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**EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW**
**OF THE COUNCIL OF EUROPE**
**(VENICE COMMISSION)**

# ALBANIA

# DRAFT LAW
# "ON THE FINANCING OF POLITICAL PARTIES"

Courtesy translation prepared for the Venice Commission

**REPUBLIC OF ALBANIA**
**Assembly**

**DRAFT LAW**

**No.____ , dated __.__. 2026**

**"On the Financing of Political Parties”**

Pursuant to Articles 9, 78, and 83, point 1, of the Constitution, upon the proposal of a group of deputies,

**ASSEMBLY**

**OF THE REPUBLIC OF ALBANIA**

**DECIDED:**

CHAPTER I
GENERAL PROVISIONS

**Article 1**
**Subject matter and purpose of the law**

1. This law regulates the manner and conditions of financing, administration, transparency, reporting, and oversight of the income and expenditures of political parties in the Republic of Albania.

2. This law is intended to ensure the legality, transparency, and conformity of the financial activities of political parties with the system of parliamentary democracy.

**Article 2**
**Definitions**

In this law, the following words and expressions shall have the following meanings:

1. “Anonymous donor” means any Albanian citizen, natural person, or legal person who gives a sum of money or an in-kind donation without disclosing their full identity or without being recorded in the registers of the political party.

2. "Public fund" means financial support for the financing of political parties provided from the Budget of the Republic of Albania.

3. The "CEC" means the Central Election Commission.

4. "Membership fee" means a fixed sum of money paid monthly or annually for membership in a political party.

5. “Political party" means any political party officially registered by the competent authority and seeking to influence the affairs of the country through participation in elections and representation in elected bodies of government.

6. “Parliamentary party” means a political party that has won at least one seat in the Assembly according to the results of the most recent general elections

7. “Foreign natural persons” means individuals who do not hold Albanian citizenship.

8. "Expenditures” means all expenses and payments made by a political party for goods and services in accordance with the legislation in force.

9. "Income” means any monetary amount received by a political party from natural persons or legal persons, membership fees, the State Budget, and any other lawful source under this law. Income also includes gifts, subsidies, or any other type of benefit granted to a political party, whether in cash or in kind, including the payment of the political party’s debts, and benefits derived from property, loans, services, and facilities made available for the political party’s use Services voluntarily provided to a political party by individuals, through the contribution of their time and without remuneration, shall not be considered income. A donation shall also include the acceptance by a political party of a service or of monetary or material value at less than its fair market value; the valuation and reporting thereof shall be governed by secondary legislation adopted by the CEC on the basis of data from state institutions or an independent expert assessment.

**Article 3**
**General principles**

1. The financing of political parties shall be governed by the principles of legality, transparency, accountability, and public integrity.

2. Data on the financial and material resources of political parties and their expenditures shall at all times be public.

3. The rules on the monitoring, oversight, and control of financial and material resources shall respect the right to the free establishment and organization of political parties and the equality of political parties before the law.

4. The monitoring, oversight, and publication of financial data shall be carried out in accordance with the principle of proportionality and with the protection of personal data, in compliance with the legislation in force.

**Article 4**
**Use of financial and material resources**

1. The financial and material resources of a political party shall be used for the following purposes:

a) financing the political party’s regular activities;
b) financing the political party’s branches;
c) financing the relevant women’s and youth organizational units of the political party;

ç) financing the political party's annual and electoral activities;
d) financing the activities of parliamentary groups.
dh) any other activity, including activity in public and/or social media, that promotes the programme, activities, and objectives of the political party.

2. The financial and material resources of a political party shall not be used for personal benefit.

**Article 5**
**Prohibition of the exercise of pressure**

1. The exercise of any form of political pressure on natural or legal persons for the purpose of securing donations for a political party, or by reason of having made donations to a political party, shall be prohibited.

2. The promise of privileges or personal benefits deriving from State or public resources, in contravention of the law, to donors of any political party shall be prohibited.

