



Muja Law brings you the latest issue of the *Legal Update*.

Recently in the Official Journal No.102, dated 18.05.2026, among other legal acts, was published also the Law No. 42/2026, dated 23.04.2026, “On the Freedom of Establishment and Provision of Services in the Republic of Albania” (hereinafter referred to as “*Law No. 42/2026*”).

Law No. 42/2026 regulates the freedom of establishment and the freedom to provide *cross-border services in Albania*, in alignment with the EU Services Directive 2006/123/EC. Its objective is to reduce unjustified administrative barriers, simplify authorization procedures and facilitate the functioning of the internal market for services.

Some of the most important aspects of Law No. 42/2026 are as follows:

❖ **Law No. 42/2026**

Purpose and Scope of the Law

The law establishes general rules to facilitate the exercise of the freedom of establishment by service providers, facilitate the cross-border provision of services and ensure a high quality of services.

Overall, Law No. 42/2026 aims to significantly *liberalize access to service markets*, reduce administrative burdens, strengthen legal certainty for businesses, align Albania with EU internal market principles and facilitate foreign investment and cross-border economic activity.

It also increases institutional obligations on

Albanian authorities regarding proportionality assessments, transparency, electronic governance and notification to the European Commission.

Application and Main Exclusions

Law No. 42/2026 applies to all services provided by providers established in the Republic of Albania or in a Member State of the European Union, with the exception of several sectors, including financial services, healthcare services, transport services, gambling, audiovisual services, social services, private security services, notarial and bailiff services.

Relationship with Special Legislation

In virtue of Law No. 42/2026, where sector-specific laws regulate particular professions or sectors, those special laws shall prevail in case of conflict.



Freedom of Establishment

In virtue of Law No. 42/2026, the right to a service activity or its exercise in the territory of the Republic of Albania by providers intending to establish or established in this territory may *not be restricted by an authorisation scheme*, unless the scheme is non-discriminatory, it is justified by an overriding public interest reason and the objective cannot be achieved through less restrictive measures.

Authorities must review existing authorization schemes and ensure proportionality and compliance with the law.

By “*Authorization scheme*” in virtue of Law No. 42/2026, is considered any procedure or administrative act, based on which a competent authority grants a provider or beneficiary of a service a formal or implied decision for the provision of a service or access to a service activity. For the purposes of this law, the terms “license”, “permit”, “authorization”, “certificate”, “consent”, “registration with a professional order or organization”, “notification”, as well as any other term similar to them in the Albanian legislation in force, through which the exercise of an activity or the

provision of a service is permitted, are considered an authorization scheme.

Prohibited Restrictions

The law prohibits several types of restrictions on service providers, including nationality requirements, residence requirements in Albania, obligations to establish the main seat in Albania, reciprocity requirements, economic needs tests, involvement of competitors in authorization decisions, obligations to obtain guarantees only from Albanian entities.

In virtue of Law No. 42/2026, *certain restrictions may still be allowed*, but only if justified and proportionate, such as territorial or quantitative restrictions, mandatory legal forms, minimum employee requirements, fixed tariffs, limitations on multiple offices. Nevertheless, such restrictions must always be non-discriminatory, necessary and proportionate.

Authorization Schemes and Procedures

In virtue of Law No. 42/2026, authorization schemes must be objective, transparent, accessible, published in advance and proportionate.

An authorization generally grants the right to operate *throughout Albania* unless territorial limitations are justified.

Authorizations are generally granted for **an unlimited duration** unless justified otherwise.

In virtue of Law No. 42/2026, if the authority fails to respond within the legal deadline, the authorization is deemed granted (“**silent approval**”), unless public interest reasons justify an exception.

Freedom to Provide Cross-Border Services

Law No. 42/2026 specifies that service providers established in an EU/EEA state may

provide services *temporarily* in Albania without establishing themselves locally.

Restrictions are allowed only if they are non-discriminatory, justified by public order, security, health, or environmental protection and proportionate.

Authorities may not require establishment in Albania, local authorization or registration, special Albanian identification documents, or contractual arrangements restricting self-employed providers.

Nevertheless, in virtue of Law No. 42/2026, certain areas are excluded from the cross-border freedom regime, including postal services, electricity and gas services, water services, waste management, intellectual property rights, legal services by lawyers, social security coordination, visas and residence permits and audit services.

Single Point of Contact (SPC / PVK)

Law No. 42/2026 establishes a “Single Point of Contact” (*Pika e Vetme e Kontaktit - PVK*), operated through the Albanian e-government portal “e-Albania”.

Through this portal, providers may complete procedures online, submit applications and obtain licenses and registrations.



Right to Information and Simplification of Procedures

In virtue of Law No. 42/2026, authorities must provide clear information in Albanian and English regarding applicable requirements, procedures, appeal mechanisms and competent authorities.

Law No. 42/2026 provides that authorities must simplify procedures, accept equivalent documents from EU/EEA states, avoid unnecessary certified translations or originals and allow electronic completion of procedures.

Entry into Force

Law No. 42/2026 enters into force 15 (fifteen) days after its publication in the Official Journal.



If you wish to know more on our publications, legal updates, tax updates, legal bulletins, or other articles, you may contact the following:

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Muja Law is a family-run law office where we work hard for the success of our clients and to provide excellence in legal service. Our roots go back to 2001 when our Managing Partner, Krenare Muja (Sheqeraku), opened her law practice office in Tirana, Albania. Krenare’s son Eno joined her in 2014, and the other son Adi entered the practice in 2019. What started in Tirana as a small, family-run law office has grown and flourished in the community for the last 20 years. The office consists of various respected and talented lawyers who possess outstanding educational and community service backgrounds and have a wealth of experience in representing a diverse client base in various areas of the law.

The office is full-service and advises clients on all areas of civil, commercial and administrative law. With significant industry expertise, we strive to provide our clients with practical business driven advice that is clear and straight to the point, constantly up to date, not only with the frequent legislative changes in Albania, but also the developments of international legal practice and domestic case law. The office delivers services to clients in major industries, banks and financial institutions, as well as to companies engaged in insurance, construction, energy and utilities, entertainment and media, mining, oil and gas, professional services, real estate, technology, telecommunications, tourism, transport, infrastructure and consumer goods. In our law office, we also like to help our clients with mediation services, as an alternative dispute resolution method to their problems.

While we have grown over the past 20 years and become recognized as one of Albania’s leading law offices, we are grounded in the essence of “who” we are and “where” we started. We understand the importance of family, hard-work, and dedication.

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