

Labour law in Albania

A practical guide to employment,
workplace rights and compliance



PEOPLE / PROTECTION / PRACTICE

TRIDENS | LEGAL & TAX

The discipline of transformation.

ENGLISH EDITION

READING THIS GUIDE

Law translated into workplace decisions.

This English-language white paper is prepared for employers, business leaders, HR and finance teams, international investors and employees working with Albanian employment law. It combines legal analysis with practical examples, decision checks and implementation guidance.

Research position

The legal research cut-off is 24 October 2026. The principal sources are the supplied Labour Code and Anti-Discrimination Law, checked against official consolidated publications and supplemented by relevant official legislation and guidance. Page-level source notes identify the provisions supporting the discussion; the source register explains abbreviations and provides links.

How to use it

Read the rule with its conditions and exceptions. Practical recommendations and hypothetical examples are identified as such. Amounts and timelines are not promises of an outcome. The paper focuses on Labour Code employment; civil service, regulated professions, sector rules, immigration, tax and social insurance may require additional analysis.

Scope and legal status

This publication provides general information, not advice on an individual matter or an official translation of Albanian legislation. The Albanian legal text controls. It does not claim to catalogue every implementing act or judicial decision. Verify later amendments, applicable collective terms and relevant court orders before acting, particularly in a dispute or under the gender-equality framework discussed in Part 15.

A guide for every stage.

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A guide for every stage.

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PART 01 / THE EMPLOYMENT FRAMEWORK

Scope and practical use

Albanian labour law governs much more than the signed employment contract. It determines how an organisation recruits, directs and pays its people; how it protects their dignity and health; and how it changes or ends the relationship. A business can have an apparently complete personnel file and still carry substantial exposure if its actual working arrangements differ from its documents.

This white paper is designed for business owners, directors, human resources teams and international investors managing employees in Albania. Employees and their representatives can also use it to understand the safeguards that shape a lawful workplace. Its principal focus is employment governed by the Labour Code, rather than the separate appointment and disciplinary regimes applicable to civil servants and other specially regulated positions.

Start with the relationship

Identify the employing legal entity, the person performing the work, the habitual place of work and the relevant contract. Then establish whether a collective agreement, a special statute or a sector-specific implementing measure applies. A foreign parent company's handbook does not answer those questions for its Albanian subsidiary. Equally, a director's corporate appointment is not necessarily an employment relationship.

The analysis throughout distinguishes the legal rule from recommended implementation. Examples are hypothetical. Checklists are working tools, not statutory forms. Numerical examples use stated assumptions and do not replace payroll calculations or an assessment of evidence in a particular dispute. Where an adjacent regime matters, such as immigration, social insurance or personal data, the guide identifies the interface without pretending that the two principal statutes provide every answer.

Use the guide as a decision record

For each important action, retain the relevant source, the facts relied on, the responsible decision-maker and the proof of communication. The most useful compliance file explains why the action was lawful at the time it was taken. A document reconstructed after a complaint rarely carries the same evidential value as a contemporaneous record.

LEGAL BASIS & NOTES

LC arts 3-7, 11-12; AD arts 4, 12. See the source register for editions and scope.

PART 01 / THE EMPLOYMENT FRAMEWORK

The hierarchy of employment rules

Article 11 of the Labour Code sets out a hierarchy: the Constitution, ratified international conventions, the Code and its implementing acts, collective agreements, individual contracts, internal regulations, and relevant local or professional custom. The practical consequence is that a policy or contract cannot simply remove protection supplied by a higher-ranking rule. More favourable provisions can, however, improve the employee's position.

An employer should therefore review a proposed term in both directions. First, ask whether the statutory minimum permits it. Second, ask whether an applicable collective agreement or an existing contractual promise provides something better. A statutory entitlement of at least 22 working days of annual leave does not automatically reduce a contractual entitlement of 25 days. A handbook revision is not, by itself, an agreed contractual variation.

Mandatory rights and settlement

The Code limits waiver of rights arising from mandatory provisions and collective agreements. It recognises certain freely agreed settlements involving reciprocal concessions, concluded before a labour inspector or in the form provided by a collective agreement. That exception does not apply to paid annual leave. The separate wage-waiver restrictions also require attention when drafting a termination settlement.

A signature acknowledging receipt of a policy is evidence of delivery. It is not conclusive evidence that every clause is valid, nor that the employee has freely relinquished a mandatory entitlement. Avoid presenting a general release as a solution to missing salary, annual leave or procedural obligations.

A useful review sequence

Prepare a short schedule identifying the governing statute, implementing measure, collective agreement and individual promise for each material topic. Record the more favourable contractual entitlement separately from the legal minimum. Where sources appear inconsistent, resolve the point before issuing the document rather than inserting a generic statement that the law prevails.

Good faith also matters. The parties and their representatives must cooperate and disclose facts and changes important to their rights and obligations. Accurate information and genuine consultation are therefore part of compliance, not merely administrative courtesy.

LEGAL BASIS & NOTES

LC arts 11, 11/1, 21, 92, 121, 159, 171.

Institutions and routes to protection

Different employment problems belong before different institutions. A complaint about unpaid wages, a discriminatory dismissal and an unsafe machine may arise from the same employment relationship, but they do not necessarily follow the same procedure or produce the same remedy. The first task is to identify the conduct, the legal basis and the result sought.

The competent court determines employment claims and can award the remedies provided by law. Labour inspection addresses compliance with labour legislation and workplace standards. The Commissioner for Protection from Discrimination, referred to in this guide as the KMD, investigates discrimination under its statutory procedure and can order corrective measures and impose administrative sanctions. The personal data authority has a separate role where employee information is unlawfully processed.

Do not confuse enforcement with compensation

An inspection or administrative fine does not automatically pay the employee's lost wages or damages. Conversely, resolving an individual monetary dispute does not necessarily dispose of an inspection issue affecting the wider workforce. A discrimination complaint before the KMD is not a mandatory preliminary step before a court claim.

The anti-discrimination law also regulates overlapping proceedings: if the KMD learns that the same discrimination matter is before a court while its investigation remains pending, it terminates its own examination in accordance with article 33(7/4). A coordinated procedural strategy is therefore preferable to filing identical documents indiscriminately with every institution.

Practical routing note

For a new complaint, record the challenged act, its date, the date of knowledge, the alleged legal breach, available evidence and the desired outcome. Identify every potentially applicable time limit immediately. Do not assume that an internal grievance, a letter to an inspector or settlement discussions suspend a court deadline.

Current inspection legislation must be checked alongside the Code when responding to an inspection decision. This guide does not treat the older institutional names appearing in some statutory texts as proof of today's competent office or appeal route. The decision and applicable procedural law must be read together.

A proportionate compliance risk assessment

A useful employment audit starts with actual exposure rather than a count of signed documents. The highest-risk gaps usually concern unidentified employment relationships, undeclared or inaccurately paid work, unsafe conditions, discrimination, and termination decisions already in progress. Those risks deserve priority because the harm may continue while an employer improves its paperwork.

Begin with a complete workforce list. Include people paid by invoice, agency workers, secondees, remote staff, interns and individuals working for more than one group company. For each person, compare the contractual label with the real reporting line, schedule, duties, payment arrangements and workplace. The purpose is to identify the correct legal route, not to convert every supplier into an employee.

Three levels of action

Treat immediate threats to safety, dignity or lawful pay as urgent operational matters. Correct ongoing practices and preserve evidence at the same time. Next, review decisions with fixed deadlines: probation expiry, fixed-term renewals, leave scheduling, protected absences, disciplinary measures and planned dismissals. Finally, improve the systems that prevent recurrence, including authorisations, training and document control.

For every finding, assign an owner, a completion date and evidence of closure. A finding should not be marked resolved merely because a new policy was drafted. Check whether the policy was communicated, whether payroll or scheduling was changed, and whether the affected worker received the remedy actually required.

Example

A growing company has signed contracts for all staff, but managers approve weekend work in messaging groups and payroll records only normal hours. The first response is to preserve the messages, establish the hours worked, identify rest and compensation obligations, and correct payroll. Publishing an overtime policy alone leaves the historical issue unresolved.

The same approach applies to equality. A grievance channel is useful only if workers know how to use it, complaints are investigated promptly and complainants are protected from retaliation. Compliance is demonstrated through decisions and outcomes as well as written rules.

LEGAL BASIS & NOTES

LC arts 12, 32, 36-43, 76-95, 118-119; AD arts 7, 13, 15. Risk prioritisation is recommended practice.

PART 02 / IDENTIFYING THE RIGHT RELATIONSHIP

Employment and economic reality

The Code describes employment as work or services performed for remuneration within another person's organisation and under that person's instructions. The written title is relevant evidence, but it does not displace the substance of the relationship. An invoice, a consultancy agreement or registration as a self-employed person should not be treated as a conclusive answer to employment status.

Examine who controls the work, how duties are assigned, whether performance is integrated into the organisation, how payment is determined, and whether the individual operates an independent business. No single operational fact should be elevated into an automatic test. A specialist may enjoy professional autonomy while still working within an employer's organisation.

Why classification matters

If the relationship is employment, obligations concerning pay, leave, working conditions and termination may arise even where the parties used a different label. The Code also recognises that an employment relationship can exist through the actual acceptance and performance of paid work. Failure to execute the required written document is not a reliable means of avoiding employee protection.

An employer should not use an unpaid trial to obtain productive work that would ordinarily be remunerated. A genuine recruitment assessment should be limited, proportionate and distinguishable from taking over a normal shift or serving customers. Where work begins, the organisation must consider the full employment and reporting position.

Classification review

Document the commercial purpose of the engagement and the facts supporting the chosen model. Review the arrangement when duties change, the engagement becomes long term or a supposedly independent supplier becomes subject to daily management. Do not backdate an agreement to make the documentary history look cleaner.

Where reclassification is necessary, assess the past period as well as future terms. The transition may affect payroll, social insurance, accrued rights and continuity of service. A new contract should not falsely state that the individual has no earlier relationship with the business. Obtain advice on the consequences before requiring a broad release of past claims.

LEGAL BASIS & NOTES

LC arts 12, 19-21, 140; AD art 16 for access to self-employed professions.

PART 02 / IDENTIFYING THE RIGHT RELATIONSHIP

Independent contractors and service providers

Genuine independent service providers remain important to business operations. A company can engage an external accountant, maintenance business or project consultant without necessarily creating employment. The legal difficulty arises when the service agreement describes independence but the working arrangement resembles ordinary managed employment.

A sound services contract identifies the deliverables, professional responsibility, fees, acceptance criteria, confidentiality and ownership of outputs. Its administration should reflect that model. If the business instead allocates daily shifts, requires personal attendance under line management and treats the supplier as part of its permanent staff, the classification should be reconsidered rather than defended solely by the wording of the contract.

Separate commercial controls from employment control

Requiring a contractor to comply with site safety, confidentiality or information-security rules does not by itself settle status. Those controls may be necessary for anyone entering the premises. The broader relationship still needs examination, including the organisation of work, remuneration and the individual's ability to operate independently.

The use of a contractor also does not remove all obligations towards people at the workplace. Safety coordination, protection from harassment and lawful handling of personal data remain relevant. Outsourcing should not produce a gap in incident reporting simply because the affected individual appears on another organisation's payroll.

Practical example

A designer is engaged to produce a defined visual identity using their own business resources and methods. That differs from a person labelled a designer-consultant who works permanently in the company's marketing team, receives daily instructions and is paid a regular amount for being available. The example illustrates the need to examine facts; it does not establish a universal rule based on duration or payment frequency alone.

Maintain a contractor register with the responsible business owner, scope, term, access rights and classification review date. At renewal, ask whether the original model still matches reality. Where the engagement crosses borders, also assess tax, social security and immigration separately; a lawful services agreement is not permission to work in another country.

LEGAL BASIS & NOTES

LC arts 3, 12, 16, 21, 32, 39-44. Contractor controls are recommended practice.

PART 02 / IDENTIFYING THE RIGHT RELATIONSHIP

Directors and other special categories

Corporate status and employment status should be analysed separately. Article 5 excludes activity limited to performing the duties of an adviser or member of a company's management organ where that activity consists only of the obligations arising from that office. The exclusion should not be extended casually to every person with a senior title.

A manager may carry out operational duties under an employment contract in addition to a corporate appointment. The company should identify which document governs which function, who has authority to appoint or remove the office-holder, and what consequences follow for any separate employment relationship. Removing someone from a corporate office does not automatically answer every employment question.

Special statutes

Article 4 excludes employment regulated by a special law, while allowing particular Code provisions to address matters not resolved by that law. Public administration, regulated professions and certain sectors therefore require a source check before importing the procedures in this guide. The contractual label 'public employee' is not enough to identify the applicable regime.

Family work also has a defined exclusion, subject to the conditions in article 5 and the possibility of proving that those performing it are employees. A family connection is not a general exemption from labour obligations. An unrelated employee and a relative doing the same organised paid work should not be treated differently without a proper legal basis.

Young people and apprentices

Apprenticeship and professional learning are addressed by the Code and implementing rules. They should not be used as convenient labels for ordinary unprotected labour. Check the person's age, the permitted activity, education commitments, medical fitness and any necessary authorisation before arranging work.

Keep a category-specific checklist in the personnel file. Record the statute relied on, the appointment or contract, required approvals and the procedure for ending the arrangement. Where corporate and employment decisions interact, coordinate the timetable so that one decision does not accidentally defeat mandatory safeguards under the other regime.

LEGAL BASIS & NOTES

LC arts 4-5, 17-18, 20, 98-103. Corporate-law procedures require separate analysis.

PART 02 / IDENTIFYING THE RIGHT RELATIONSHIP

Temporary agency workers

Temporary agency work involves an employment contract with the agency and an assignment to a host undertaking. The Code allocates responsibilities between the two businesses rather than allowing either to disclaim responsibility entirely. The same work performed by an agency worker for the same host is limited to two years under article 18/1.

The agency pays wages and benefits and handles the specified tax declarations, deductions and personal-data responsibilities. A host's failure to pay the agency does not extinguish the worker's entitlement to wages. During the assignment, the host has responsibilities concerning safety, equal treatment, working and rest time, and instructions at work.

Put the allocation in writing

The agency-host agreement must be written and should address duration, place, general job description and service fee. The host must supply relevant employment information in time for accurate pay and lawful administration. Before the assignment starts, the agency must give the worker the required written information about the host, workplace and important working conditions.

Basic working and employment conditions must be at least those applicable if the host had recruited the worker directly for the same job. Access to collective facilities and services is also protected, subject to objectively justified differences. The host should therefore provide the agency with actual comparator conditions, not merely the minimum wage.

Commercial terms that do not work

Agreements restricting the worker's subsequent direct employment by the host, or requiring the worker to pay the agency for that employment relationship, are invalid under article 18/3. A business should review recruitment-fee arrangements without transferring prohibited charges to the worker.

For an indefinitely employed agency worker between assignments, article 18/5 contains a conditional entitlement to at least 50% of basic pay after the specified service requirement. The condition is at least four months of work, with or without interruption, within the first six months from the start of employment; no assignment does not necessarily mean no pay. Maintain a joint incident and complaint protocol so that responsibility is clear when a problem arises.

LEGAL BASIS & NOTES

LC arts 18/1-18/5, especially arts 18/2, 18/3 and 18/5(4).

PART 03 / RECRUITMENT AND ONBOARDING

Define the role before advertising

The job description should identify the work the business actually needs. It becomes the foundation for recruitment criteria, contractual duties, performance assessment and, if necessary, later decisions about capability or reorganisation. A vague description makes it harder to explain why one applicant was selected or why an employee's performance is considered inadequate.

Separate essential requirements from preferences. Qualifications, professional language ability, travel or physical tasks should be linked to the role and assessed proportionately. Avoid criteria that merely reproduce the background of the current team. A requirement may appear neutral while disadvantaging a protected group without a necessary and appropriate justification.

Test each requirement

Ask what business need the criterion addresses, whether it is genuinely necessary and whether a less restrictive alternative would work. A client-facing language requirement may be relevant; a blanket preference for a particular nationality is a different matter. Similarly, describing a role as suitable only for 'young' applicants creates a risk that should not be hidden behind marketing language.

The Labour Code and anti-discrimination law recognise a narrow route for genuine and determining occupational requirements. That is not a general commercial-preference defence. The aim must be legitimate and the requirement must not go beyond what is necessary. Record the reasoning before publishing the advertisement.

Recommended recruitment brief

The hiring manager should approve the duties, reporting line, workplace, working pattern, objective selection criteria and remuneration framework. HR should check equality, accessibility and contractual implications. Finance should confirm the total employment cost, including employer contributions and any variable compensation, before an offer is made.

Consider reasonable adjustments to the recruitment process itself: accessible interviews, suitable assessment formats and a practical way to request assistance. Keep the request confidential and separate from subjective judgments about commitment. An applicant who asks for an adjustment is giving the employer information needed to run a fair process, not inviting assumptions about future performance.

LEGAL BASIS & NOTES

LC arts 9, 21, 33, 115; AD arts 3, 6, 8, 12-13.

PART 03 / RECRUITMENT AND ONBOARDING

Advertisements and fair selection

The prohibition of discrimination applies before employment starts. It covers vacancy advertisements, recruitment and selection, as well as subsequent working conditions. Employers should therefore apply the same discipline to a social-media vacancy or a recruiter's instructions as to a formal recruitment policy.