## CHAPTER II
## SOURCES OF FINANCING OF POLITICAL PARTIES

**Article 6**
**Financial and material resources**

The financial and material resources of political parties shall comprise:
a) membership fees;
b) donations in cash, in kind, or in the form of services;
c) funding from the State Budget;
ç) loans or credits obtained in accordance with the law;
d) other income lawfully generated by the party in accordance with the legislation in force.

**Article 7**
**Prohibition of financial and material assistance**

1. Political parties shall be prohibited from receiving financial or material assistance from:

a) foreign governmental or non-governmental institutions, whether provided directly or indirectly, including through individuals, foundations, or other entities affiliated with them;
b) foreign legal persons, including where they have established branches or representative offices in the Republic of Albania;
c) foreign natural persons, including where they are partners or shareholders in commercial companies established in Albania,
ç) anonymous donors;
d) legal persons that are strategic investors or that carry out activities in the fields of gambling, casinos, or cryptocurrencies;
dh) domestic public entities and commercial companies, including companies with state capital participation.
e) legal persons that have concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship.

ë) legal persons where the partner or shareholder holding more than half of the capital shares has benefited, whether directly or through other companies, from concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship;

f) non-governmental organizations, humanitarian organizations, religious communities and organizations, and trade union organizations;

g) natural or legal persons who are debtors to institutions of the Republic of Albania and against whom compulsory enforcement proceedings have been initiated by the bailiff service;

gj) youth organizations, foundations, institutes, or similar bodies established by political parties, linked to political parties, or carrying out functional activities for political parties.

h) citizens convicted of criminal offences in the fields of corruption, money laundering, organized crime, trafficking in narcotic substances, or electoral offences.

2. Political parties may receive donations and assistance from political parties, international associations of political parties, or political organizations and foundations of other countries for the purpose of carrying out their lawful activities or for purposes such as strengthening cooperation with sister organizations, promoting and respecting human rights, fostering gender equality, democratization, etc.

3. The CEC, in cooperation with the respective institutions having competence in the implementation of this Article, shall establish the rules for the enforcement of the prohibitions and/or restrictions set out in paragraph 1 of this Article.

**Article 8**
**Restrictions on the use of assets**

1. Political parties, whether acting directly or through third parties, shall be prohibited from establishing commercial or non-commercial legal persons engaged in activities for profit.

2. Political parties may use their assets and premises for socio-economic activities relating to publishing, printing, services, or leasing, in accordance with the legislation in force.

**Article 9**
**Modalities for the Financing of Political Parties**

1. All financial and material income of political parties shall be recorded in the registers of the political parties. Income received in the form of services shall in all cases be recorded at the monetary value of the service.

2. For each donation of goods or services, including donations in kind, natural persons shall sign a declaration of contribution stating the market value of the goods or services, whereas legal persons shall issue an invoice specifying the market value of each good or service donated to the political party. The content of the declaration shall be determined by a normative act of the CEC.

3. As a general rule, political parties shall maintain a single bank account and, where this is not possible, may open accounts with another second-tier bank in the Republic of Albania, through which all transactions shall be carried out

4. All financial income and expenditures permitted under this law, except for membership fees, shall be made through bank transactions. Income from membership fees received in *cash* shall be deposited into the bank account of the political party no later than 5 days after receipt.

5. Any monetary donation exceeding 50,000 lek shall be made only through the banking system.

6. Where financial resources are made available to a political party, without its intention to accept them, in contravention of the provisions of this law, the party shall, within 5 days from the date of deposit, notify the CEC and transfer those funds to the State Budget

### Article 10
### Contributions to Political Parties

1. A political party may receive donations from:
a) an Albanian citizen, in an amount not exceeding 200,000 lek in a calendar year.
b) a natural person registered in accordance with tax legislation, in an amount not exceeding 500,000 lek in a calendar year;
c) a legal person, in an amount not exceeding 1,000,000 lek in a calendar year.

2. Upon making a donation under paragraph 1 of this Article, the donor shall sign a declaration confirming that he or she is not subject to any of the circumstances provided for in Article 7 of this Law and shall bear personal liability for any false declaration The form and content of the declaration shall be approved by a normative act of the CEC, and its signature shall be mandatory in every case of donation.

