## New Law "On the Register of Beneficial Owners (RBO)"

March 2021





## Definition of the Beneficial Owner (or the so called "Ultimate Beneficial Owner - UBO")



#### A "Beneficial Owner" is defined as follows:

Beneficial owner is defined as the individual who owns or ultimately controls the entity through direct or indirect ownership of at least 25% of:



For non-profit organizations (foundations, associations, branches of non-profit organizations) the beneficial owner is:

Voting rights, or benefits from transactions carried out by the entity on its behalf.

The individual who exercises the ultimate effective control over the administration and control of the non-profit organization.

In exceptional cases, when the ultimate beneficial owner can not be identified, the reporting entity after having exhausted all possible means to identify the beneficial owner and if there is no reason for doubt, may register as beneficial owner the individual who:

Controls in any way the election, appointment and removal of most decision-making bodies and / or executive bodies of the legal person.

Determines the decisions taken by a legal person.



In addition to the documents listed above, a written statement must be submitted in which are precisely defined the steps taken to identify the beneficial owner and the reasons for identification no later than 30 (thirty) calendar days from the date of initial registration of the reporting entities.

# Documents required to be submitted in the Register of Beneficial Owners



#### The documents that must be uploaded by the applicant on the e-albania portal are as follows:

**1.** Historical extract of reporting Albanian entity



2. ID Card/passport of the registered beneficial owner of the reporting Albanian entity and permanent residence

5. Agreement/ contract or any other documents attesting that the registered individual is the beneficial owner of the reporting entity **3.** Extract of the foreign entity owned by the individual shareholder of the reporting Albanian entity

4. Articles of Association (by law) of the foreign entity

Important note: Documents of the foreign country must be in original or notarized and duly legalized/apostilled with the competent authorities.
They must be translated in Albanian language by a certified translator.

### **Registration Procedure**



#### The registration procedure includes the following steps:

#### Step 6

The documentation deposited in the Register must be notarized and translated in Albanian language.

#### Step 1

Appointment of the person to make the registration (authorized person).



#### Step 2

Authorized person shall be equipped with an electronic signature.

#### Step 3

Authorized person must choose the type of registration that will make the initial registration.

#### ⊷ <mark>Step 7</mark> Fill Οι

Fill out the application form to continue the registration in e-Albania.

#### \* Step 8

The application must be submitted within the deadlines set by the Law.

#### Step 11

Finalization of the registration procedure for the Register of Beneficial Owners.





#### Step 10

The NBC will notify via email for the decision to approve or reject the application.

#### Step 9

The application will be reviewed by the National Business Center no later than 2 working days from the receipt of the application.

#### Step 4

Step 5

necessary

e-Albania.

uploaded on

Identification of the

documentation to be

government services

Identification of Beneficial Owner according to the provisions of the Law.



### **Penalties for non-compliance**



In case of non-compliance with the declaration/ registration of beneficial owners the following penalties are imposed by the law:



- Initial non-registration of data for its beneficiary owner within the deadline is punishable by a
  fine in the amount of 500,000 (five hundred thousand) ALL (250,000 ALL for existing
  entities);
- Non-registration of any change in the registered data and in the accompanying documents, which are deposited in the register, within the term is punished with a fine in the amount of 250,000 (two hundred and fifty thousand) ALL;
- Administrative penalty in the amount of **150.000 ALL** to the legal representative of the Albanian legal entity.

## Let's talk!

For further information, please contact:

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