Write advertisements around duties and objectively necessary qualifications. Avoid references to age, marital status, family plans or appearance unless a specific lawful and proportionate requirement has been established. A discriminatory instruction can itself be a recognised form of discrimination; outsourcing recruitment does not make the content of the instruction irrelevant.

Build a consistent assessment

Use a short scorecard with criteria defined before interviews. Ask comparable core questions, allow candidates to demonstrate the relevant skills and record reasons that relate to the job. Free-form impressions such as 'not our type' or 'may not fit the culture' are weak explanations unless translated into legitimate, evidenced requirements.

Selection records should distinguish evidence from inference. If an applicant lacks a required licence, record that fact. If an interviewer assumes that a parent cannot travel, that assumption is not equivalent to asking every candidate whether they can meet the actual travel requirement, with appropriate consideration of adjustments.

Hypothetical example

A company rejects an experienced applicant after learning that she is pregnant, while stating that it needs someone 'fully available'. The wording does not cure a decision driven by pregnancy. The employer should assess genuine role requirements, statutory protections and lawful alternatives rather than treating pregnancy as an automatic obstacle to recruitment.

Keep records proportionate and secure. A recruitment file should allow the decision to be explained without becoming a repository of irrelevant sensitive information. Agree a lawful retention approach and restrict access to those involved in the process. When the role is filled, ensure that unsuccessful applicants' details are not circulated informally or retained indefinitely merely because storage is inexpensive.

LEGAL BASIS & NOTES

LC arts 9, 33, 105/a; AD arts 3, 8, 12-13. Scorecards are a recommended control.

Background checks and applicant information

Background checks should answer a legitimate question about the role. The Labour Code limits collection of employee information to matters connected with professional ability or necessary for performance of the contract, and the personal-data framework adds requirements concerning lawfulness, purpose, minimisation and security. The same disciplined approach should inform recruitment.

Verify qualifications and professional authorisations where they matter to the job. Explain the checks, identify the information source and allow the applicant to address an apparent discrepancy. A spelling difference, an outdated reference or a database mismatch should not be treated automatically as dishonesty. Record what was verified and by whom.

Sensitive information needs special care

Health information, criminal-record information and other specially protected information require a specific legal assessment. A blanket consent clause is not a substitute for identifying a lawful basis and a genuine need. Pregnancy testing before employment is prohibited except within the narrow occupational-health exception in article 105/a; it is not a routine screening tool.

If a medical assessment is lawfully required for a hazardous role or a young worker, distinguish fitness conclusions from unnecessary disclosure of diagnosis. Managers generally need the information required to organise safe work and adjustments, not unrestricted access to medical history. Use an appropriate professional channel and control access to the result.

References and social media

Reference requests should be relevant, accurate and transparent. Avoid informal calls that invite speculation about family circumstances, political opinions or union activity. Public availability of information online does not automatically make its collection or use appropriate for an employment decision.

A practical check register should record the purpose, legal basis, source, scope, result, access permissions and retention decision. If information cannot be verified, state the uncertainty honestly and determine whether it prevents a lawful offer. Do not invent a clean result, and do not make a final adverse decision on undisclosed allegations without considering fairness and the applicable data-protection requirements.

LEGAL BASIS & NOTES

LC arts 9, 33, 35, 103, 105/a; AD arts 1, 12; DP Law 124/2024.

PART 03 / RECRUITMENT AND ONBOARDING

The first day of lawful employment

Onboarding is a legal transition, not simply an orientation meeting. Before the employee begins ordinary work, the organisation should know who employs the person, what duties they will perform, what pay and hours apply, and whether any work or professional authorisation is required. Payroll registration and the employment contract are separate controls; one does not replace the other.

The Code requires a written employment contract. Its seven-day provision is for special and justified cases where the required written contract was not concluded; it should not be used as a routine grace period. The safer operational rule is to complete the agreement and required reporting before work starts, while ensuring the employee receives a copy they can understand.

A coordinated start

HR should confirm the signed terms, identity and necessary qualifications. Payroll should verify the applicable reporting deadline, employee details, bank account and remuneration components. The line manager should explain duties, working arrangements and reporting responsibilities. The safety function should provide role-specific information and training before exposure to relevant risks.

Give the worker access to the Labour Code and other legislation governing the parties' rights and duties. Explain the anti-harassment and discrimination reporting routes, including a route that bypasses the immediate manager. Confirm how leave, sickness, overtime and expenses are requested and recorded.

Evidence of completion

Use an onboarding record showing the document version, date delivered, training completed and outstanding actions. An acknowledgement should confirm receipt and understanding, without purporting to waive statutory rights. Where a person does not understand the working language, provide a reliable explanation or translation rather than relying on a signature alone.

Review access permissions and equipment against the role. Arrange a probation review date at the outset and keep the original service commencement date accurate. If the employee has already worked for the business in the same role, check whether a new probation period is legally available before inserting it into the contract.

LEGAL BASIS & NOTES

LC arts 21, 32, 36, 38, 43, 142, 150; AD art 13. Tax reporting has a separate statutory timetable.

The essential written terms

Article 21 provides the starting checklist for an employment contract. It requires identification of the parties, workplace, general job description, commencement date, duration where fixed, paid leave, termination notice, remuneration components and payment date, normal weekly hours, the applicable collective agreement, probation and disciplinary measures and procedures where there is no collective agreement.

The contract should identify the actual employing entity rather than only a trading name or group brand. The signatory must have authority to bind that entity. Where a foreign parent supervises work, explain the reporting arrangement without obscuring which company owes wages and exercises the employer's legal responsibilities.

Make the terms operational

State whether remuneration is gross or net, distinguish fixed pay from variable elements, and explain any lawful foreign-currency arrangement. Describe the workplace sufficiently to avoid an unlimited mobility clause. Specify the normal working pattern and how lawful changes are communicated. A general statement that the employee must work 'as required' is not an adequate substitute for regulated working time.

The Code permits certain information to be supplied by reference to legislation, implementing decisions or a collective agreement. References should be identifiable and accessible. A reference to an unknown 'company policy' creates uncertainty if the policy has not been supplied or changes without a documented process.

Version control

Use a contract schedule listing incorporated documents, their dates and the order in which inconsistent provisions are resolved, always subject to mandatory law. Give both parties a complete executed copy, including annexes. Preserve signed amendments with the original rather than overwriting the historic version.

An English-language contract may help an international business, but staff and decision-makers must understand the obligations. For bilingual contracts, resolve differences through careful translation and an agreed language clause that does not remove statutory protection. Documents required by authorities or courts may need an appropriate Albanian translation. Do not assume that the language of a foreign template determines the governing law.

Clauses that create avoidable disputes

The most dangerous contract clauses often look commercially convenient. Examples include unlimited changes of duties or location, blanket deductions from salary, automatic forfeiture of leave, unpaid probation and immediate dismissal for any policy breach. Each must be tested against the Code rather than accepted because it appears in an international template.

An employee is not required to obey instructions that change contractual conditions; changes require agreement. Nor must the employee obey instructions that endanger life or health. A broad managerial-discretion clause should therefore describe legitimate operational flexibility without claiming power to remove those protections.

Avoid contradictory promises

If a bonus is discretionary, explain the decision process and any conditions accurately. Repeated payment without express reservation can have consequences under article 114. If overtime is included in a remuneration package, the business must still establish that the arrangement respects applicable hours, rest and compensation rules. A salary label does not eliminate the need to record work.

Confidentiality clauses should protect legitimate business information while preserving lawful reporting to competent authorities. Post-employment non-compete obligations have specific conditions, including compensation and a maximum duration. They should not be copied from a jurisdiction that permits broad unpaid restraints.

Review the remedy, not only the obligation

For each clause, ask what happens if it is breached. An employer cannot simply convert every breach into a salary fine or treat a contractual description of 'gross misconduct' as binding on a court. The facts, seriousness, fault, procedure and proportionality remain relevant.

A practical contract review should classify provisions as required, commercially useful, optional or unsuitable. Explain the reason for deleting an invalid term so that managers do not continue applying it informally. Where an existing contract contains a problematic provision, correcting the template for new hires does not resolve the position of current employees. Review whether clarification, an agreed amendment or correction of past practice is needed.

Fixed-term employment and renewals

The Code's starting position is an employment contract of indefinite duration. A fixed term must be justified by objective reasons linked to the temporary nature of the work. An employer's preference to avoid long-term commitment is not the same as a temporary task. Record the actual reason, such as a defined replacement or genuinely time-limited project, and check the facts at renewal.

Article 140 states that failure to meet its objective-reason requirement does not itself affect the contract's validity, but carries the statutory consequences identified there. This should not be confused with separate conversion rules. In particular, silent continuation after the agreed expiry produces an indefinite-term contract under article 149.

Successive contracts

Where successive fixed-term contracts between the same parties have lasted at least three years, the employer's non-renewal of the final contract is treated as termination of an indefinite-term contract. Interruptions of no more than three months do not necessarily break succession. A short gap inserted into the calendar is therefore not a reliable avoidance strategy.

Fixed-term employees must not receive less favourable treatment in employment conditions, training or career opportunities merely because of that status. They should be informed of vacancies and given equal opportunities for indefinite employment. Proportionality applies where rights are genuinely linked to service or time, not as a justification for arbitrary exclusion.

Manage expiry deliberately

Maintain a renewal register with the original start date, each contract period, intervening gaps, temporary reason and decision deadline. Review the position before the term ends. If work continues, document the correct legal consequence instead of backdating an extension.

Early termination is distinct from natural expiry. Article 149(3) directs employers to the article 144 procedure when ending a fixed-term contract before its term. Potential compensation can relate to the remaining contractual period under article 155. A standard indefinite-contract notice clause should not be assumed to provide a risk-free early exit from a fixed commitment.

Probation and the first three months

For indefinite employment, the first three months are normally treated as probation, except where the parties have already contracted for the same work. The period may be reduced or removed by written agreement or collective agreement. For fixed-term contracts, probation must be agreed in writing and cannot exceed three months; the same-work restriction also applies.

During probation, either party may terminate with at least five days' notice. This shorter mechanism does not authorise discriminatory dismissal, retaliation or avoidance of wage and safety obligations. Probation is paid employment. It is not a period outside the legal relationship.

Assess the work fairly

At the beginning, explain the role, expected performance and training support. Hold timely reviews and record specific examples. If there is a problem, determine whether it reflects capability, unclear instructions, missing equipment, insufficient training or an adjustment that should have been considered. A probation review should not be a surprise assessment based on undisclosed standards.

Check the calendar before taking action. The employer should not assume it can extend probation unilaterally or restart it by issuing a fresh contract for the same job. Nor should it assume that a decision made internally before the period expires is equivalent to a properly communicated termination.

Recommended review record

Record the actual work observed, the standards explained, feedback given, support provided and the employee's response. If employment continues, confirm the ongoing terms and next review date. If termination is contemplated, verify the applicable probation provision, notice, delivery evidence and any protected circumstance before communicating the decision.

The full article 144 hearing procedure is expressed to apply after probation. That distinction should be recognised without treating probation as a zone without process or evidence. A concise, accurate explanation and proper records help demonstrate that the decision was based on legitimate work-related considerations. They also make it easier to distinguish a genuine assessment from a prohibited reason raised later in a dispute.

PART 05 / FLEXIBLE AND CROSS-BORDER WORK

Part-time work and proportional rights

Part-time employment involves normal weekly or monthly hours below those of a comparable full-time employee. The Code protects equal rights for people performing the same work. Where an employment condition is directly related to working time, proportional treatment may be appropriate. That principle should be applied to the particular entitlement rather than used to reduce every benefit automatically.

The contract should state the agreed hours, their distribution, the workplace and the method for approving changes. A part-time schedule of four hours per day differs operationally from full days worked on fewer days of the week. Leave, public holidays and payroll need to reflect the actual arrangement and the applicable legal rules.

Additional hours are still regulated

Article 88 treats work beyond a part-time employee's normal schedule as overtime. The employer should not assume that extra hours remain ordinary work until the employee reaches a full-time schedule. Record the hours, apply the relevant compensation regime and monitor the limits and rest requirements that apply to the person.

The employer must inform part-time workers about full-time vacancies and provide equal opportunities to apply. Corresponding duties apply when full-time workers seek available part-time positions. The obligation is not an automatic right to a vacancy, but it requires a fair and transparent opportunity.

Example

A parent works an agreed morning schedule. The manager regularly asks for afternoon attendance but payroll continues to record only the contracted hours. The issue is both the unrecorded work and whether the real arrangement still matches the contract. The business should reconcile hours and pay, assess family circumstances and agree any lasting change in writing.

Part-time employment also requires a separate payroll review. Contribution rules can distinguish categories and hours, so a reduced contractual salary should not automatically be treated as the contribution base. Confirm the current fiscal treatment rather than extrapolating from a full-time example. Keep the labour-law entitlement analysis and the tax calculation connected but distinct.

LEGAL BASIS & NOTES

LC arts 14, 21, 88-91, 95, 115; contribution rules require separate verification.

PART 05 / FLEXIBLE AND CROSS-BORDER WORK

Homeworking and telework

Article 15 expressly regulates homeworking and telework. Telework involves work from home or another agreed place using information technology under the agreed employment conditions. The Code applies, but article 15(3) expressly excludes specified provisions on weekly working and rest time, overtime, official-holiday work, night work and compensation for difficult work. A guide should not conceal this important distinction.

The exclusion is not a licence to disregard health, dignity, agreed remuneration or equal treatment. Article 15 also requires conditions no less favourable than those of employees doing the same or comparable work. The employer must facilitate necessary computer equipment, installation and maintenance unless the employee uses personal equipment, and take measures to prevent isolation.

Classify the arrangement correctly

Do not label every occasional day away from the office as statutory telework. Examine the agreed place, actual pattern and contractual structure, including article 15(5). Where an arrangement is hybrid or mixed, identify how the statutory rules apply before assuming that all working-time obligations disappear.

A written telework annex should address location, tasks, availability, communication, equipment, expenses, information security, health and safety, reporting and review. Distinguish agreed availability from continuous monitoring. Specify how workload and rest will be managed even where a particular Code provision is excluded.

A practical control

Use deliverables and reasonable contact arrangements to manage performance, rather than requiring permanent camera access or intrusive surveillance. Provide a route for reporting unsuitable equipment, excessive workload and isolation. Agree how colleagues will meet and how the worker can access training and workplace information.

If the employee proposes working from another country, pause the approval until immigration, tax, social-security and governing-law questions have been assessed. A manager's permission to work remotely does not resolve those separate legal systems. Record any approved country and duration, and require advance notification of proposed changes.

LEGAL BASIS & NOTES

LC art 15, particularly paras 3-5; arts 3, 21, 32-33, 125-128.

PART 05 / FLEXIBLE AND CROSS-BORDER WORK

Hybrid arrangements and business travel

A hybrid policy should describe the arrangement that employees will actually follow. It should identify office and remote days, the agreed workplace, responsibilities for equipment and costs, communication expectations and the process for changing the pattern. The policy must be reconciled with individual contracts and the specific telework provisions rather than treated as a universal exemption.

Distinguish ordinary commuting from travel undertaken as part of the work. Article 76 excludes the normal journey to and from the individual workplace from daily working time, subject to implementing exceptions. It does not justify classifying every journey, customer visit or directed movement as private commuting. Assess the activity and the employee's availability to the employer.

Expenses are a separate issue

The employer must reimburse expenses arising from performance of the work. A written allowance arrangement is valid only where it covers the necessary expenses, and a clause absorbing reimbursement into salary is invalid under article 126. Establish an approval process, evidence requirements and timely payment without shifting unavoidable business costs onto the employee.

For work outside Albania lasting more than one month, article 21 requires the employee's consent and additional written information, including duration abroad, payment currency, relevant benefits and return arrangements. The assignment documentation should also address the destination's mandatory requirements.

Example

A sales employee is told that all travel costs are 'included in salary'. The contract's label does not settle compliance. The company should identify the necessary travel, quantify the expenses and put a lawful reimbursement arrangement in place. It should separately assess the time spent carrying out work and any applicable sector rules.

Create a travel register for international assignments, recording country, dates, purpose and approving manager. Use it to trigger legal and payroll review before repeated short trips become a habitual overseas working arrangement. The same register can help reconcile expense claims, insurance cover and emergency contact arrangements without collecting unnecessary personal information.

LEGAL BASIS & NOTES

LC arts 3, 15, 21(5), 76, 125-128.

PART 05 / FLEXIBLE AND CROSS-BORDER WORK

Secondment and workers posted to Albania

A secondment does not automatically transfer the employment contract. Under article 137, placing an employee at another employer's disposal requires the employee's consent, while the original contract remains in force. The original employer must secure the same working conditions as those provided to the host's employees doing the same work. The host has corresponding safety and hygiene duties and can share liability where the original employer fails its obligations.

The secondment agreement should therefore identify the parties, consent, duties, location, supervision, remuneration, expenses, safety arrangements and return date. The commercial allocation of cost between companies should not obscure the employee's rights. Clarify who approves leave, receives complaints and handles an accident.