### Article 11
### Public Fund for the Support of Political Parties

1. Each year, the State Budget shall provide for a Public Fund to serve as public financial support for the annual activities of political parties. The Public Fund provided for in the State Budget for non-election years may not be lower than the fund provided for in the preceding year.

2. This Fund shall be allocated in accordance with the following rules:
a) 70 per cent, in proportion to the number of deputies won in the most recent general elections. Each parliamentary party shall receive financial assistance in proportion to the number of seats it won as determined on the date of the elections, in accordance with the electoral system provided for in the Electoral Code
b) 20 per cent, to be distributed equally among parliamentary parties and parties that received more than 10,000 votes in the most recent general elections.
c) 10 per cent, in proportion to the percentage obtained by political parties that participated in the most recent general elections and received more than 1 per cent of the votes nationwide.
Any part of the 10 per cent share that remains undistributed shall be added to the 70 per cent fund and distributed among the parliamentary parties as determined on the date of the elections.

3. The specific amount of the Public Fund to be received by each political party as annual financial assistance, in accordance with this Law, shall be determined by an act of the CEC. The decision of the CEC shall be notified to the beneficiary political parties and to the Ministry of Finance, and shall be published in the Official Gazette.

4. Annual financial assistance shall, in all cases, be granted only if the political party has submitted the annual financial report for the preceding year, in accordance with the rules

established by the CEC. Failure to submit this report shall constitute grounds for excluding the political party from receiving annual financial assistance.

5. The decision of the CEC determining the specific amount of the Public Fund for each political party may be appealed before a court in accordance with the rules governing the adjudication of administrative disputes.

6. Each year, the State Budget shall also provide for a financial grant to political parties in the amount of 5 per cent of the Public Fund, which shall be distributed to the political parties entitled under paragraph 2 of this Article, on the basis of their activities and efforts to promote gender equality and the role of young people in politics The criteria for assessing the activities and actions under this paragraph, the methodology, and the manner of determining and distributing the financial grant shall be laid down by a normative act of the CEC.

7. The Council of Ministers shall index the amount of the Public Fund every two years. The level of indexation shall not exceed one percentage point above the inflation target set by the Bank of Albania..

8. The Assembly of Albania shall periodically review the amount of the Public Fund every 4 years from the date of entry into force of this Law.

**Article 12**
**Responsibility for the use of financial and material resources**

1. The political party shall designate a person responsible for finance, who shall be responsible for:
   a) recording income of any form;
   b) expenditures incurred;
   c) submission of the Annual Financial Report;
   ç) other obligations related to the financing of the political party.

2. The person responsible for finance shall be the person entrusted by law with carrying out all actions of a financial nature on behalf of the political party, shall bear responsibility for the accuracy of the data submitted to the CEC, and shall represent the political party in matters of financing before the CEC and other institutions in accordance with the legislation in force

CHAPTER III
REPORTING FROM POLITICAL PARTIES

**Article 13**
**Financial reporting**

1. Political parties shall be required to submit the Annual Financing Report to the CEC no later than 31 March for the preceding year, in the manner prescribed by a decision of the CEC.

2. The Annual Financing Report shall contain detailed information on:
   a) sources of financing of every kind, in accordance with the standardized format approved by the CEC;
   b) expenditures, in accordance with the standardized format approved by the CEC;
   c) entities directly or indirectly linked to political parties, or controlled by them, as declared by the political party itself.

3. The Annual Financing Report shall be submitted by the person responsible for finance in the political party, or by the person designated in accordance with the statute of the political party, within the time limit set out in paragraph 1 of this Article.

4. During the election year, the financial reports of the political party shall be submitted together with the financial report of the election campaign.

5. The Annual Financing Report, the report of the licensed accounting experts, the financial report of the election campaign, and the CEC report shall be published on the CEC's official website no later than 30 days from their submission by the political party

**Article 14**
**Taxation of the income of political parties**

1. Income derived from membership fees of a political party shall not be subject to tax.

2. Other income lawfully generated by a political party shall be subject to taxation in accordance with the legislation in force.

