation of the license

(Amended letter 'b' of para.1 and added para. 3 with law no. 10 391, dated 3.3.2011)

1. The responsible authority may request the licensing and/or supervisory authority to restrain, suspend or revoke the license of an entity:
 - a) when it ascertains or has facts to believe that the entity has been involved in money laundering or terrorism financing;
 - b) when the entity repeatedly commits one or several of the administrative violations set forth in article 27 of this law.
2. The licensing and/or supervisory authority shall consider the request of the responsible authority based on the accompanying documentation, which shall represent the suspicions or the data, based on concrete circumstances and facts, according to the paragraph 1 of this article. The licensing and/or supervisory authority shall make a decision to approve or decline it, in accordance with the provisions of this law and with the legal and secondary legislation provisions, which regulate its activity and the activity of the entities licensed and supervised by it.
3. With regard to the entities that carry out banking activity under the circumstances stipulated in letters 'a' and 'b' of paragraph 1, of this article, the responsible authority may request from the Bank of Albania the enhancing of the level of supervision of the entity.

Article 27

Administrative contraventions

(Amended paras. 6, 11 and added para. 12 with law no. 10 391, dated 3.3.2011, amended with law no. 66/2012, dated 7.6.2012; amended paras. 1, 2 and 3, repealed paras.4, 5, 6 and 7, substituted words in para.11 with law no. 33/2019, dated 17.6.2019)

1. If they do not constitute a criminal offense, violations of the provisions of this law constitute an administrative offense and the responsible authority shall impose one or more of the following administrative measures:
 - a) warning;
 - b) an order compelling the entity to stop a particular conduct, work or business practice, and not to repeat it in the future;
 - c) order for the temporary suspension or replacement of the heads of units responsible for the prevention of money laundering and terrorist financing;
 - ç) fine;
 - d) public statement regarding the offender and the nature of the offense.
2. For the purpose of determining the type and amount of sanctions under paragraph 1 of this article, in addition to the criteria set forth in the law on administrative offenses, the following criteria shall be considered:
 - a) the financial capacity of the legal entity responsible for the violation;
 - b) the benefits that the entity that committed the violation may have had;
 - c) losses that may have been caused to third parties by the commission of the violation (if any);
 - ç) the level of cooperation of the entity with the competent authorities;
 - d) degree of responsibility of the entity that committed the violation.
3. In cases when the responsible authority considers that a fine should be imposed for the identified infringements, the entities are fined as follows:
 - a) in cases when they do not comply with the obligations provided by law, as well as in the secondary legislation enacted for its implementation, for articles 4, 4/1, points 1 and 1/1, 4/2, 5, 6 and 6 / 1, the entities are fined from 100,000 (one hundred thousand) to 6,000,000 (six million) Lek;
 - b) in cases when they do not comply with the obligations provided for by law, as well as in the secondary legislation enacted for its implementation, for articles 7, points 1 and 2, 8, 9, 10, 11, 12, points 3, 16 and 21 / 1, the entities are fined from 200,000 (two hundred thousand) to 8,000,000 (eight million) Lek;
 - c) in cases when they do not comply with the obligations and deadlines provided by law, as well as secondary legislation enacted pursuant to this law, for reporting suspicious activity provided for in articles 4/1, paragraph 2, 7, paragraph 3 , and 12, paragraphs 1 and 2, the entities are fined from 300,000 (three hundred thousand) to 10,000,000 (ten million) Lek;
 - ç) in cases when they do not comply with the obligations provided for in article 3/1, legal arrangements are fined from 1 500 000 (one million five hundred thousand) to 10 000 000 (ten million) Lek;
 - d) in cases when they fail to comply with the orders, requirements and deadlines of the responsible authority issued pursuant to the provisions of this Law, the obligations

- provided for in article 15, persons and / or entities shall be fined from 300,000 (three hundred thousand) up to 20,000,000 (twenty million) Lek;
- dh) apart from as provided in the above, where the entity is a legal person and the administrative offense has been committed:
- i) by a non-senior employee and / or administration, the person who has committed the violation is fined from 20,000 (twenty thousand) to 300,000 (three hundred thousand) Lek;
 - ii) by an administrator or manager of the entity, the person who has committed the violation is fined from 40,000 (forty thousand) to 4,000,000 (four million) Lek.
4. Repealed.
 5. Repealed.
 6. Repealed.
 7. Repealed.
 8. Fines are determined and applied by the responsible authority.
 9. The responsible authority informs the licensing and/or supervising authorities about the sanctions imposed.
 10. The procedures for the verification, examination, proposal and adoption of administrative measures by the responsible authority are defined by a Decision of the Council of Ministers. Appeal procedures and the execution of fines, set forth in the decision of the responsible authority, are performed in accordance with the law no.10279 20.05.2010 “On administrative contraventions”.
 11. The right to examination of administrative contraventions provided for in this article may not be exercised when 5 years have elapsed from the time of the commission of the administrative contravention.

Article 28

Issuance of regulations

(Replaced words in para. 1, repealed letter ‘d’ in para. 3 by law no. 33/2019, dated 17.6.2019)

1. The Council of Ministers, upon the proposal of the Minister of Finance, within 6 months of coming into effect of this law, shall issue detailed rules regarding the form, method and reporting procedures of the data in pursuance of this law, for the licensing and supervising authorities, the State Cadastre Agency.
2. General Inspector of High Inspectorate for the Assets Declaration and Auditing shall regularly, and not less than twice a year, present to the responsible authority the complete and updated list of the politically exposed persons drafted based on the provisions set down in Law No. 9049, date April 10, 2003 “On the declaration and auditing of assets and financial obligations of the elected officials and of a number of public servants”.
3. The Minister of Finance shall, upon the proposal of the responsible authority, adopt, within 6 months from the publishing of this law in the Official Journal, detailed rules related to the following:
 - a) methods and procedures for the reports of the entities described in article 3 of this law;
 - b) methods and procedures for the reports of the customs authorities;
 - c) methods and procedures for the reports of the tax authorities;
 - ç) applicable standards or criteria and timeframes for the reporting of suspicious activities, according to the tendencies and typologies in compliance with international standards;

d) repealed;

Article 29

Transitional Provisions

Provisions of the Law No. 8610, of May 17, 2000, “On the Prevention of Money Laundering”, amended, shall be applied until this Law enters into force.

All secondary legislation issued pursuant to Law No. 8610 shall be applied as long as they do not contravene with this law and shall be effective until they are substituted by other secondary legislation to be enacted pursuant to this Law.

Article 30

Repealing Provision

The Law No. 8610, May 17, .2000, “On the Prevention of Money Laundering”, as amended shall be repealed.

Article 31

Entry into force

This law shall enter into force three months following its publication in the Official Gazette.

Promulgated with decree no.5746, of June 9, 2008 of the President of the Republic of Albania,
Bamir Topi.