Foreign posting is a distinct assessment

Article 3/1 addresses specified temporary postings by foreign undertakings, including service provision, intra-group assignments and agency arrangements. It establishes a framework for temporary employment in Albania and specified mandatory protections. The article's scope and duration conditions must be checked against the actual assignment; it should not be treated as a general immigration permission.

Article 3 also limits the effect of choosing foreign law. A choice cannot deprive the employee of mandatory protection that would otherwise apply. A foreign contract and foreign payroll are therefore not, by themselves, reasons to disregard Albanian workplace obligations.

Before arrival

Confirm the employment model, habitual workplace, posting duration, Albanian host, required entry and work or residence authorisation, social-security treatment and local safety induction. Check whether professional licensing is required for the activity. Keep the assignment and immigration documents consistent without assuming that identical terminology is used in each regime.

At the end, document return, extension or a change of employer before the arrangement drifts beyond its original basis. If the host now intends to hire the individual directly, review continuity, accrued rights and the termination of the original arrangement. Avoid making the worker responsible for resolving conflicting instructions between the two companies.

LEGAL BASIS & NOTES

LC arts 3, 3/1, 21(5), 137. Immigration and social-security requirements are separate.

Define remuneration clearly

The Code distinguishes salary from reimbursement of professional expenses. Salary includes basic pay and permanent supplements; reimbursement of expenses incurred because of the work is not part of salary. Contracts and payroll records should preserve that distinction so that statutory entitlements are calculated on the correct basis.

Remuneration may be time-based, linked to output, commission or business results. Payment by results does not remove the need to protect an employee with ordinary ability working normally: article 110 requires an appropriate comparison with a time-paid worker performing the same work. The national minimum wage and equal-pay rules remain relevant.

Gross pay and total cost

State whether an agreed amount is gross or net. A net-pay promise may transfer the cost of changes in deductions to the employer, depending on its wording. Before making such a promise, finance and HR should model the employer's total cost and agree how tax or contribution changes will be handled lawfully.

List permanent allowances, variable incentives, benefits in kind and expense reimbursement separately. Explain eligibility, calculation, approval and payment timing. A pay schedule should be intelligible to the employee and reproducible by payroll without undocumented assumptions.

Equal value, not only equal titles

Equal-pay protection covers the same work and work of equal value. Relevant objective factors include the nature, quality and quantity of work, conditions, training, service, physical and intellectual effort, experience and responsibility. Different titles do not necessarily justify different pay, while a properly evidenced difference in responsibility may be relevant.

Review pay decisions when roles change or employees return from protected leave. A historical negotiation outcome is not always a sufficient explanation for a continuing discriminatory difference. Keep the rationale for pay bands, promotion increases and exceptional awards. If a discrepancy is found, investigate the cause and the appropriate correction rather than merely changing the job title to make the comparison less visible.

Bonuses and commission arrangements

Variable remuneration works best when the contract explains what earns it and when it becomes payable. Distinguish a commission attached to a transaction, a results-based entitlement and a genuinely discretionary award. Using the word 'discretionary' everywhere does not resolve contradictory promises or a consistent payment practice.

Article 112 addresses business commission and links entitlement to the client's discharge of obligations where the parties have agreed that model. It also invalidates an arrangement making the employee responsible for damage caused by the client's improper performance. A sales employee should not automatically become a guarantor of customer solvency.

Repeated annual awards

Under article 114, payment of an annual bonus for three consecutive years without express reservations can oblige the employer to continue paying it. Subject to the statutory wording and any express reservations, proportional payment may arise where employment ends before the normal award date. Review past practice before describing an established annual payment as wholly optional.

If remuneration is linked to annual business results, define the accounting basis and access to relevant calculation information. Article 116 regulates payment timing for annual-results participation. Do not defer an earned entitlement indefinitely by postponing internal approval or changing the measurement period after the work has been performed.

Drafting controls

Specify the measurement period, qualifying transactions, treatment of cancellations, individual and team targets, payment date and any lawful conditions. Explain how leave, a change of role or termination affects the calculation. Avoid forfeiture provisions that conflict with earned wages, equal treatment or mandatory protections.

Before changing a scheme, identify whether it is contractual and whether agreement is required. Communicate prospective changes clearly and retain the previous version for calculating existing entitlements. Payroll should be able to trace each award to an approved calculation. Where a dispute arises, provide the employee with the information needed to understand the result, while protecting unrelated confidential business and personal information.

PART 06 / PAY AND BENEFITS

Payment, payslips and late salary

Regular, traceable payment is a basic employment obligation. Unless a written agreement provides otherwise, article 116 provides payment every two weeks where wages are calculated by hour, day or week, and at the end of each month where calculated monthly. The contract and payroll calendar should identify the actual payment date clearly.

Article 118 requires wages to be paid through the banking system. Payment is in Albanian currency unless the parties agree on another currency. It also contains specific rules for alternative bank or postal payment instruments and for a bank's inability to pay after funds are deposited. A business should not treat informal cash payments as an equivalent default method.

Explain every component

Employees must receive verifiable information about salary components, supplements and deductions before or immediately after payment, as well as the calculation required by article 119. A bank transfer alone does not explain overtime, leave pay, commission or tax deductions. The payslip and the underlying calculation should reconcile with the contract and attendance records.

Benefits in kind require a written agreement and compliance with statutory limits. Article 118 addresses accommodation and food consumed during a workplace break and caps monthly in-kind remuneration at 20% of monthly salary. Do not assume that any product or service offered by the business can replace cash salary.

Late payment

Article 120 provides a minimum annual interest rate of 10% on unpaid salary and, in all cases, not less than 150% of inflation during the delay. This is not a flat 10% charge for every short delay. Identify the overdue amount, due date, payment date and applicable calculation method.

If a payroll error is discovered, inform the affected employee, correct the calculation and preserve the audit trail. Acceptance of a payslip or payment without protest is not a waiver of wages or entitlements. Do not ask staff to sign a general satisfaction statement as a substitute for reconciling missing pay.

LEGAL BASIS & NOTES

LC arts 116, 118-121.

Deductions and employee liability

Payroll deductions need a lawful basis. The Code permits statutory tax and social and health-insurance deductions. Union subscriptions require the employee's written authorisation, which can be revoked. Other deductions, set-off and alleged employee damage must be examined under the wage-protection provisions rather than treated as matters of managerial convenience.

Article 122 prohibits employer-imposed fines except those provided by a collective agreement. A manager cannot simply deduct a fixed amount for lateness, customer complaints or failure to meet a target because the internal handbook says so. Even where a claim against the employee exists, the protected portion of salary and the applicable set-off rules must be considered.

Damage is not automatic debt

Under article 27, liability depends on an intentional or negligent breach of contractual duties. The assessment of care takes account of the technical knowledge required and the employee's abilities known or reasonably knowable to the employer. Damage inherent in performing the work is borne by the employer. Courts may reduce or release liability in the circumstances specified by the Code.

Investigate an equipment loss or operational error before demanding payment. Establish the event, instructions, training, fault, causation and amount. Consider whether inadequate supervision or organisational failures contributed. Do not equate the purchase price of an old asset with the recoverable loss without a proper assessment.

Protect the evidence and the wage

Give the employee an opportunity to respond, record the decision and obtain advice before withholding salary. A repayment agreement should be specific, voluntary and consistent with mandatory protection; a broad consent signed at hiring is not a universal deduction authority.

The protected wage is assessed by the court according to subsistence needs, with a statutory fallback where the relevant elements cannot be established. Separate employer claims also carry notification and limitation requirements under article 203. Preserve those rights through timely lawful action rather than attempting to recover everything from the final payslip.

The 2026 minimum wage and contribution bases

The national monthly minimum wage increased to ALL 50,000 from 1 January 2026. The Tax Administration also confirmed a monthly social-insurance contribution ceiling of ALL 186,416 for employed persons. These figures should be distinguished carefully: the ceiling limits the relevant contribution base; it is not a maximum lawful salary.

For employed persons, the Tax Administration's 2026 notice identifies a social-insurance base from the minimum up to the ceiling, while health-insurance contributions extend to declared gross salary without that social-insurance ceiling. Different rules can apply to special categories and working patterns. A part-time or short-hours arrangement requires its own review rather than automatic use of the full-time calculation below.

Ordinary employee illustration

For an ordinary employee earning ALL 100,000 gross per month, the commonly applicable contribution rates are 9.5% employee social insurance and 1.7% employee health insurance, with 15% employer social insurance and 1.7% employer health insurance. On those assumptions, employee contributions are ALL 11,200 and employer contributions ALL 16,700. Employer cost before other benefits is ALL 116,700.

This illustration deliberately excludes personal income tax. Net pay is not ALL 88,800 unless the applicable tax calculation produces no further deduction. The correct tax treatment depends on current legislation and the employee's circumstances. Gross pay, contribution bases, withholding and employer cost should remain separate fields in the payroll system.

A rate-change control

Keep a dated parameter sheet showing each rate, base, ceiling, effective date and official source. Test the first payroll after a change against sample employees at the minimum, below and above the social-insurance ceiling, and in any special category. Do not update only the contract template while leaving the payroll software on old parameters.

Where a higher contractual salary is already payable, a minimum-wage increase does not by itself determine the employee's negotiated increase. Check the contract, collective agreement and any salary-indexation promise before communicating the adjustment.

PART 07 / PAYROLL AND EMPLOYMENT RECORDS

Registration and the payroll calendar

An employment contract, employee registration, salary payment and the filing of payroll returns are separate steps. A business should allocate responsibility for each and verify completion. Outsourcing payroll to an accountant does not remove the employer's need to provide accurate information and check the result.

Before the start date, establish the person's identity, employment category, remuneration, commencement date and applicable declaration requirements. Confirm the current statutory deadline for reporting a new hire and do not wait for the first monthly payroll to discover that pre-start action was required. Keep the submission receipt with the onboarding record.

Monthly reconciliation

The monthly payroll process should reconcile the employee register with contracts, approved changes, attendance, overtime, leave, sickness records and leavers. Compare the payroll return, bank payment instruction and accounting entry. A difference should have an identifiable explanation and authorisation; unexplained manual adjustments should not be carried forward indefinitely.

Use a cut-off date for routine inputs, but keep an urgent correction route for legal entitlements that cannot properly wait. If overtime or a salary change arrives late, record the reason and the correction process. Internal deadlines do not justify withholding an amount that is already due under the contract or law.

Closing an employment record

For a leaver, reconcile the actual termination date, paid notice, unused leave, earned variable pay, expenses and any applicable seniority entitlement. Make the required tax and social-insurance updates on the correct timetable. The payroll system should not be closed before the legal team or responsible manager confirms the final employment date.

For foreign employees, consider whether a social-security agreement or another specific rule changes the ordinary treatment. Keep evidence of any claimed exemption or coverage arrangement. Do not assume that a person paid abroad is outside Albanian reporting obligations, or that paying Albanian contributions settles their immigration status. Periodic review is particularly important when an assignment is extended or the employing entity changes.

LEGAL BASIS & NOTES

LC arts 21, 36, 95, 117-119; tax and social-insurance legislation. The calendar is an operational control, not a replacement filing schedule.

PART 07 / PAYROLL AND EMPLOYMENT RECORDS

What the employment file should prove

The personnel file should explain the relationship from recruitment to departure. It needs to prove the agreed terms, changes, payment, leave, training and important decisions without collecting irrelevant personal information. A large file is not necessarily a reliable one: duplicate drafts, unsigned annexes and conflicting start dates can weaken rather than strengthen the evidence.

The Code requires an employee register and updated wage and contribution records. It also requires a leave record showing the employee's start date, entitlement, leave dates and pay. These should connect to the underlying documents. A spreadsheet balance with no record of approved leave is difficult to verify.

Suggested file structure

Keep the executed contract and amendments together; recruitment and qualification evidence in a separate section; pay and leave records in controlled systems; and sensitive health, grievance and investigation material under more restricted access. A line manager should not automatically see every medical or complaint document merely because the employee reports to them.

Use a document index showing date, version, author, approval and storage location. Retain evidence that policies and decisions were communicated. For electronic signatures or delivery methods, assess evidential reliability and the applicable formal requirements rather than assuming that any message proves valid service.

Corrections and preservation

Correct factual errors transparently. Keep a record of what changed and why, especially where the original has already been relied on in payroll or a dispute. Never backdate an approval or recreate minutes as if they were contemporaneous. A later explanatory note should identify itself as such.

Retention requires a category-specific legal assessment. The Code contains unusually specific personal-file provisions, while payroll, tax, safety and dispute evidence can engage separate rules. Do not adopt either indefinite retention of everything or automatic destruction of every record on termination. Establish a lawful schedule, restrict access and apply a documented preservation hold where a dispute or investigation makes particular records necessary.

LEGAL BASIS & NOTES

LC arts 21, 33, 35-36, 42, 95, 118-119; DP Law 124/2024. See Part 13 on retention.

PART 07 / PAYROLL AND EMPLOYMENT RECORDS

Correcting an underpayment

When an employee raises a pay discrepancy, the first response should be a reconciliation. Obtain the contract, relevant pay scheme, hours and leave records, payslips, bank evidence and calculation inputs. Identify whether the issue concerns a missing payment, incorrect base, omitted premium, unlawful deduction or a disagreement over entitlement.

Separate undisputed amounts from contested ones. A dispute over commission should not automatically delay ordinary salary. Explain the investigation and the expected response date, while observing the contractual and legal payment obligations. Keep the employee informed rather than treating silence as a way to avoid an admission.

Worked control example

Assume a worker's approved ordinary overtime is absent from payroll. Establish the number of hours, the lawful hourly base and whether valid compensatory rest was agreed and taken. Apply the relevant premium and examine any weekend, holiday or night-work overlap. Do not simply multiply the monthly salary by a guessed percentage.

Correct the payroll and any affected declarations through the proper process. Provide a revised calculation showing gross adjustment, deductions and net payment. Consider late-payment interest where applicable. The correction record should explain the original error and the control introduced to prevent repetition.

Look beyond the individual complaint

If the same formula is used for other employees, test the wider population. A single complaint may expose a systematic problem in the treatment of part-time overtime, night work or variable holiday pay. Limiting the correction to the person who complained can leave ongoing liabilities and create an equality concern.

Preserve the employee's right to raise the issue without retaliation. Avoid asking for a broad waiver in return for payment already owed. Where settlement of a genuine dispute is considered, assess the mandatory-rights and wage-waiver provisions separately. Finance should report the financial effect, while HR or legal records the entitlement analysis; neither function should change the other function's records silently to make the reconciliation appear complete.

LEGAL BASIS & NOTES

LC arts 81, 87-91, 94, 118-123, 146; AD arts 7, 12-15.

Ordinary hours and time at the employer's disposal

For the ordinary working-time regime, the Code sets normal daily work at no more than eight hours and normal weekly work at no more than 40 hours. Working time includes time during which the employee is at the employer's disposal, including authorised training or retraining. A genuine break during which the worker is not at the employer's disposal is treated differently.

The normal journey to and from the individual workplace is excluded, subject to implementing exceptions. On-call arrangements, travel between work locations and periods of required availability need a factual assessment. An employer should not decide the legal treatment solely from a label such as 'standby' or 'voluntary availability'.

Record reality

Schedules, access records and timesheets should be compared periodically. If workers routinely answer instructions after their recorded shift, the business must examine the actual work rather than relying exclusively on the published rota. A requirement for advance overtime approval is a useful management control, but it does not make work knowingly required by management disappear.

Special regimes matter. The Code permits sector-specific working-time rules and expressly treats statutory homeworking and telework differently. Young workers also have a lower daily maximum. Apply the correct regime before using the ordinary limits as a universal formula.

Recommended scheduling process

Start with the contracted normal hours, identify predictable peaks, check individual restrictions, and plan sufficient staffing and rest. Monitor actual hours weekly and overtime cumulatively over the year. Explain who can approve an exceptional change and how the employee can report an unsafe or excessive workload.

The business should retain enough information to demonstrate compliance without relying on intrusive monitoring. A clear record of start, finish, breaks, approved additional hours and the reason for any exception is usually more useful than a large volume of unanalysed digital activity data. The objective is lawful working arrangements and accurate pay, not surveillance for its own sake.

Daily breaks, weekly rest and public holidays

Daily rest is at least 11 uninterrupted hours under article 78. Weekly rest is at least 36 hours, including 24 uninterrupted hours, and normally includes Sunday, subject to the permitted exceptions. Employers should check both daily and weekly requirements; a long break at the end of a month does not automatically cure repeated short intervals between shifts.

Article 54 requires an unpaid break of at least 20 minutes where work exceeds six continuous hours, taken after three and no later than six hours of continuous work. A further break of at least 20 minutes applies where continuous work exceeds nine hours. Separate paid-break rules address prolonged standing or bending and pregnancy.

Holidays are not ordinary rest days

Official holidays are normally paid non-working days. Work on a weekly rest day and work on an official holiday falling on a working day have different compensation structures under article 87. Weekly-rest work attracts at least a 25% pay supplement or the specified enhanced paid rest. Official-holiday work on a working day attracts at least a 25% supplement and equivalent paid rest.

The article regulates when compensatory rest is taken and the treatment of a holiday coinciding with weekly rest. Payroll and scheduling should therefore be reviewed together. Paying a premium without arranging required rest may leave part of the obligation unfulfilled.