**Article 15**
**Internal control**

1. Political parties shall be required to provide in their statutes for the exercise of internal financial control through the structures specified therein

2. Political parties shall guarantee the right of their members to be informed of all income and expenditures of the political party, as well as of the responsibilities of the body responsible for its financial administration.

**Article 16**
**Non-payment of obligations**

1. Where a political party fails to pay its obligations, such as fines imposed by the CEC, tax liabilities, or obligations arising from the enforcement of final court decisions, the corresponding amount shall be deducted from the funds allocated to the party from the Public Fund

2. Where the amount of a political party's obligations exceeds the funds it receives from the Public Fund, the political party may not participate in elections without first paying the relevant obligation.

**Article 17**
**Financial control**

1. The Annual Financing Reports submitted by political parties shall be audited, in accordance with the applicable standards under the legislation in force, by licensed accounting experts with experience who have practised this profession for more than 3 years

2. An accounting expert may not audit the same political party for two consecutive years.

3. The CEC shall, by lot, appoint one or more licensed accounting experts from the list referred to in paragraph 1 of this Article to audit the funds received and expended during the calendar year by the political party that has submitted the Annual Financing Report The appointment shall be made during the period from 1 to 7 April of each calendar year. The audit

report shall be submitted to the CEC within the time limit specified in its decision appointing the experts.

4. Political parties shall cooperate with the accounting expert appointed by the CEC and shall make available to him, without delay, any information, document, or data relating to income and expenditures during the calendar year, in accordance with this Law

5. The CEC shall have the right to verify directly, either upon request or ex officio, the income and expenditures of any political party, the audit report referred to in paragraph 3 of this Article, as well as any other information concerning financing of which it becomes aware The CEC has the right to request data, documents or information from the political party or third parties, who must respond to the request of the CEC within 15 days of receiving it. Failure or refusal to cooperate, destruction of documents, delays, or improper conduct in the verification process conducted by the CEC shall be reported to the prosecution as a criminal offence pursuant to Article 248 of the Criminal Code and shall also be subject to administrative sanctions in accordance with this Law

6. The CEC shall publish the audit reports of political parties within 30 days from the date of submission of the report or, as the case may be, from the conclusion of the verification procedure.

7. Failure by political parties or donors to comply with the rules laid down in this Law shall, where it does not constitute a criminal offence, constitute an administrative violation and shall be sanctioned in accordance with the provisions of this Law.

8. Where the CEC suspects irregularities in the financing activities of political parties, it shall, as appropriate, transmit a copy of the Audit Report to the prosecution, the central tax administration, or the General Directorate for the Prevention of Money Laundering

9. The annual report submitted by the CEC to the Assembly at the beginning of each calendar year shall contain a separate section on the financing of political parties in the preceding year and shall include the findings of the audit process, as well as the recommendations made by the CEC with a view to improving the mechanisms for party financing, particularly in terms of enhancing transparency and accountability

10. The expenses necessary for the audit of political parties shall be covered by the CEC.

11. The detailed rules for carrying out the audit process shall be determined by a normative act of the CEC.

**Article 18**
**Publication of data by political parties represented in the Assembly**

Each political party represented in the Assembly of the Republic of Albania shall be obliged to:

a) publish on its official website, within the month of December of each year, all expenditures incurred during the calendar year;

b) make public on its official website, within the month of December of each year, the list of donors, including the name and surname, in the case of a natural person, or the name of the legal person, as well as the type, amount, and date of the contribution.

c) keep its annual financial report published on its official website for at least three consecutive years.

CHAPTER IV
RESPONSIBLE STRUCTURES

**Article 19**
**Body responsible for the financing of political parties**

1. The CEC is the body responsible for monitoring and overseeing the annual financing of political parties, in accordance with the rules of this law.