Operational example

A hotel needs Sunday coverage. The manager should identify the applicable sector or collective rules, the worker's scheduled weekly rest and the compensation arrangement. Sunday is not automatically overtime merely because of its name, but the actual hours and rest-day status may trigger separate obligations.

Keep an annual holiday calendar and an individual rest record. When a schedule changes, verify the employee's preceding and following shifts, not only the changed day. Communicate compensatory rest clearly and record its use. Avoid informal arrangements in which employees are told they can 'take a day sometime later' without a lawful timing and compensation analysis.

Overtime limits and compensation

Overtime is work beyond normal daily hours or the maximum normal weekly duration. For part-time workers, work beyond their normal schedule is also overtime. The employer may request additional hours where necessary and possible, taking account of the employee's personal and family circumstances; the request is not unlimited.

Article 90 normally limits employer-requested overtime to 200 hours per year. Additional weekly overtime cannot be required once 48 hours have been worked. In special cases, weekly hours may exceed 48 over a period of up to four months if the average stays within 48. Article 90(4) permits exceeding the overtime maximum with Labour Inspectorate authorisation for force majeure or urgent work benefiting the population. Ordinary business pressure is not that exception.

Pay or compensatory rest

Under article 91, ordinary overtime not compensated by rest attracts normal pay plus at least 25%, subject to the article's treatment of collective agreements. By agreement, compensatory rest is at least 25% longer than the additional hours and is normally provided within two months, again subject to the statutory collective-agreement qualification.

Overtime during weekly rest or official holidays attracts rest of at least 150% of the additional hours or pay of at least 150% of the normal rate, subject to article 91(3)'s collective-agreement exception. This includes the compensation in the preceding paragraphs. Do not automatically add every percentage together; night-work overlap and more favourable terms require separate analysis.

Simple illustration

If the lawful ordinary hourly rate is ALL 600 and four ordinary overtime hours are payable at the minimum 25% premium, the amount is $4 \times 600 \times 1.25 = \text{ALL } 3,000$ gross. Agreed compensatory rest at the minimum would be five hours. The illustration excludes holiday, night-work and special-regime complications.

Overtime is prohibited during pregnancy and after childbirth until the child is one year old. Restrictions also apply to disabled workers on objectively justified grounds linked to disability and the work. Check individual protection before asking for consent: agreement cannot validate a statutory prohibition.

Evening work, night work and shifts

The Code distinguishes evening premiums from statutory night work. Each hour worked between 19:00 and 22:00 attracts a supplement of at least 20%. Each hour between 22:00 and 06:00 attracts at least 50%. Night work is defined by the latter interval. Article 80(2) limits continuous night work together with adjacent daytime work to eight hours, preceded or followed immediately by daily rest.

A night worker includes someone who normally works at least three hours of their daily work during the night, or the relevant portion of annual working time specified by law and agreements. Payroll should allocate hours to the correct time band rather than applying one flat premium to the entire shift without checking the result.

Shift design

Record the sequence of shifts, handover time, breaks and immediate daily rest. Before approving night-work plans, the Code requires consultation with employee representatives about organisation, occupational health and relevant social services. Consultation should recur in workplaces using night work, rather than occurring only when the first rota is introduced.

Young workers under 18 may not perform night work. Pregnancy and the period after childbirth require the specific medical and protective assessment in article 108. Where a woman is medically unfit for night work but fit for comparable daytime work, transfer and, where necessary, social-insurance protection must be considered under that article.

Payroll illustration

For an otherwise ordinary shift containing two hours from 20:00 to 22:00 and two from 22:00 to midnight, using an assumed lawful hourly rate of ALL 600, the supplements alone are ALL 240 and ALL 600 respectively. Base pay, overtime, rest-day treatment and any more favourable terms must be considered separately.

Night scheduling should also address safe access, fatigue, emergency response and supervision. A premium compensates the relevant working condition; it does not purchase permission to ignore safety or rest. Investigate recurring errors by comparing the published rota, actual attendance and the payroll calculation for the same period.

The current annual-leave entitlement

The Labour Code now requires at least 22 working days of paid annual leave during the working year. This wording reflects the 2024 amendment and replaces the older four-calendar-week formulation. An employer should update contracts, leave policies and payroll systems that still calculate entitlement from the superseded wording.

Official holidays do not count as annual-leave days. If an official holiday falls during paid annual leave, the leave is extended accordingly. Where the employee has not completed a full working year, entitlement is proportionate to the duration of the employment relationship. Periods of temporary incapacity are treated as working time for this purpose.

Plan leave, do not merely accumulate it

The employer determines the start date while taking the employee's wishes into account and must notify the employee at least 30 days in advance. Annual leave should be provided during the working year or by the end of the first quarter of the following year. The separate three-year limitation provision must not be misread as permission routinely to postpone leave for three years.

Leave is postponed where the worker is hospitalised or remains at home because of medically certified illness or accident during the leave period. Maintain a clear process for notification and evidence, without treating every illness report as a disciplinary matter.

Practical review

Check contractual entitlements above the minimum, working patterns, opening balances, leave already taken and any protected absence. Explain the balance to the employee and agree a workable schedule within the statutory framework. Managers should not approve leave informally while payroll continues to treat the same period as work.

Cash substitution during employment is prohibited. Payment for unused entitlement becomes relevant when the employment relationship has ended and leave remains untaken. An employer should therefore avoid offering a 'leave buy-out' as the standard solution to understaffing. Repeated inability to release staff is a workforce-planning problem that must be addressed directly.

Accrual, scheduling and leave pay

Annual-leave administration should connect entitlement, scheduling and payment. A balance is not complete unless the employer can show the working period to which it relates, the days taken and the pay provided. For a partial working year, article 92 requires proportional entitlement; the organisation should use a consistent method that does not reduce the statutory minimum through arbitrary rounding.

For a straightforward half-year of qualifying service under a 22-day annual entitlement, the proportional illustration is 11 working days. Actual calculations must consider the precise service dates, work pattern and any more favourable terms. Do not use the example to resolve every irregular schedule or disputed carry-over balance.

Pay during leave

The employee should receive the pay they would have earned had they not taken leave, with the appropriate allowance for remuneration in kind. The applicable salary is the salary at the time leave is taken. For variable pay, the Code uses the previous year's monthly average, subject to indexation. Leave pay is due when leave begins.

This can differ from simply paying basic salary. Review regular supplements, variable remuneration and the applicable calculation rules before excluding an item. Genuine expense reimbursements have a different character from remuneration and should not be confused with it.

A defensible scheduling record

Record the employee's request, operational considerations, the employer's decision, advance notification, actual dates and any illness-related postponement. Where the preferred dates cannot be accommodated, explain the reason and offer a lawful alternative. Avoid repeatedly rejecting requests without arranging the entitlement within the required period.

At termination, reconcile each year's entitlement rather than treating an unverified system balance as conclusive. Identify any genuine limitation issue, the effect of the employer's own records and the legal basis for the final calculation. Provide a clear breakdown of unused-leave payment alongside other final amounts, so that the employee can distinguish it from notice, salary and seniority compensation.

Leave records and common mistakes

An effective leave register records commencement of employment, entitlement, actual leave dates and leave pay. It should distinguish annual leave from public holidays, sickness, maternity, parental leave and other statutory absence. Combining every absence into one generic category makes both payroll and legal review unreliable.

Managers should approve the relevant category, while payroll checks its financial treatment. A worker absent on medically certified sickness should not automatically lose annual-leave days. Likewise, the fact that a person was away from the office does not establish that they took annual leave if they were still performing required work remotely.

Errors to look for

Common problems include carrying forward an old four-week entitlement after the 2024 amendment, counting public holidays as leave, deleting balances at year-end without legal analysis, using cash instead of leave during employment, and calculating variable-pay leave on basic salary alone. Each error requires correction of the underlying records, not merely a revised policy.

Where historical data are incomplete, reconstruct them from requests, approvals, schedules, payroll and correspondence. Identify gaps openly and seek the employee's information. Do not ask staff to sign a pre-filled statement that all leave was taken when the organisation cannot substantiate it.

Recommended monthly control

HR should review approaching carry-over deadlines, employees with no planned leave and unusual negative balances. Finance should reconcile leave-related payments. Managers should confirm that approved leave was actually taken and that coverage arrangements did not require the worker to remain on duty.

If the employer needs to change approved arrangements, examine the legal and contractual position and discuss practical consequences promptly. A broad policy giving management unrestricted power to cancel leave can conflict with the purpose and scheduling rules of the entitlement. Keep the decision, reasons and any agreed alternative in the file.

The register is also a management tool: persistent unused leave may reveal workload, understaffing or unequal treatment. Address those patterns before they become a dismissal dispute or a health and safety concern.

LEGAL BASIS & NOTES

LC arts 32, 92-95; AD arts 12-13. Monthly reconciliation is recommended practice.

Marriage, bereavement and family events

The Code provides specific leave for important family events. Under article 96, an employee receives five days of paid leave for their marriage or the death of a spouse or cohabiting partner, direct ascendants or direct descendants. The precise family relationship matters; an employer may offer more generous compassionate leave, but should distinguish that benefit from the statutory entitlement.

For serious illness of the specified family members, cohabiting partner, direct ascendants or descendants, supported by medical evidence, article 96 provides up to 30 days of unpaid leave. On the birth of a child, the spouse or cohabiting partner receives three days of paid leave. These rights are separate from maternity, parental and dependent-child care provisions.

Respond with clarity and proportion

Explain the available category, pay treatment and reasonable evidence needed. Collect only information necessary to administer the entitlement. A bereavement or serious family illness should not trigger unnecessary disclosure of detailed medical history to the employee's line manager.

Where several provisions may apply, identify the actual event and avoid both automatic denial and automatic addition of every allowance. Child-care absence under article 132, unpaid parental leave under article 132/1 and serious-family-illness leave under article 96 have different purposes and conditions.

Policy design

A clear family-leave policy should state statutory entitlements accurately and separately identify enhanced company benefits. Use inclusive terminology matching the law, including cohabiting partners where expressly covered. Train managers to refer uncertain requests to HR rather than making assumptions about an employee's family arrangements.

The organisation may choose to provide additional compassionate leave or flexible working support. Apply such discretion consistently, record the rationale and consider equality and reasonable accommodation. A discretionary benefit is not a reason to require the employee to waive another statutory entitlement. At payroll cut-off, confirm the correct absence code and whether any additional agreed period is paid or unpaid, so that a compassionate response is not undermined by an unexpected salary deduction.

LEGAL BASIS & NOTES

LC arts 96, 132, 132/1; AD arts 1, 12-13.

Protecting pregnancy at work

Pregnancy requires an individual assessment of work and health risks, not assumptions about commitment or future availability. The Labour Code prohibits work during the 35 days before childbirth and 63 days afterwards; the pre-birth period is 60 days for a multiple pregnancy. Heavy or dangerous work harmful to the mother or child is also prohibited under the applicable rules.

Safety duties require assessment and control of pregnancy-related risks. For return after the compulsory absence, article 104(3)-(5) specifies temporary adjustment of unsafe conditions or hours, followed by suitable comparable work if adjustment is technically or objectively impossible or cannot reasonably be required. If transfer is also impossible on those grounds, the applicable social insurance benefits protect the necessary period. Document each step rather than moving immediately to unpaid absence.

Medical information and appointments

Employer-required pregnancy tests before recruitment are prohibited, subject to the narrow exception for work conditions that can adversely affect pregnancy or endanger mother or child. During pregnancy, necessary medical appointments within working hours attract paid leave by agreement with the employer. Managers need information about restrictions and arrangements, not unrestricted access to clinical records.

Overtime restrictions and the special night-work provisions must be checked separately. A general willingness to work extra hours does not override a statutory prohibition. Medical confirmation that night work is harmful triggers the protective arrangements in article 108, including suitable daytime transfer where feasible.

A documented accommodation process

Assign HR and a competent safety adviser to assess the particular job. Record the risk, proposed adjustment, employee discussion, medical advice where appropriate and the review date. Explain the pay and benefit implications before implementing a change.

Avoid removing responsibilities merely because an employee is pregnant. Equally, do not leave an identified hazard unchanged to preserve a job description. Employment protection and safety protection must operate together, supported by objective evidence and a proportionate response.

PART 10 / PREGNANCY AND PARENTHOOD

Maternity leave and income support

Maternity protection under employment law and maternity income under social insurance are connected but distinct. HR should confirm the employee's contribution history and the applicable benefit route with the Social Insurance Institute (ISSH). A promise that everyone automatically receives full salary for a year would be incorrect.

The ISSH's published guidance describes maternity benefit for 365 calendar days, including at least 35 days before and 63 days after birth. For multiple births, the period is 390 days, with at least 60 days before and 63 after. Ordinarily, 12 months of insurance are required for each entitlement, with an exception where the next maternity entitlement arises within 24 months of the previous birth.

Understand the calculation

The stated benefit is 80% of the average daily net assessed base for the previous 12 months during the pre-birth period and the first 150 days after birth, and 50% for the remaining period. This is not simply 80% or 50% of whichever gross salary appears in the latest contract. The competent institution determines the actual claim.

An employer may provide an enhanced contractual benefit. State whether it supplements statutory income or provides a separate payment, how it is calculated and how double payment is avoided. Review tax and contribution treatment before processing an enhancement.

Practical preparation

Before leave, confirm documents, expected dates, payroll treatment, a contact person and responsibility for submissions. Arrange a temporary handover without pressuring the employee to work during the statutory prohibition. Record any later medical or birth-date changes in the same calendar.

Keep benefit administration distinct from decisions about promotion, restructuring and contract renewal. Delayed paperwork is an administrative problem to resolve, not evidence that the employee has abandoned work. Explain uncertainties openly and obtain the institution's assessment where entitlement or calculation is disputed.

LEGAL BASIS & NOTES

LC arts 104-107; SS, maternity provisions; ISSH, "Barrëindja", reviewed 24 October 2026.

Returning after birth or adoption

After the compulsory 63-day post-birth period, the mother decides whether to return to work or continue receiving the applicable social insurance benefit. Where she returns voluntarily, article 105 provides, for feeding the child until the age of one year, a choice by agreement with the employer between a two-hour paid break during normal daily hours and a two-hour reduction of daily hours with unchanged pay.

At the end of maternity leave, the employee has the right to return to the same or an equivalent position on terms no less favourable, including improvements that would have applied during the absence. A replacement employee's successful performance does not remove that right.

Adoption and shared care

The Code recognises adoption leave under social insurance legislation for one adopting parent, mother or father, and protects return to the same or an equivalent role. Eligibility, benefit duration and any transfer of caring responsibility require review under the social insurance rules; they should not be inferred from the general unpaid parental-leave entitlement.

ISSH guidance also recognises circumstances in which an insured father or adopting parent may use the post-birth benefit after the compulsory period when the mother does not use it or is not entitled. Obtain a case-specific determination before changing the beneficiary or payroll coding.

Plan a genuine return

Discuss the role, systems access, working arrangements, training and any safety adjustment before return. Include the employee in ordinary pay reviews and relevant organisational information. Do not make acceptance of a less favourable job a condition of coming back.

If the previous role has genuinely disappeared, assess equivalent work and the applicable change or termination rules carefully. Keep evidence of the business decision, consultation and alternatives. An employee's absence must not become a convenient selection criterion, and any dismissal must also satisfy the special protection rules.

PART 10 / PREGNANCY AND PARENTHOOD

Unpaid parental leave

An employee with more than one year of uninterrupted service with the same employer is entitled to at least four months of unpaid parental leave until the dependent child reaches six. The entitlement belongs individually to each parent and is not transferable, except where a parent dies. It is different from maternity benefit and the short paid birth-related leave.

Leave may be divided, subject to the Code's minimum of one week in a year; duration is recorded in a written agreement. For adoption, parental leave may be taken within six years of adoption but no later than the child's twelfth birthday. Check the child's age, adoption date and service history before confirming the arrangement.

Request and postponement

The employee must give written notice at least two weeks before the proposed start. Following consultation, the employer may postpone the start by up to six months for the specified operational reasons: inability to find temporary cover, simultaneous requests from many employees or a position of particular importance.

The employer must communicate the reasons for postponement in writing within two weeks of the request. This is a controlled postponement power, not an unrestricted ability to refuse parental leave. A generic statement that the business is busy is weak evidence of the statutory justification.

Working example

An eligible employee requests six weeks of leave beginning in three weeks. HR verifies service and age, records the balance and asks the manager to plan cover. If a genuine statutory postponement ground exists, the employer consults promptly, considers a workable alternative and issues a reasoned written decision within the response period.

The written arrangement should identify dates, unpaid status, contact for administrative matters and the return arrangements. Review the interaction with insurance and other benefits rather than promising that every employment-related accrual continues unchanged. Apply the same process consistently to eligible mothers and fathers.

LEGAL BASIS & NOTES

LC art 132/1; GE arts 25-26; AD arts 12-13. The example is illustrative.

PART 11 / ILLNESS AND OTHER ABSENCE

Sickness: evidence and payment

Where illness prevents work, article 130 requires the employer to pay at least 80% of wages for the 14-day period not covered by social insurance. Subsequent insurance entitlement and administration are governed by the social insurance regime. An employer's more favourable contractual sick-pay scheme should be identified separately.

The employee proves incapacity through a medical certificate. The Code provides a verification procedure and, where medical views differ, an assessment involving a doctor designated by the Labour Inspectorate. Verification concerns incapacity for work and must respect medical confidentiality. A manager should not substitute a personal opinion for a medical assessment.

A fair absence process

Require timely notification through a workable channel, receipt of the appropriate certificate and an expected review date. Distinguish a missing administrative document from an established refusal to work. Before withholding pay or taking disciplinary action, clarify whether the employee could reasonably comply and whether the statutory verification conditions are met.

Workplace accidents and occupational disease fall within the specific social insurance framework in article 131. They also require safety investigation and any mandatory reporting. Coding such an absence as ordinary unpaid leave can conceal both a benefit problem and a continuing workplace hazard.

Payroll and privacy controls

Record the category, covered dates, payer, rate and any contractual enhancement. Share operational information with the manager while restricting medical detail. Reconcile overlapping certificates and benefit periods before closing payroll, and correct errors transparently.

The Code contains particular consequences for unjustified refusal of lawful verification and for illness arising from gross negligence, including agreement or court determination in the latter situation. These provisions do not authorise routine unilateral deductions whenever management doubts an employee. Obtain advice on the evidence and procedure before treating a disputed medical absence as misconduct.

LEGAL BASIS & NOTES

LC arts 33, 130-131; SS; DP.

PART 11 / ILLNESS AND OTHER ABSENCE

Child care and legal obligations

Article 132 provides paid absence of up to 12 days a year where necessary care is required for dependent children. For an employee with a child up to three years old, it also addresses paid leave of up to 15 days where the child is ill, supported by medical evidence, and an additional unpaid period of no more than 30 days a year.

These provisions should be applied to the actual circumstances, not presented as an automatic combined allowance for every employee. The leave is for the parent actually providing care, with alternating use between parents where appropriate. Medical verification rules apply by analogy.

Categorise the absence correctly

Ask which child needs care, the relevant age, the necessary dates and the supporting evidence. Avoid excessive collection of the child's medical details. Clarify whether the request concerns ordinary necessary care, certified illness, serious family illness under article 96 or longer unpaid parental leave under article 132/1.

Keep a category-specific balance. Combining all family-related absence under a single discretionary allowance risks denying statutory rights or paying the wrong amount. A more favourable company policy can simplify administration, but its relationship to the legal minimum must remain clear.

Compliance with a legal obligation

Under article 133, an employer pays wages for up to 14 working days when an employee is absent to fulfil a legal obligation. The employer may deduct compensation received for that obligation. Confirm the nature of the duty and the supporting notice rather than treating every appointment with a public body as qualifying absence.

For both care and civic duties, document the decision and payroll treatment promptly. Managers should plan operational cover without penalising lawful absence in appraisal or promotion decisions. Review patterns objectively, distinguishing attendance concerns from disability, pregnancy, family responsibilities or other protected circumstances that may require a separate assessment.

LEGAL BASIS & NOTES

LC arts 96, 132, 132/1, 133; AD arts 1, 12-13; GE arts 25-26.

PART 11 / ILLNESS AND OTHER ABSENCE

Disability, capacity and adjustments

Disability can affect how work is performed without making the employee incapable of doing the job. The Labour Code and Anti-Discrimination Law require consideration of reasonable accommodation. Refusal of accommodation can itself constitute discrimination; the assessment must address the individual's needs and whether the proposed measures impose a disproportionate burden.

Begin with the essential functions of the role and relevant professional advice. Consider changes to equipment, access, communication, scheduling, task organisation or suitable reassignment. Do not demand a full medical history when functional information will answer the employment question.

Separate capability from conduct

An employee who cannot meet a requirement because of a medical limitation presents a different issue from an employee who deliberately refuses a lawful instruction. A performance plan that ignores a known adjustment need may create rather than resolve a discrimination risk.

Discuss possible measures with the employee, assess costs and operational effects, and record why alternatives are accepted or rejected. A small employer's resources are relevant to proportionality, but they do not replace an individual assessment. Temporary measures may be useful while further information is obtained.

Review before any exit decision

Check the special protection during qualifying incapacity and approved leave, the actual medical position, available adjustments, comparable roles and applicable termination procedure. Neither a diagnosis nor a prolonged absence automatically supplies a lawful ground for dismissal.

Maintain a review timetable proportionate to the circumstances. Measure whether an adjustment works and whether the role or health position has changed. Keep sensitive records separate from ordinary performance notes. If the relationship cannot continue, the decision should rest on documented requirements and lawful procedure, with equality and compensation risks assessed independently. Do not use a settlement request as a substitute for considering reasonable accommodation first.

LEGAL BASIS & NOTES

LC arts 9, 32-33, 90, 144, 147; AD arts 3, 12-13; DP.

PART 11 / ILLNESS AND OTHER ABSENCE

Case study: an unexplained absence

A payroll clerk has not attended work for four days. The manager wants immediate dismissal, but a colleague reports that the employee is in hospital. The first task is to establish the facts and protect continuity, not to assign a legal label based on an incomplete attendance record.

Contact the employee through the agreed channel, asking for confirmation of circumstances and any appropriate certificate. Record attempts and responses. Arrange temporary cover and secure sensitive financial access proportionately, without announcing misconduct to colleagues. If the absence is medical, process it through the relevant sickness and protection rules.

When no explanation is received

Article 156 addresses unjustified abandonment and gives significance to the absence of written notification within seven days. Its conditions must be established; four days of silence with credible hospital information is not a safe basis for treating the provision as satisfied. Incapacity to communicate and later evidence may materially change the assessment.

An unjustified absence may instead require investigation under the disciplinary and termination framework. Check the policy, previous warnings, employee explanation and seriousness. A pay decision and a dismissal decision are separate legal questions, even when they arise from the same absence.

Keep the decision auditable

The file should show the scheduled work, actual absence, contact attempts, evidence received, applicable protection, hearing where required and reasoned outcome. Correct attendance and payroll records if the original classification was wrong.

If the employee returns with evidence, assess it rather than refusing it because a manager has already decided to dismiss. If abandonment is established, review the Code's limited compensation mechanism and the employer's short claim period. Avoid an automatic fine or deduction: liability, available set-off and the deadline require separate analysis. This sequence protects the business while reducing the risk of turning a manageable absence into an unlawful termination dispute.

LEGAL BASIS & NOTES

LC arts 37, 122-123, 130, 144, 147, 153, 156. This is a hypothetical example.

Assess risk before work begins

The employer must provide safe and healthy working conditions. The duty is operational: identify hazards, assess risk, prevent exposure and verify that protective measures work. A signed acknowledgement of a safety policy does not transfer responsibility to the employee or cure an unsafe process.

The Labour Code requires risk assessment for workplaces and preventive measures. Law no. 10 237/2010 provides the wider occupational safety framework. Sector-specific rules, equipment standards and implementing decisions may add requirements. Offices, remote work, construction sites and industrial operations need different assessments.

Build a useful risk register

For each activity, identify who can be harmed, how harm could occur, existing controls and necessary improvements. Consider machinery, electricity, fire, manual handling, substances, work at height, ergonomics, fatigue and psychosocial risks. Include contractors, temporary staff, new workers and people with particular vulnerabilities.

Allocate a named owner and completion date to each action. Prioritise eliminating hazards or reducing exposure before relying solely on personal protective equipment. Under OSH article 7, designate responsible workers and use qualified external services where internal capacity is insufficient. Article 23 requires every employer to arrange occupational medical services appropriate to workplace risks.

Review changes and actual practice

Update the assessment when equipment, premises, tasks, staffing or relevant health information changes, and after incidents or near misses. Examine whether employees follow the intended system under real workload and production pressures. A procedure that cannot be followed during normal operations needs redesign.

OSH articles 14-16 require a safety council for enterprises with more than 50 employees. Enterprises with up to 50 elect a representative to the council established at professional or interprofessional level; high-risk workplaces elect a representative regardless of headcount. Document consultation and corrective actions. Labour Code article 42 requires an accident register covering the preceding three years, alongside the risk assessment and safety documentation.

LEGAL BASIS & NOTES

LC arts 39-44, 54-75; OSH arts 6-7, 14-16, 23. The register structure is recommended practice.

Training, equipment and emergency readiness

Safety training must correspond to the actual work, its hazards and the worker's understanding. The Code requires instruction when work starts and when relevant conditions change, including new equipment or duties. An attendance sheet proves attendance, not that a worker can safely perform a hazardous task.

Use practical demonstrations, understandable instructions and competence checks. Authorise only appropriately qualified or trained personnel to operate equipment where required. Temporary and agency staff need site-specific information even where another entity is their contractual employer.

Make protection usable

Provide appropriate protective equipment without charging workers where required, maintain it and explain when and how to use it. Assess fit, compatibility and replacement. Avoid treating a maximum legal load or technical specification as evidence that a task is safe for every individual.

Emergency arrangements should include clear exits, fire precautions, first-aid resources and trained personnel. Labour Code article 66 requires an annual fire exercise. OSH article 8 requires at least one trained emergency-response worker, or two where more than 20 people work in the same work environment. Shared workplaces require cooperation and a safety coordinator under OSH article 6(6).

A practical verification cycle

Inspect the premises, test the relevant arrangements and record deficiencies. Confirm that emergency contacts are current and that workers know how to report an immediate danger. Include visitors and contractors where relevant. A locked exit or obstructed route cannot be justified by a written evacuation plan.

Management should review completion of corrective actions and recurring problems. Where a worker raises a safety concern, investigate promptly and assess any proposed instruction against the Code's protection concerning dangerous work. Do not frame a good-faith safety report as disloyalty. The objective is a functioning safe system, supported by evidence, rather than a folder assembled only when an inspector announces a visit.

LEGAL BASIS & NOTES

LC arts 23, 39-44, 55-75; OSH arts 6, 8, 19. Verification-cycle recommendations supplement statutory duties.

Responding to an accident or serious risk

The immediate priority after an accident is medical assistance and prevention of further harm. Stop or isolate the dangerous activity and preserve the scene where compatible with rescue. OSH article 25 requires immediate employer notification to labour inspection and ISSH; notify the prosecution in fatal accidents or where a criminal offence is suspected, and other bodies required by special law. Do not wait for the internal investigation.

Record the time, location, task, equipment, witnesses, injuries and measures taken. Preserve relevant maintenance records, training evidence and lawfully obtained photographs or system records. Avoid asking witnesses to agree a common account; independent statements are more reliable.

Investigate causes, not only fault

Examine equipment, supervision, staffing, instructions, fatigue and pressures that may have contributed. An employee's mistake does not necessarily answer whether the employer provided a safe system. Investigate contractors' responsibilities and any shared-site arrangements where relevant.

Social insurance benefits for workplace accidents and occupational disease must be coordinated with the employment record. Article 39 also addresses employer liability, including serious fault and the consequences of failure to register a worker for insurance. Insurance administration is not a substitute for the safety investigation.

Return to safe operation

Document corrective measures, the person approving restart and how their effectiveness will be checked. Consider medical restrictions and reasonable accommodation when planning a return to work. Keep health details appropriately restricted and communicate operational lessons without exposing unnecessary personal information.

Cooperate with the Labour Inspectorate and other competent authorities. Preserve evidence of service of any measure, its compliance date and available review route. The general inspection framework changed with Law no. 99/2024; do not rely on an old generic appeal timetable. Obtain the current procedure for the specific act and act promptly where work, health or enforcement deadlines are at stake.

LEGAL BASIS & NOTES

LC arts 39, 42, 131; OSH arts 24-28; INS. Check implementing reporting requirements for the incident concerned.

Young workers and higher-risk activities

Children and young workers receive special protection. Employment below 16 is generally prohibited, subject to the Code's specific exceptions. Light work during school holidays may be allowed for ages 15 to 16; cultural and similar activities for younger children require the particular legal conditions and authorisation. These exceptions must not be used to staff ordinary adult roles informally.

Workers aged 16 to 18 may perform permitted light work. The Code restricts their daily hours, prohibits night work and hazardous work, and requires medical fitness safeguards. Parental agreement alone does not remove these restrictions or replace a required authorisation.

Assess the task, not its job title

A role described as an assistant may involve machinery, chemicals, lifting or late-night shifts. Assess the tasks actually assigned and the work environment. Verify age and the relevant implementing rules before work begins, and ensure supervision appropriate to experience and risk.

Similar care is needed for pregnant or breastfeeding employees, workers with disabilities and anyone medically unfit for a particular exposure. Their circumstances require the applicable protective regime and individual assessment, not a blanket exclusion from employment.

Sector-specific control

Construction, transport, hospitality, healthcare and manufacturing can involve additional licensing, scheduling, technical and safety obligations. A general employment contract does not establish compliance with those rules. Assign a competent person to identify the relevant sector requirements and maintain a current obligations register.

When outsourcing hazardous work, examine competence, coordination and reporting arrangements. Contractual allocation of responsibilities should reflect actual control, but cannot erase mandatory duties owed to workers. Before authorising a new activity, confirm that the legal age, training, health, equipment and supervision requirements are all satisfied. A commercial deadline is not a lawful reason to proceed while those conditions remain unresolved.

LEGAL BASIS & NOTES

LC arts 78, 98-103, 104, 108; OSH; applicable sector rules require separate verification.

PART 13 / EMPLOYEE DATA AND PRIVACY

Collect only what the job requires

An employer needs reliable information to recruit, pay, insure and manage workers. That need is not permission to collect anything that might later be useful. Article 33 of the Labour Code limits collection to information connected with professional ability or necessary for performance of the contract, and requires security and continuing confidentiality.

Law no. 124/2024 on personal data protection adds a broader framework of lawful basis, purpose limitation, transparency, minimisation, accuracy, security and accountability. A payroll obligation, an employment contract and an optional marketing photograph involve different purposes and may require different legal bases.

Do not rely on blanket consent

Consent is not a universal solution to employment data processing. The employment relationship can affect whether agreement is freely given. Identify the actual legal basis and explain the processing through a clear privacy notice. A signature acknowledging receipt of that notice is different from consent to an optional activity.

Health information, union membership and other sensitive data require the applicable additional conditions and safeguards. Restrict access to those who need it. A manager usually needs functional restrictions or approved absence dates rather than diagnostic detail.

Practical data inventory

List the information collected, purpose, legal basis, source, users, systems, recipients and retention rule. Include spreadsheets, paper files, recruitment platforms, messaging applications and outsourced payroll. Informal copies on a manager's personal device are still part of the organisation's risk.

Give employees an accessible channel for questions and rights requests. Verify identity proportionately, record the request and assess relevant deadlines and exceptions. For access requests, article 14 of the data-protection law requires a response within 30 days of submission. Do not disclose another employee's private information merely because it appears in the same investigation or email chain. Provide the information lawfully due while protecting third-party rights and any applicable confidentiality.

LEGAL BASIS & NOTES

LC art 33; DP arts 6-9, 14 and other data-subject rights; IDPC guidance.

Monitoring, cameras and digital tools

Workplace monitoring should have a defined, lawful purpose and be necessary and proportionate to that purpose. Ownership of a computer, vehicle or premises does not by itself justify continuous surveillance of every employee activity. Assess less intrusive alternatives and the actual risk before deployment.

For cameras, access logs, location tools or email monitoring, determine what is recorded, when, who can access it, retention and how employees are informed. Review the Commissioner's current rules and guidance, including video-surveillance requirements. Avoid monitoring areas or activities where privacy expectations make the measure disproportionate.

Separate security from performance control

A system introduced to protect premises should not quietly become a tool for ranking bathroom breaks or tracking personal communications. A new purpose requires its own assessment. Access to a mailbox during absence or after departure should follow a limited, documented process that protects private and third-party information.

Biometric attendance and automated scoring can create greater risks than a conventional register. Assess the applicable sensitive-data rules, impact-assessment duties and restrictions on automated decisions. Do not assume that a supplier's claim of compliance resolves the employer's own responsibilities.

Implementation checklist

Record the business need, legal basis, alternatives, data categories, retention and access permissions before installation. Give clear notices, train authorised users and keep access logs. Check whether consultation with worker representatives or other procedural steps are required for the proposed change.

Review the system periodically and remove excessive collection. If evidence obtained through monitoring is proposed for disciplinary action, examine both the lawfulness of collection and the fairness of the employment process. Useful evidence is not necessarily lawfully obtained evidence; the employer should be able to justify the measure independently of the allegation it later seeks to prove.

LEGAL BASIS & NOTES

LC arts 32-34, 33/1, 37; DP; IDPC implementing instructions. Checklist is recommended practice.

Payroll providers and international systems

Outsourcing payroll or using an international HR platform does not remove the employer's data-protection responsibilities. Identify whether each party acts as controller, processor or another role for each activity. A provider may process payroll on instructions while independently fulfilling a separate legal obligation.

Contracts should address the required processing terms, confidentiality, security, authorised subcontractors, assistance with rights requests, incidents and return or deletion. Due diligence should test actual practices: where data is hosted, who can access it and how access is removed when personnel change.

Cross-border access matters

A foreign group headquarters' access to Albanian employee files may involve an international transfer even where no paper record leaves the office. Map locations, recipients and remote support access. Apply the transfer mechanisms and conditions under the Albanian law; a group policy or European supplier address is not a complete legal analysis.

Minimise shared information. Group reporting may need aggregate headcount and cost rather than identifiable medical records or full disciplinary files. Give recipients only what their role requires and keep a record of the lawful purpose.