2. For the purposes of, and in implementation of, this law, the CEC shall have the following powers:

a) to draft and adopt rules on financial reporting, monitoring, oversight, and financial auditing of political parties, as well as standardized formats for annual financial reporting;

b) to approve the format of the special register of non-public funds of political parties, as well as the format, form, and content of the declaration on donations of non-public funds;

c) to maintain a list of licensed accounting experts and to select by lot those assigned to audit the income and expenditures of political parties;

ç) to monitor, supervise, and audit the financing of political parties through the examination of financial
documentation and accounting records of political parties, as well as of entities directly or indirectly linked to political parties or under their control;

d) to impose sanctions where it finds violations of the provisions of this law;

dh) to develop awareness-raising programmes and organize training on the financing of political parties and other entities involved in this process, in accordance with the provisions of this law;

e) to determine the amount of the Public Fund to be allocated to each political party in the form of annual financial assistance, in accordance with this law;

ë) to issue sublegal acts for the purposes of, and in implementation of, the provisions of this law.

3. A structure responsible for the financing, monitoring, and control of political party financing shall be established and shall operate within the CEC.

CHAPTER V
MATERIAL SUPPORT FROM THE STATE

**Article 20**
**Facilitating measures**

1. The State shall facilitate the activities of political parties. The facilitation of the activities of political parties includes the following:

a) political parties shall have the right to use public mass media free of charge for elections or referendums, in accordance with the Electoral Code.

b) parliamentary political parties shall be provided, free of charge, with premises for their central headquarters and local offices, in suitable and publicly accessible locations, in proximity to the buildings of central or local institutions. This right shall also be enjoyed by any political party whose average share of votes in the last three parliamentary elections has exceeded 1 per cent nationwide.

c) where a political party has been provided with premises under a loan-for-use agreement pursuant to this law, but does not meet the conditions set out in letter “b” of this paragraph, it shall be entitled to conclude a lease agreement for the premises, to be used solely for its headquarters or local offices. More detailed rules shall be laid down by decision of the Council of Ministers, upon the proposal of the Minister responsible for state property.

2. A request for the provision of offices, pursuant to paragraph 1(b) of this Article, shall be submitted to the Minister responsible for state property administered by the central government, and to the mayor in respect of property owned or used by local government, who shall take all necessary measures to provide the parliamentary party with premises

3. Where vacant office space is available in buildings, as the case may be, the Minister responsible for state property or the mayor shall conclude a loan-for-use agreement with the political party referred to in paragraph 1 of this Article, in accordance with the Civil Code

4. Where no vacant office space is available in buildings, the State shall assume responsibility for paying the rent for the central headquarters and local offices of the political party. The payment of rent under this Article shall continue for as long as the political party meets the conditions set out in paragraph 1 of this Article.

5. More detailed rules on the types of documents, the administrative procedure for examining the request, the method of payment, the number of premises for local offices, and the
maximum rent limits to be covered by the State shall be laid down by decision of the Council of Ministers, upon the proposal of the Minister of Justice and the Minister of Finance

## CHAPTER VI
## ADMINISTRATIVE SANCTIONS

### Article 21
### Administrative measures

1. Any violation of the provisions of this law which does not constitute a criminal offence shall constitute an administrative contravention and shall be punishable by a fine, as follows:

a) failure by a political party to maintain the register of financial and material income required under Article 9(1), by a fine of from 100,000 to 300,000 lek;
b) breach of the obligation set out in Article 10(1)(a) by an Albanian citizen, by a fine of from 50,000 to 100,000 lek;
c) breach of the obligation set out in Article 10(1)(b) by a natural person registered under tax legislation, by a fine of from 100,000 to 200,000 lek;
ç) breach of the obligation set out in Article 10(1)(c) by a legal person, by a fine of from 250,000 to 400,000 lek;
d) breach by a political party of the obligation under Article 17(4) to cooperate with the licensed accounting expert appointed by the CEC, by a fine of from 800,000 to 1,500,000 lek;
dh) failure to submit the financial report within the prescribed time limit, or submission of the report otherwise than in the standardized formats approved by the CEC, by a fine of from 100,000 to 300,000 lek;
e) breach of the obligation under Article 18 concerning the publication of data by a political party represented in the Assembly, by a fine of from 100,000 to 300,000 lek; in the event of a repeated breach, the amount of the fine shall be doubled;
ë) refusal to ensure transparency of the sources of financing of a political party, or to permit the exercise of control by the licensed accounting expert or by the CEC, by a fine of from 2,000,000 to 5,000,000 lek; in addition, suspension of public funding to the political party for a period of up to five years may be imposed;.