Incident response

Prepare a process for lost devices, misdirected payroll emails, compromised accounts and unauthorised disclosure. Contain the incident, preserve evidence, identify affected information and assess notification duties promptly under the applicable law. Supplier contracts should enable timely information, not allow the provider to wait until its investigation is complete.

Test recovery and access controls before a crisis. Use individual accounts, appropriate authentication and controlled document sharing. At contract termination, confirm what data is returned, what is deleted and what must lawfully remain. The record should demonstrate a reasoned decision about each dataset, rather than a general instruction to keep everything indefinitely for convenience.

Retention after employment ends

The Labour Code contains specific personnel-file rules that should not be replaced by a generic statement that all employee records may be kept for several years. Article 33(4), referring to the situation under article 146(2), specifies six months from the employer's receipt of the relevant notification. Article 33(5) otherwise addresses retention until employment ends and employee consent for processing beyond that period.

These provisions require careful reconciliation with separate legal obligations and lawful processing grounds for particular records. Payroll and tax evidence, social insurance records, an actual court file and an ordinary personnel file are not interchangeable categories. Identify the precise rule for each rather than assuming one universal period.

Build a category-based schedule

For every category, record the applicable obligation or lawful basis, retention trigger, period, access restrictions and disposal method. Where litigation or an official investigation requires preservation, define the relevant material and scope with legal advice. A legal hold should not become an excuse to retain unrelated health or recruitment data indefinitely.

The data-protection law's storage-limitation principle continues to apply. Consent, where relied on, must satisfy the law and does not cure excessive collection. Explain the employer's position transparently and assess requests for access, correction or deletion on their merits.

A controlled exit process

At departure, remove ordinary system access, recover business equipment and identify the records that must remain for a lawful purpose. Restrict retained material to the responsible team. Set review dates and document deletion or anonymisation when the basis ends.

Do not delete relevant evidence merely because a claim is inconvenient, and do not retain the entire digital life of a former employee because a claim is theoretically possible. The defensible position is a documented, proportionate reconciliation of the employment-specific rules, the particular statutory retention duties and the data-protection framework.

LEGAL BASIS & NOTES

LC arts 33, 146(2); DP arts 6-7 and applicable rights/exceptions. Specific retention schedules require tailored advice.

PART 14 / CONFIDENTIALITY AND REPORTING

Loyalty and confidential information

Employees must perform their duties with care and respect legitimate employer interests. The Code addresses confidentiality and conduct that competes with the employer during employment. A clear policy helps identify sensitive client, pricing, financial and technical information and explains authorised use.

Confidentiality should be proportionate to the information and the role. Mark sensitive material, control access and train staff. A clause describing everything an employee sees as permanently secret can obscure the interests that genuinely require protection and conflict with lawful reporting rights.

Protect legitimate disclosure

The Code recognises reporting of criminal conduct and breaches of labour or contractual obligations. The whistleblowing regime adds specific protection for qualifying reports. A confidentiality clause should expressly preserve disclosures required or protected by law, cooperation with competent authorities and access to legal advice.

Do not require an employee to obtain the alleged wrongdoer's approval before raising a concern. Equally, protected reporting is not a general licence to publish unrelated personal data or trade secrets. The legal route, subject matter and conditions of protection matter.

Practical safeguards

Use access permissions aligned with duties, secure file-sharing and a clear process for returning records. At exit, confirm outstanding obligations without claiming ownership of the employee's general experience or skills. Investigate suspected misuse on evidence and preserve any relevant records lawfully.

If damage is alleged, establish the duty, breach, fault, causation and recoverable loss. The Code's liability and protected-wage rules constrain unilateral recovery. Commercial frustration does not authorise a salary fine or an arbitrary deduction for missing clients. Coordinate any claim with the employer's notification and limitation requirements, and distinguish recovery of actual loss from an unenforceable penalty intended simply to deter departure.

LEGAL BASIS & NOTES

LC arts 23-28, 122-123, 203; WB arts 3, 13, 23-25.

PART 14 / CONFIDENTIALITY AND REPORTING

Post-employment non-compete clauses

A non-compete restriction after employment is exceptional and subject to specific conditions. The Labour Code requires an adult employee, a written agreement and access to manufacturing or business secrets whose use could cause serious harm. The employer must pay at least 75% of salary during the restriction period.

The restriction must be appropriately limited by place, time and activity and cannot exceed one year. The court may reduce an excessive restriction. A standard clause copied into every contract, regardless of role or confidential access, is therefore a weak compliance strategy.

Check whether protection is necessary

Identify the particular information or relationship at risk and whether confidentiality, access controls or a narrower lawful restriction would address it. Calculate the financial commitment before asking the employee to sign. The employer should not promise compensation in a clause while budgeting as though the restriction costs nothing.

Under article 30, the restriction ends when the employer no longer has a substantial interest in maintaining it. The Code also limits its application where the employer terminates without justified cause or the employee terminates for a justified reason connected with the employer.

Draft and enforce proportionately

Define the prohibited activity precisely, the territory, duration and payment mechanism. Examine any contractual penalty and the Code's conditions for seeking cessation of competing activity. The court's power to assess or reduce consequences means a large penalty is not a guaranteed recovery.

Before enforcement, review the termination circumstances, the protected interest, the employee's actual conduct and the employer's payment obligations. Do not assume that a clause labelled non-solicitation or confidentiality escapes these rules if its substance prevents lawful work. A proportionate, paid and fact-specific arrangement is more credible than a blanket prohibition on joining any business in Albania.

LEGAL BASIS & NOTES

LC arts 28-31. Application to a particular restrictive covenant requires individual assessment.

PART 14 / CONFIDENTIALITY AND REPORTING

Work product and intellectual property

Employment does not produce the same ownership result for every invention, document, software tool or creative work. The Labour Code distinguishes inventions made in the course of contractual duties from other inventions and addresses use of works and software created in employment. Intellectual-property legislation may add further rules.

Under article 135, inventions arising from performance of contractual duties belong to the employer within the provision's conditions. For inventions outside those duties, a written reservation and the Code's election and compensation rules may matter. The employer's six-month election period should not be confused with an unrestricted claim to everything created by an employee.

Define the expected output

Job descriptions and contracts should identify development duties and the work product expected. Record pre-existing materials, third-party licences and any authorised use of open-source software. A contractor's deliverables require their own contractual analysis; they are not automatically governed by the employee provisions.

Article 136 links the employer's use of relevant works and software to the purpose of the contract. If wider rights are needed, obtain appropriate, lawful drafting rather than relying on an undefined assertion that all rights transfer forever.

Operational controls

Maintain project records showing contributors, dates, duties and source materials. Use business-controlled repositories and ensure that credentials and necessary documentation remain accessible when personnel leave. These controls are usually more useful than trying to reconstruct ownership after a dispute.

Where an employee discloses a potentially valuable invention, record receipt and refer it promptly for legal assessment of ownership, election and remuneration. Keep the disclosure confidential while assessing protection. Separate questions of ownership from permission to use personal data, confidential third-party information or licensed components: a business may own its work product yet still lack rights to material incorporated into it.

LEGAL BASIS & NOTES

LC arts 135-136; applicable intellectual-property legislation requires separate review for the particular right.

PART 14 / CONFIDENTIALITY AND REPORTING

Whistleblowing under the 2025 law

Law no. 96/2025 on whistleblowing and whistleblower protection replaces Law no. 60/2016. Policies still referring only to the old law need review. The new regime covers specified breaches of the legal framework in a work-related context and protects a wider range of reporting and connected persons, subject to its conditions and exclusions.

Private entities with more than 50 employees must establish a responsible reporting unit. The requirement also applies regardless of headcount to specified financial, insurance, pension, anti-money-laundering and other covered activities. Check the actual statutory category; a small regulated business may still be covered.

Reporting and response

Internal, external and qualifying public-disclosure routes are recognised. External reporting to ILDKPKI does not require prior internal reporting. Units normally acknowledge receipt within seven days, subject to statutory exceptions. Article 15 requires progress and outcome information within three months of confirmation of registration; that deadline also applies if confirmation was not sent.

Article 20 separately requires the investigation to finish within 90 days of its commencement and measures taken to be notified within 30 days of adoption. Original records are retained for five years from communication of the final outcome, except during continuing legal proceedings. The annual consolidated report is due to ILDKPKI by 15 January of the following year.

Prevent retaliation

The employer must protect confidentiality and avoid retaliatory dismissal, demotion, exclusion or other disadvantage. Where the statutory conditions for the presumption are met, the employer must demonstrate lawful reasons independent of the report. Protect the person accused through a fair process as well.

Adopt a current policy, designate trained and independent handlers, provide secure channels and plan escalation where senior management is implicated. Assess whether a report falls under whistleblowing, discrimination, ordinary grievance or several regimes at once. One label must not cause the organisation to miss another applicable protection or deadline.

LEGAL BASIS & NOTES

WB arts 3-4, 12-16, 20, 22-25, 30-31; LC art 10/1.

PART 15 / EQUALITY AND DIGNITY

Recognising unlawful discrimination

Discrimination can affect recruitment, pay, training, promotion, working conditions and termination. The Anti-Discrimination Law protects an extensive range of grounds, including sex, gender, race, ethnicity, nationality, religion or belief, age, disability, health, family circumstances, sexual orientation and other protected characteristics. The statutory list and its open wording should be checked in the individual case.

Direct discrimination involves less favourable treatment connected with a protected ground. Indirect discrimination concerns an apparently neutral rule or practice that places a protected group at a particular disadvantage without the required objective justification. A policy can therefore create liability even when its author expresses no discriminatory intention.

Examine effect as well as wording

A requirement to work every late shift may affect workers with particular protected circumstances. A language requirement may be legitimate for a role but excessive if unrelated to actual duties. Analyse the objective, evidence of need and less restrictive alternatives rather than relying on management preference.

The law also recognises discrimination by association, multiple and intersectional discrimination, structural discrimination and denial of reasonable accommodation. Several grounds may interact. Treating each in isolation can miss the disadvantage experienced by the individual.

Evidence and justification

Preserve criteria, comparators, scores and contemporaneous reasons. Once facts support the applicable presumption, the burden shifts to the respondent to show that unlawful discrimination did not occur. An undocumented statement that the decision was based on merit is rarely as persuasive as a consistent, evidenced assessment.

Genuine occupational requirements and positive measures have specific legal conditions. They are not general exceptions allowing clients or managers to choose workers by personal preference. Review any proposed exception before publication of a vacancy or adoption of a rule, and record the justification, scope and review date.

LEGAL BASIS & NOTES

AD arts 1-7, 11-15, 33, 36; LC arts 9, 115; GE arts 25-31.

PART 15 / EQUALITY AND DIGNITY

Harassment and a safe workplace

Harassment is not limited to physical conduct or an express threat. The amended Anti-Discrimination Law addresses unwanted conduct connected with protected grounds that has the purpose or effect of violating dignity and creating an intimidating, hostile, degrading, humiliating or offensive environment. Sexual harassment has its own definition and may involve verbal, non-verbal or physical conduct.

The Labour Code separately protects dignity, physical and mental health and addresses moral and sexual harassment. The absence of a protected-ground allegation does not mean that bullying or abusive treatment is acceptable under employment law.

Recognise different settings

Relevant conduct may occur in work messages, meetings, work-related travel, client interactions or digital platforms. Consider the employment connection and applicable legal scope. A manager's assertion that a comment was a joke does not determine its effect or lawfulness.

The employer should provide reporting routes that bypass the line manager when necessary. Explain that concerns will be assessed fairly and confidentially to the extent possible, without promising absolute secrecy that would prevent investigation or lawful disclosure.

Prevention must be concrete

Law no. 64/2025 requires workplace rules addressing violence, discrimination, harassment and sexual harassment, including internal mechanisms and preventive and disciplinary measures. It also requires information and employee training. A policy hidden in a personnel folder does not fulfil the practical purpose of these duties.

When a concern arises, assess immediate safety and retaliation risks, preserve evidence and investigate promptly. Separate protective measures from a finding of guilt. Avoid placing the burden entirely on the complainant by transferring or disadvantaging them without a fair assessment. Any disciplinary response must respect the respondent's right to be heard and the applicable employment procedure.

LEGAL BASIS & NOTES

LC arts 32, 37; AD arts 3, 12-15, as amended by Law 22/2026; GE art 27.

Reasonable accommodation

Reasonable accommodation requires examining changes that enable equal participation without imposing a disproportionate burden. Disability is a central application, but article 3(9) of the Anti-Discrimination Law also covers other protected circumstances under article 1. The duty is not satisfied by a general statement that all employees are treated identically.

Start by understanding the barrier. A worker may need accessible software, a different communication format, adapted equipment, adjusted scheduling or a change in task organisation. Seek appropriate functional advice and discuss options directly with the employee rather than assuming what they can do.

Test the proposed measures

Assess effectiveness, feasibility, cost, organisational resources and available support. Consider alternatives if the first proposal is not workable. Record the evidence behind any conclusion that a measure is disproportionate; inconvenience alone is not a substitute for analysis.

The duty may arise during recruitment as well as employment. An accessible interview or assessment can permit the employer to evaluate the candidate's actual ability. Do not allow an avoidable procedural barrier to become the reason for rejection.

A practical example

A qualified accountant with a visual impairment cannot use the firm's new document platform efficiently. Before treating reduced output as poor performance, assess accessible settings, assistive technology, document formats and training. Set a trial period and review whether the adjustment removes the barrier.

If a requested measure is genuinely unworkable, explain why and consider alternatives. Preserve the distinction between essential job requirements and the employer's preferred way of achieving them. Maintain confidentiality and review the arrangement as technology, duties or individual needs change. A documented dialogue and tested solution can improve performance while reducing legal risk; an automatic refusal based on the original job description does neither.

Victimisation and the 2026 amendments

An employee must be able to complain about discrimination or assist another person's complaint without retaliation. Victimisation concerns adverse treatment in response to protected complaint-related conduct. It can arise even where the underlying discrimination allegation is ultimately not established.

Law no. 22/2026 amended the Anti-Discrimination Law, including definitions, scope and protection against victimisation. Article 7(4) now expressly addresses positive protection duties for public and private subjects. Employers should update policies and training rather than continuing to use a version ending with the 2020 amendments.

Watch what happens after the complaint

Review changes in duties, scheduling, access to training, bonuses, appraisal scores and social exclusion. A manager who was the subject of a complaint should not make an unreviewed adverse decision about the complainant or a supporting witness. Genuine performance management remains possible, but the reasons must be independent, supported and fairly applied.

The amended framework also addresses instruction to discriminate and declared discriminatory intentions. A business should not wait for a completed dismissal or an identified individual victim before addressing a discriminatory instruction or public statement.

Protective measures and review

Assign a contact for retaliation concerns, document immediate safeguards and review them during and after the investigation. Explain the prohibition to all relevant participants without unnecessarily identifying confidential witnesses. Monitor whether temporary arrangements themselves disadvantage the complainant.

The distinction between a knowingly false report and an allegation that cannot be proved is important. Do not equate an unsuccessful complaint with bad faith or use that assumption to justify punishment. Where multiple reporting regimes apply, consider the specific whistleblowing protections as well as equality law. A complete response protects the process, the participants and the fairness of the final decision.

LEGAL BASIS & NOTES

AD arts 3, 5, 7(4), 12-15, 33, as amended by Law 22/2026; GE art 27; WB arts 22-25.

PART 15 / EQUALITY AND DIGNITY

Gender equality: updated employer duties

Law no. 64/2025 on gender equality replaces the earlier 2008 law and creates obligations relevant to both public and private employment. Articles 25 to 31 address recruitment, working conditions, equal pay for work of equal value, training, protection against harassment and access to opportunities. The Labour Code and Anti-Discrimination Law continue to matter alongside it.

Employers and those recruiting on their behalf must use lawful, consistent selection and assessment criteria. Job advertisements should not request irrelevant information about private or family life. Planned pregnancy, pregnancy-related circumstances, parenthood and family responsibilities receive express protection in employment decisions.

Turn the requirements into procedures

Adopt the workplace regulation required by article 27, covering violence, discrimination, harassment and sexual harassment. Include formal and informal mechanisms, preventive measures, investigation and disciplinary arrangements. Inform staff and arrange the required training rather than treating a policy signature as the whole compliance exercise.

Article 30 also provides a right to specified written information concerning the training, experience and qualifications of a person of the other gender selected or promoted. Handle such requests through a legally reviewed process that provides the required information while respecting applicable data safeguards.

Positive measures need accurate design

Article 31 addresses preference for the underrepresented gender where candidates have equal results or levels in recruitment, promotion or skills development. Document the comparison and applicable conditions; do not replace the statutory test with an unrestricted quota in every hiring decision.

The law has been subject to constitutional proceedings, with KMD reporting its amicus submission on 1 October 2026. This paper describes the published provisions, not a final constitutional determination. Before a consequential decision, verify any subsequent court order and current implementing measures. Pending proceedings alone should not be assumed to suspend statutory duties.

LEGAL BASIS & NOTES

GE arts 25-31, 49-52; KMD notice, 1 October 2026; Constitutional Court registered application, January 2026.

PART 15 / EQUALITY AND DIGNITY

Representation and equality governance

Article 24 of Law no. 64/2025 addresses gender representation in decision-making structures, including boards, supervisory councils and administrative councils of private entities. It specifies a 50% representation objective for each gender, a floor of 30%, and progressive measures from 30% to 50% over a ten-year period. The text treats representation below 30% in the covered decision-making systems as discrimination.

Application requires attention to the company's actual legal structure, the organs concerned, appointment procedures and current implementing or judicial developments. Do not translate the provision into an unsupported claim that every small business must immediately appoint a two-person board or dismiss existing employees to rebalance headcount.

A practical board review

Identify covered organs and current composition, appointment dates and vacancies. Review nomination criteria, access to the candidate pool and the evidence used in appointments. Obtain specific advice on the applicable obligations and how to implement them consistently with company law.

Document a lawful action plan and review progress. Representation should be considered alongside equal access to development and promotion, rather than as an isolated annual statistic. Avoid unnecessary collection or disclosure of personal information when preparing management reports.

Accountability and enforcement

The gender-equality law provides administrative enforcement and civil remedies. Article 47 identifies offences and fines; article 48 addresses material and non-material damage and restorative measures. Those routes should not be confused with the Labour Code's dismissal-compensation limits.

Assign responsibility for tracking the law's implementing measures and constitutional proceedings. KMD published implementation monitoring during 2026, showing that the statutory framework and its implementation need to be read together. A board should receive a short, evidence-based compliance report identifying applicable duties, completed measures, unresolved questions and a responsible owner for each action. Legal uncertainty calls for a documented assessment, not an assumption that the entire framework can be ignored.

LEGAL BASIS & NOTES

GE arts 24, 47-52; KMD implementation monitoring, August 2026, and constitutional-proceedings notice, October 2026.

PART 16 / COMPLAINTS AND INVESTIGATIONS

Receiving a complaint properly

A complaint may arrive by email, verbally, through a representative or as information from a colleague. The employer should not ignore credible information merely because the employee has not used a preferred form. Identify the concern, any immediate risk and the legal regimes potentially involved.

For discrimination, article 13 requires necessary protective measures, including appropriate disciplinary measures, within one month of becoming aware of the discrimination. It also requires an effective response to an employee complaint within one month of receipt. These are legal obligations, not a suggested timetable for opening a file.

Initial response record

Record the date received, allegations, people involved, relevant events, available evidence and the remedy or protection requested. Acknowledge receipt and explain the next steps, confidentiality limits and the prohibition of retaliation. Check whether the proposed handler has a conflict of interest.

Consider immediate measures such as reporting-line changes, separation of contact or preservation of records. Choose measures proportionately and avoid implying that the allegation is already proved. A protective arrangement should not become an unexplained demotion or financial penalty for the complainant.

Identify parallel duties

The same facts may involve harassment, safety, personal data, whistleblowing or criminal conduct. Allocate each issue to the appropriate process and record its deadlines. An internal investigation does not suspend court limitation periods or remove a right to approach a competent authority.

Give the employee a reliable point of contact and preserve a clear chronology. If urgent medical, safety or criminal concerns arise, address them through the appropriate route immediately. A complaint system is effective when it can respond to a serious concern involving a senior manager as fairly as it responds to a routine disagreement between colleagues. Design the escalation route before that conflict occurs.

LEGAL BASIS & NOTES

AD arts 13, 15; LC arts 32, 37; GE art 27; WB where applicable.

PART 16 / COMPLAINTS AND INVESTIGATIONS

Gathering evidence fairly

An investigation should answer defined questions: what happened, whether the relevant rule was breached and what response is justified. Appoint an impartial investigator with suitable competence and authority. For a complaint against senior leadership, consider whether independent external handling is necessary to make the process credible.

Prepare an evidence plan covering documents, messages, schedules, records and witnesses. Preserve originals and metadata where relevant. Collect information lawfully and proportionately; an investigation does not justify unrestricted searches of private devices or unrelated personal records.

Hear both sides

Give the respondent sufficient detail to understand and answer the allegation, while protecting confidential information where legally necessary. Interview witnesses separately and distinguish direct knowledge from inference or hearsay. Record answers accurately and allow correction of material inaccuracies.

Do not require the complainant to confront the respondent as a condition of investigation. Where facts are disputed, assess consistency, contemporaneous documents, opportunities for observation and plausible explanations. Lack of an eyewitness does not automatically defeat a harassment complaint.

A reasoned assessment

The report should set out the allegations, evidence, findings and reasons, including material evidence that points against the conclusion. Explain any unresolved issue. Avoid replacing analysis with labels such as toxic, difficult or not a cultural fit.

Apply the relevant burden-of-proof rules in formal proceedings and ensure the internal process does not demand evidence that the law does not require a complainant to possess. If disciplinary action is proposed, follow the applicable right to be heard and any separate termination procedure. Keep investigative findings distinct from the final employment decision, especially where different people hold those responsibilities. Document why the chosen measure is proportionate and consistent with comparable cases.

LEGAL BASIS & NOTES

LC arts 32-34, 37, 144; AD arts 13, 33, 36; GE arts 27, 49; DP.

PART 16 / COMPLAINTS AND INVESTIGATIONS

Deciding, communicating and following up

A completed investigation should lead to a reasoned decision and an appropriate remedy. Where discrimination or harassment is established, the employer must stop the conduct, address its consequences and prevent repetition. The response may include organisational changes, training, correction of a decision or proportionate disciplinary measures.

Communicate an effective outcome to the complainant within the applicable timeframe. Explain the findings and relevant protective measures without unnecessarily disclosing another employee's confidential disciplinary information. Inform the respondent of the decision affecting them and any available internal review route.

Correct the underlying problem

If a discriminatory selection process caused the issue, a warning alone may leave the affected decision unchanged. If unsafe reporting arrangements discouraged complaints, update the mechanism. Consider whether others were affected and whether a broader review is necessary.

Monitor retaliation and the effectiveness of remedies. A complaint is not resolved simply because the file is marked closed. Allocate follow-up responsibility and record whether promised changes occurred.

Employee options remain available

Article 15 permits recourse to the employer, KMD or the court. It also addresses an employee's ability, under its conditions, to stop work for the period necessary for protection where the employer fails to investigate or resolve discrimination, without initially losing pay. The law provides for repayment if the allegation is not established by a final decision.

That mechanism requires careful individual advice; it should not be presented as an unconditional right to leave work whenever a grievance is filed. Explain the available routes accurately and do not require waiver of external remedies as the price of an internal response. Preserve the record, apply the correct retention rules and learn from the case without circulating sensitive personal details unnecessarily.

LEGAL BASIS & NOTES

AD arts 13, 15; LC arts 32, 37; GE arts 27, 48-49; DP.

PART 16 / COMPLAINTS AND INVESTIGATIONS

Proceedings before KMD

The Commissioner for Protection from Discrimination (KMD) can receive complaints and investigate discrimination within its statutory competence. A complaint is subject to both time limits in article 33: it must not be later than three years after the act or two years after knowledge. Check both dates and any procedural issue before assuming that a complaint is timely.

KMD must notify the respondent within 15 days of complaint registration. It may require written submissions and evidence from the parties within ten working days of their receipt of notification. Once facts support the relevant presumption, the respondent bears the burden of showing that discrimination did not occur.

Prepare a complete response

Identify the alleged act, protected ground, relevant comparators, decision-maker and documents. Submit contemporaneous evidence and a clear explanation. Address the actual allegation rather than relying only on a general equality policy or an assertion of good intentions.

Article 33 requires notification of the decision within 90 days of complaint registration or, where a public hearing is held, within 90 days of that hearing. Compliance reporting and subsequent enforcement have their own deadlines. Track the actual notice and decision received rather than relying on a generic calendar.

Understand the available outcomes

KMD may order measures and, where statutory conditions are met, impose fines for non-compliance. The 2026 amendments also recognise recommendations; distinguish those from binding measures in the operative decision. A fine is not compensation paid to the employee.

Court proceedings remain available without first obtaining a KMD decision. The law addresses parallel proceedings, including closure of the KMD complaint where the same matter is before a court. Review the relationship between the routes and any challenge to a KMD act. Do not assume that a complaint to KMD automatically preserves a separate Labour Code dismissal claim.

LEGAL BASIS & NOTES

AD arts 32-34, 33/1, 36-38, including Law 22/2026 amendments.

PART 17 / PERFORMANCE AND DISCIPLINE

Set clear performance expectations

Good performance management begins before a problem arises. Define the duties, expected outputs, quality standards and resources available. The employee should understand how performance will be assessed and have a reasonable opportunity to meet the requirements. Targets should correspond to the actual role and working arrangements.

Distinguish an objective shortfall from a manager's preference about style or personality. Compare like with like and consider workload, training, equipment, supervision and changes in duties. Protected leave, disability and reasonable accommodation may affect what can lawfully be expected.

A useful improvement plan

Record the specific gap, evidence, expected improvement, support, review dates and possible consequences. A recommended plan might identify missed reporting deadlines, provide training and workload clarification, and review progress at defined intervals. The appropriate period depends on the task; the Code does not create one universal 30-day performance-plan rule.

Invite the employee's explanation and document disagreement accurately. A signature acknowledging receipt need not imply agreement with every finding. Provide feedback during the review period rather than saving all criticism for the final meeting.

Avoid predetermined outcomes

An improvement plan should offer a genuine opportunity to improve. If the employer has already decided to terminate, presenting a sham process can undermine the credibility of the stated reasons. Conversely, successful improvement should be recognised and reflected in the record.

If performance remains inadequate, assess the appropriate legal route and the evidence supporting capability-related termination. Follow article 144 where required, calculate notice and entitlements, and check equality and special protection. Performance management does not create a separate exception to the dismissal rules. A fair process connects expectations, evidence, support and the final decision in a way that can be explained to the employee and, if necessary, a court.

LEGAL BASIS & NOTES

LC arts 23, 37, 144-147; AD arts 12-13; GE arts 25-26. Plan structure is recommended practice.

Disciplinary rules and proportionality

Article 37 requires disciplinary measures to be provided for in the collective agreement or in the individual contract's reference to the relevant rules. The process must ensure the employee's right to be heard, defend themselves and present facts and evidence within a reasonable period. A rule unknown to staff is difficult to apply fairly.

Define prohibited conduct clearly and distinguish levels of seriousness. Consider the employee's knowledge, responsibility, intention or negligence, actual consequences, previous conduct and comparable cases. The same label can cover very different facts.

Warnings should be specific

A written warning should identify the conduct, evidence, rule breached, required correction and potential consequences of repetition. Avoid vague statements that the employee has a bad attitude. Give the employee an opportunity to respond and preserve that response with the warning.

Repeated minor breaches may become relevant to immediate termination only within the Code's conditions, including prior written warning. A warning is not a device to transform any future disagreement into automatic gross misconduct.

Measures must be lawful

The Code restricts financial penalties and deductions. Do not impose an arbitrary wage fine for lateness, mistakes or customer complaints merely because an internal handbook mentions one. Check any collective-agreement basis and the protected-wage and liability rules.

Maintain consistency while allowing for material differences between cases. Document why a measure is proportionate and why alternatives were insufficient where a serious sanction is chosen. If dismissal is contemplated, the disciplinary process must be coordinated with the separate statutory termination requirements. A manager's authority to issue instructions does not necessarily include authority to terminate employment, so verify who may sign the final act before it is delivered.

LEGAL BASIS & NOTES

LC arts 37, 122-123, 144, 153-154, 203; applicable collective and individual terms.

PART 17 / PERFORMANCE AND DISCIPLINE

Hearings and procedural safeguards

The employee's opportunity to be heard must be meaningful. Give enough information about the concern and a reasonable opportunity to prepare, identify evidence and respond. Review applicable collective terms and internal rules concerning representation, language and the conduct of meetings.

For employer-initiated termination after probation, article 144 imposes a specific procedure: written invitation at least 72 hours before the meeting, discussion of the reasons and employee response, followed by written notification of termination between 48 hours and one week after the meeting. Do not confuse this timetable with a generic disciplinary hearing.

Record the discussion accurately

Keep the invitation, proof of delivery, evidence considered, meeting notes and any written response. Record a refusal to attend or sign factually and assess the legal consequence; refusal does not automatically waive every procedural right. Consider genuine obstacles such as illness or lack of effective notice.

The final decision must state the legally relevant reasons. It should reflect consideration of the response rather than reproduce a conclusion drafted before the meeting without evaluation. The employer bears the burden of proving compliance with the procedure.

Do not assume urgency removes procedure

Immediate termination and ordinary notice termination have different substantive tests, but the hearing rules cannot simply be ignored whenever misconduct is alleged. Article 154(3) concerns non-payment of the two-month procedural compensation where the court finds gross fault; it does not generally dispense with the procedure. Collective dismissals follow their own procedure.

Plan the timetable before sending an invitation. Ensure the responsible decision-maker is available within the statutory window and that service can be proved. A procedurally defective dismissal can attract compensation separately from other termination claims. The practical objective is a decision supported by both sufficient reasons and a verifiable lawful process.

LEGAL BASIS & NOTES

LC arts 37, 144, 148, 153-154. Statutory timing must be checked against the facts and applicable computation rules.

Case study: a serious accounting error

An employee submits a tax return containing a material error. The employer faces a penalty and wants to dismiss the employee immediately and deduct the full penalty from salary. Those are separate decisions requiring separate legal foundations.

First preserve the relevant records and correct the filing through the proper process. Establish who prepared, reviewed and authorised it, what instructions were given, whether the system or data contributed and whether the employee had adequate training. A significant financial consequence does not automatically establish gross fault by one person.

Determine the employment response

Hear the employee and assess seriousness, responsibility and previous conduct. Deliberate falsification, a repeated warned breach and an isolated mistake under unclear instructions are materially different. Consider whether the facts satisfy the strict immediate-termination test or instead justify training, a warning or another lawful response.

Follow the applicable article 144 procedure. Article 154(3) allows relief from its two-month procedural compensation where the court finds gross fault. Calling an error gross misconduct neither establishes that finding nor generally waives the procedure.

Assess recovery separately

Employee liability under article 27 requires the statutory elements, and the Code recognises work-related risk and circumstances affecting liability. Establish actual loss and causation, including any contribution by the employer. A regulatory penalty is not automatically recoverable in full from the worker.

Protected-wage and set-off rules constrain deductions. The employer must also consider article 203's notification and claim requirements. Keep the correction of the tax error, disciplinary decision, termination analysis and potential damages claim in distinct sections of the file. This prevents an understandable commercial reaction from producing several additional employment breaches and makes the eventual decision easier to defend on evidence.

PART 18 / ORGANISATIONAL CHANGE

Changing contractual terms

An employer can organise work and give lawful instructions within the employment relationship, but that authority does not permit unilateral rewriting of agreed terms. Article 23 distinguishes instructions from changes to the contract and protects against instructions outside the agreed framework or contrary to relevant safety obligations.

Identify whether the proposed change concerns an existing contractual flexibility, an operational instruction or a material alteration requiring agreement. Pay reduction, substantial relocation, changed hours or a different role may require a more careful analysis than a routine redistribution of tasks.

Explain the proposal

Set out the business reason, proposed terms, intended date and effects on pay, hours, duties and benefits. Consult the employee and any representatives as required. Allow a genuine opportunity to consider the proposal and obtain advice where appropriate.

Record agreed changes clearly in writing. A vague email stating that all policies may change does not necessarily authorise a specific adverse contractual variation. Continued attendance at work should not be treated casually as informed acceptance of every proposed change.

If agreement is not reached

Assess alternatives and the legal route available. The employer should not discipline an employee merely for declining an unlawful unilateral change. If a genuine operational reorganisation may lead to termination, follow the applicable consultation, notice, procedural and compensation rules.

Review equality effects and collective rights before implementation. A change that appears neutral may disadvantage a protected group, while a transfer of undertaking may trigger specific safeguards. Keep the original terms, proposal, discussions, alternatives and final agreement or decision in the file. The legal analysis should follow the substance of the change rather than the document's label as a policy update or business instruction.

LEGAL BASIS & NOTES

LC arts 21, 23, 33/1, 138-139/1, 143-148; AD arts 6, 12-13.

PART 18 / ORGANISATIONAL CHANGE

Transfers of an undertaking

A transfer of an economic entity retaining its identity can trigger the Labour Code's transfer rules. The assessment looks at the activity and transaction in substance, not only whether the parties call it an asset sale, outsourcing or reorganisation. Corporate advisers and employment advisers should coordinate before signing the commercial documents.

Where the statutory regime applies, rights and obligations arising from employment transfer under article 138. The transfer itself is not a lawful reason for dismissal; the Code recognises the separate analysis of economic, technical or organisational reasons that entail changes in employment.

Information and consultation

Article 139 requires the transferor and transferee to inform and consult the relevant worker representatives, or workers where appropriate, at least 30 days before the transfer. Information covers the timing, reasons, legal, economic and social consequences and planned measures concerning employees.

The transaction timetable should accommodate those duties. A confidentiality agreement between buyer and seller does not automatically displace employee information rights. Use lawful safeguards for commercially sensitive material while providing information needed for meaningful consultation.

Due diligence and implementation

Review contracts, service dates, pay, leave balances, collective arrangements, disputes, payroll liabilities and planned changes. Identify which employees and activities are within the transferred entity. Align the commercial allocation of liabilities with the mandatory employment position; a private indemnity does not itself remove employee rights.