f) breach of Article 9(5), where non-public funds in an amount exceeding 50,000 lek are accepted and the transaction has not been carried out through a bank account, by a fine amounting to 30 per cent of the donated amount;

g) breach of the provisions on the financing of political parties by the person responsible for the finances of the political party, by a fine of from 100,000 to 300,000 lek;

gj) acceptance by a political party of in-kind donations without signing the declaration of contribution required under Article 9(2) of this law, by a fine amounting to 50 per cent of the market value of the in-kind donation;

h) breach of Article 5 through the exercise of any form of pressure with respect to the making of, or obstruction of, donations to a political party, or through the making of promises of favourable treatment in exchange for financial or material support to a political party, shall, in addition to criminal prosecution, be punishable by a fine of from 500,000 to 1,000,000 lek.

2. Any non-public funds received by a political party shall accrue to the CEC where the identity of the donor is unknown or not clearly established.

1. Irrespective of any fine imposed, a political party which fails, for two consecutive years, to submit the Annual Financing Report in the manner and within the time limit prescribed by this law shall be barred from participating in the next elections and in any subsequent elections.

4. Fines shall be imposed by the CEC.

**Article 22**
**Principles for the imposition of fines**

The amount of the fine shall be determined having regard to the following circumstances:

a) the degree of risk posed by the violation committed;
b) the duration of, and the scope of actions leading to, the commission of the violation;
c) whether there were any attempts by the political party to conceal the violation;
ç) the actions taken by the political party after the violation was discovered;
d) whether the violation has been repeated;
dh) whether the violation was committed in cooperation with others.

**Article 23**
**Appeal against the decision and enforcement of the fine**

1. A political party on which a fine has been imposed may appeal the decision imposing the fine before the competent court, in accordance with the legislation in force.

2. The enforcement of fines imposed under this law shall be carried out in accordance with the legislation in force on administrative contraventions.

3. Fines shall be paid into the State budget.

CHAPTER VII
FINAL PROVISIONS

**Article 24**
**Use of information technology**

1. The CEC shall enable the financial reporting of political parties under this law to be submitted to the CEC through an electronic platform.

2. Through the electronic platform, the CEC shall ensure the real-time disclosure of every income transaction received by a political party. Once the real-time disclosure of income is carried out through the electronic platform, the political party's obligation to report to the CEC and to publish such information on its website shall cease to apply.

3. For the implementation of the obligations laid down in this Article, the CEC shall adopt the necessary secondary legislation.

4. For the implementation of the obligations laid down in this law, the CEC shall be granted access to the databases of other institutions for information and data relating to the implementation of this law.

**Article 25**
**Secondary legislation**

1. The Council of Ministers shall, within 30 days of the entry into force of this law, adopt the secondary legislation provided for in Article 20(5) of this law.

2. The CEC shall, within 60 days of the entry into force of this law, adopt the secondary legislation for the implementation of Articles 7, 9, 10, 11, 13, 17, and 19 of this law.

**Article 26**
**Abrogations**

Upon the entry into force of this law, Articles 15/1, 15/2, 16, 17, 18, 19, 21, 22, 22/1, 23, 23/1, 23/2, 23/3, 23/4, and 24 of Law No. 8580, dated 17 February 2000, "On Political Parties", as amended, shall be repealed.

**Article 27**
**Entry into force**

This law shall enter into force three months after its publication in the Official Gazette, with the exception of Article 11(6), which shall enter into force on 1 January 2027.

**Speaker**

**Niko Peleshi**