Under article 138(3), the transferor also remains jointly responsible for contractual obligations through the applicable notice period. Where a transfer substantially worsens working conditions, article 139/1 treats the resulting employee termination as unjustified employer termination: the employee must notify the employer in writing, with reasons, within 30 days of the transfer. Procedural breaches causing dismissal can create additional compensation exposure. Obtain advice before asking staff to resign and reapply or sign away continuity as a condition of the transaction.

LEGAL BASIS & NOTES

LC arts 138-139/1; AD and GE where selection or changes raise equality issues.

PART 18 / ORGANISATIONAL CHANGE

Informing and consulting staff

Article 33/1 requires regular information and consultation with employee representatives, at least annually, about current and future business activities, the economic situation and employment. Representatives are the union representatives or, in their absence, representatives elected by employees under the provision.

Before reorganisation or decisions with significant effects on work organisation and employees' legal status, the employer must provide relevant information and consult on reasons, consequences and measures to avoid or reduce adverse effects. Consultation is a process of dialogue aimed at reaching an acceptable agreement, not merely an announcement after implementation.

Make the information usable

Provide accurate information in writing or electronically, in sufficient time and a form that permits proper study and preparation. The meeting should involve an appropriate management level able to respond to proposals and explain the reasons for its position. Record the outcome in minutes.

Commercial confidentiality can be protected through the statutory arrangements, including written confidentiality commitments. An employer may refuse information or consultation only within the Code's conditions, including serious harm to the undertaking, and must give the required written basis.

Track the short challenge period

Article 33/1 provides a particularly short six-day period from the employer's decision to challenge its refusal before the court. Representatives should obtain prompt advice rather than assuming a general civil limitation period applies. Employers should preserve the refusal, reasons and evidence of communication.

Collective agreements may add procedures and timing. Transfer and collective-dismissal rules also impose specific requirements that are not replaced by an annual meeting. Maintain a consultation calendar and identify major decisions early, so the business does not discover after signing a transaction that legally required discussions should have taken place beforehand.

LEGAL BASIS & NOTES

LC art 33/1; arts 139, 148 and applicable collective agreements for specific procedures.

Restructuring without shortcuts

A lawful restructuring begins with an evidenced business decision and an accurate map of the workforce affected. Identify the activities changing, roles potentially removed, alternative work, selection criteria and expected timing. Separate the commercial objective from assumptions about particular employees.

Check whether the planned dismissals meet the collective threshold over the statutory 90-day period. Review related decisions across the organisation rather than treating each manager's proposal as an isolated event. Avoid artificial fragmentation intended to evade consultation duties.

Select fairly

Use criteria connected with the operational need and capable of consistent application. Review their effect on protected groups, employees on leave, union representatives and people who have raised complaints. Attendance data or flexibility scores can create discrimination risks if protected absences and accommodation needs are not considered correctly.

Explore alternatives such as redeployment, agreed changes, retraining or adjusted implementation. Record why a proposal is feasible or rejected. A genuine consultation may alter the initial plan; a fixed outcome announced as open discussion is unlikely to be persuasive.

Budget the full employment cost

Include notice, earned wages, unused leave, qualifying seniority payments, contractual benefits and potential dispute exposure. Where a transfer or collective process applies, add the relevant timetable and responsibilities. Do not describe the seniority payment as the total possible cost of dismissal.

Prepare individual communications only after identifying the proper procedure. Verify authority to sign, reasons, protected periods and service arrangements. The business should retain a decision record explaining why the restructuring was needed, how affected roles were chosen and how employee rights were addressed. That evidence is more durable than a standard letter stating only that the position has become redundant.

PART 19 / ORDINARY TERMINATION

Notice periods and the end date

For an indefinite-term contract after probation, article 143 links minimum notice to service: two weeks for employment lasting up to six months; one month for more than six months up to two years; two months for more than two years up to five years; and three months for more than five years. Check any applicable more favourable terms.

Notice extends to the end of the relevant week or month. Protected periods may suspend its running, and the rounding rule applies again as specified by the Code. The date of the letter is therefore not necessarily the date from which an uncomplicated calendar calculation can begin.

Calculate from verified facts

Confirm the contract type, probation status, original service date, recognised continuity, date of effective notification and any protected absence. Record the calculation and obtain a second check before communicating the final working day. A transfer or successive contracts may affect the service analysis.

During employer-initiated notice, the employee has at least 20 hours of paid leave per week to look for new employment. The individual or collective agreement should address the arrangements for taking it. This is not ordinary annual leave to be deducted from the holiday balance.

Avoid an automatic payment-in-lieu assumption

Article 143 treats termination without respecting notice as immediate termination. Simply paying an amount equal to notice does not necessarily cure the legal character or consequences of an unjustified immediate exit. Assess the lawful structure of any agreed release from duties or settlement.

Continue to administer pay, benefits, leave, access and handover consistently with the relationship's actual end date. If the employee is not required to attend, document the arrangement and preserve contractual rights as appropriate. An accurate termination timeline is essential for payroll, insurance reporting, limitation periods and the assessment of any subsequent claim.

LEGAL BASIS & NOTES

LC arts 142-143, 147, 155; applicable individual or collective terms.

Reasons and the mandatory meeting

An employer considering termination after probation must identify reasons connected with the employee's capability, conduct or the undertaking's operational requirements. Article 144 requires the reasons to be stated in the written termination notice. A vague assertion of loss of confidence should not replace evidence of the actual reason.

The employer must invite the employee in writing at least 72 hours before the meeting, explain the contemplated reasons and allow a response. Written termination notification must then be delivered within the period from 48 hours to one week after the meeting. Plan service and decision-making around that window.

Recommended decision file

Keep the proposed reason, supporting documents, relevant contract and policies, protection checks, invitation and delivery evidence. Add meeting notes, the employee's response, any further assessment and the final letter. The employer carries the burden of proving compliance with the procedure.

Consider material explanations before deciding. If new evidence changes the allegation or reveals a protected circumstance, reassess the proposed course. Do not preserve the appearance of consultation while ignoring facts that undermine the original reason.

Consequences of defects

Failure to comply with article 144 can result in compensation equal to two months' salary, additional to other possible compensation. Unreasonable reasons may separately engage article 146. The existence of a genuine business concern does not remove the procedural obligation.

Collective dismissal follows article 148. Article 154(3) separately excludes the two-month procedural compensation where the court finds gross fault; it is not a general waiver of procedure. Identify the correct regime before issuing documents. A termination letter should be the result of a completed legal and factual assessment, not the starting point for deciding which legal route the employer intended to use.

Protected reasons and protected periods

The employer must examine both why it is terminating and when it proposes to act. Article 146 identifies unreasonable grounds, including assertion of contractual rights, fulfilment of a legal obligation, discrimination, protected exercise of constitutional rights and lawful union membership or activity. Reasons inconsistent with article 144(3) also engage the provision.

Separately, article 147 restricts termination during qualifying temporary incapacity benefits for up to one year and during leave granted by the employer. Where notice was given before the protected period, its running may be suspended. Pregnancy, maternity and adoption have additional protections under articles 105/a and 107.

Review the chronology

Check dates of medical certificates, leave approvals, pregnancy or birth-related protection, complaints, union activity and the proposed decision. A reason first documented immediately after a protected complaint deserves close scrutiny. The employer must be able to explain the decision through independent evidence.

Union representatives benefit from special protection under article 181, including consent and challenge arrangements. Whistleblowing and equality law may add further protection and shift the burden of proof. A standard termination checklist should identify these regimes explicitly.

Do not treat protection as absolute immunity

Protected status does not answer every possible case, particularly where genuine serious misconduct, fixed-term expiry or other specific rules are involved. But neither does labelling the decision operational remove the safeguards. Obtain an individual analysis of the contract, facts, timing and applicable route.

If a proposed decision cannot lawfully be implemented at that time, revise the timetable and preserve evidence rather than backdating documents. An employer can damage an otherwise supportable case by attempting to disguise when notice was actually given. Accurate service records and an honest chronology are essential to a defensible outcome.

PART 19 / ORDINARY TERMINATION

Seniority and the final account

Where the employer terminates a relationship lasting at least three years, article 145 provides a seniority payment of at least 15 days' salary for every full year of work. The calculation uses salary at termination; variable salary is based on the preceding year's average and indexed as the provision requires. A justified immediate dismissal removes this entitlement.

The payment is separate from wages during notice and any compensation for an unlawful termination. Article 152 provides a corresponding seniority entitlement at the end of qualifying fixed-term relationships. Do not assume that expiry of a fixed term always produces no seniority payment.

Illustrative calculation

Assume six full years of qualifying service and a legally determined 15-day salary amount of ALL 50,000. The minimum seniority amount is six multiplied by ALL 50,000: ALL 300,000. This example deliberately starts with the established 15-day amount; the payroll conversion from monthly or variable remuneration must be calculated correctly in the actual case.

The example excludes notice wages, unused annual leave, other earned remuneration, contractual enhancements and any damages. Each component has its own legal basis and should appear separately in the final calculation.

Complete the exit record

Reconcile wages, authorised expenses, commission or bonus rights, unused leave and benefits. Check lawful deductions rather than withholding the final account as leverage for returning equipment. Provide the work certificate required by article 35 in the appropriate form and complete the relevant reporting obligations.

Give the employee a clear breakdown and retain evidence of payment. Receipt of a payslip or payment does not automatically waive claims. Where an amount is disputed, identify it explicitly and assess the lawful settlement route. A transparent final account reduces avoidable disagreement and allows any genuine legal dispute to focus on the contested issue.

LEGAL BASIS & NOTES

LC arts 35, 94, 109, 112-114, 121-123, 145, 152. Calculation is illustrative, before applicable tax treatment.

Fixed-term expiry and renewal

A valid fixed-term contract normally ends at its agreed expiry without ordinary notice. Continued work with the parties' tacit agreement can convert the relationship into an indefinite-term contract under article 149. HR should therefore decide and communicate the position before expiry rather than allowing an unresolved renewal to continue informally.

Fixed terms require the objective temporary justification addressed by article 140. The Code also protects fixed-term workers against less favourable treatment and provides access to information and opportunities. Repeated short contracts should not be used as an assumed way to avoid ordinary employment protection.

Successive contracts matter

Where successive fixed-term contracts between the same parties have lasted at least three years, the employer's non-renewal of the last contract is treated as termination of an indefinite-term contract. Gaps of no more than three months are treated as compatible with succession under article 151.

Review the whole history, not only the latest document. Maintain a register of start dates, end dates, gaps, temporary reasons and work actually performed. A change in document title does not necessarily reset continuity.

Early termination is different

Termination before expiry engages the applicable procedure and substantive rules. Unjustified immediate termination can expose the employer to remaining-term remuneration, subject to the Code's adjustments, and other compensation. Do not assume that a clause saying either party may end at any time overrides mandatory protections.

Long fixed terms also carry specific employee termination rights under article 151. Seniority under article 152 and unused annual leave must be assessed at the end. The employer should distinguish a genuine agreed expiry, non-renewal treated as an indefinite dismissal and an early termination; each has a different legal analysis and financial consequence.

PART 20 / OTHER WAYS EMPLOYMENT ENDS

Immediate termination: a strict test

Either party may terminate immediately for justified reasons under article 153. The test concerns serious circumstances making continuation of the relationship unreasonable under good faith. For employer dismissal, the Code identifies gross fault and repeated minor breaches despite a written warning. The court determines whether justified grounds exist.

An allegation of serious misconduct is not itself proof. Establish the obligation, facts, fault, context and consequences. Consider the employee's explanation and whether continued employment during notice is genuinely incompatible with the circumstances.

Procedure still matters

Coordinate the investigation with article 144. Article 154(3) directs the court, where it finds a contractual breach involving gross fault, not to award the two-month compensation under article 144(5). This concerns that remedy; it is not a general statutory exemption from the dismissal procedure.

If immediate termination is justified, qualifying seniority compensation is lost, but earned remuneration and compensation for unused annual leave remain subject to the applicable rules. A justified dismissal does not erase every outstanding employment entitlement.

Exposure if the decision is unjustified

Article 155 provides remuneration corresponding to the notice period or remaining fixed term, subject to deductions for savings, other earnings and earnings intentionally forgone as specified. The court may also award compensation up to one year's salary, considering the circumstances.

The employee normally has 180 days from termination to bring a claim. If the unjustified motive is discovered only after that period has elapsed, article 155(4) provides 30 days from discovery. Preserve the decision, service evidence, investigation and calculations. When urgency is genuine, use a disciplined process and obtain prompt legal review; haste that leaves the employer unable to prove the facts can turn a serious operational concern into substantial additional liability.

LEGAL BASIS & NOTES

LC arts 94, 144-145, 153-155.

PART 20 / OTHER WAYS EMPLOYMENT ENDS

Resignation, abandonment and death

An employee under an indefinite-term contract generally gives the notice required by article 143 after probation. Confirm that a resignation is clear, voluntary and genuinely from the employee. A statement made under pressure or in an emotional exchange should not be converted casually into an agreed immediate departure.

An employee may also terminate immediately for justified reasons under article 153. Employer breach can therefore create consequences different from an ordinary resignation. Assess the stated reasons and any outstanding complaints rather than recording every employee-initiated exit as voluntary and uncontentious.

Abandonment requires proof

Article 156 concerns proven failure to attend the agreed workplace or immediate abandonment without justified reasons and without written notification within seven days. The provision allows financial responsibility up to one week's salary and additional proven damage, subject to judicial adjustment.

Where the compensation right is not extinguished by set-off, the special claim period is 30 days from failure to start or abandonment. This is much shorter than the general three-year period. Verify the conditions and lawful recovery mechanism before making any deduction.

Death and succession

An employee's death ends the contract. Article 157 provides salary-related payments whose amount and beneficiary conditions depend on service and surviving family circumstances. Confirm the entitled recipients and required documentation sensitively, alongside outstanding wages and benefits.

Death of an individual employer normally transfers the contract to heirs unchanged, with notice rights. A contract founded mainly on that employer's personal qualities is treated differently under article 158, including notice-period remuneration. These rules should not be confused with the death of a shareholder or manager of a company, where the legal employer may continue to exist. Identify the contracting person before deciding the employment consequence.

LEGAL BASIS & NOTES

LC arts 143, 153-158. Estate and beneficiary questions require case-specific documentation.

PART 20 / OTHER WAYS EMPLOYMENT ENDS

Negotiated exits and settlement

A negotiated exit can resolve uncertainty, but it must reflect genuine agreement and respect mandatory rights. The Labour Code restricts waiver of rights, including wages during employment and for a specified period afterwards, and protects annual leave. A broad sentence stating that the employee waives all rights is not a reliable substitute for a lawful settlement analysis.

Article 11 recognises particular settlement arrangements involving reciprocal, freely accepted concessions under the conditions it specifies, while excluding annual leave from that exception. Review the appropriate legal form, competent involvement and enforceability for the proposed agreement.

Make the agreement understandable

Identify the parties, background, termination date, agreed payments, treatment of earned entitlements, payment deadlines and any disputed claims addressed. Separate amounts already owed from additional settlement consideration. Explain tax treatment and avoid promising a net amount without a payroll calculation.

Provide a reasonable opportunity for independent advice and ensure language comprehension. Avoid coercion, backdating or requiring signature before the employee can receive undisputed earned pay. Document that agreement is voluntary.

Preserve lawful reporting rights

Confidentiality provisions should protect legitimate interests without preventing reports to authorities, protected whistleblowing or access to legal advice. Review any non-compete or non-disparagement term on its substance and applicable limits.

Coordinate handover, equipment, access removal, certificate, references and reporting. If the agreement is intended to resolve existing proceedings, specify the procedural steps and who must take them. Keep evidence of performance after signature. A settlement's value lies in a clear and enforceable resolution, not merely in obtaining a document with an employee's signature under a list of demands drafted solely for the employer's convenience.

LEGAL BASIS & NOTES

LC arts 11, 94, 121, 145; AD arts 34-38; WB art 23. Settlement form and enforceability require individual advice.

PART 21 / COLLECTIVE EMPLOYMENT RELATIONS

Collective dismissals

Article 148 applies to employer-initiated dismissals for reasons unrelated to individual employees when, within 90 days, the number reaches at least ten in undertakings with up to 100 employees, fifteen where there are more than 100 up to 200, or twenty where there are more than 200. Identify the relevant undertaking and workforce carefully.

The employer must notify the recognised representative union in writing, or notify workers by prominent workplace posting where no such union exists, and send a copy to the ministry responsible for labour. The notice must include the reasons, proposed numbers, normal workforce and intended period.

Consultation before individual notices

Consultation seeks to avoid or reduce dismissals and mitigate their consequences. It lasts at least 30 days from notification, unless the employer accepts a longer period. Employees must have an opportunity to participate where there is no representative union.

The employer notifies the ministry of consultation's conclusion and informs the other party. If no agreement is reached, the ministry assists for the further 30-day period provided by the Code. Individual notices under article 143 follow the applicable consultation or ministry stage; they should not be issued as though those stages did not exist.

Financial and rehiring consequences

Failure to follow the collective procedure can lead to compensation of up to six months' salary, additional to notice remuneration or compensation for failure to observe notice. Other applicable entitlements must still be assessed.

Article 148 also requires priority in rehiring workers dismissed for non-personal reasons where the employer recruits workers with comparable qualifications. Maintain a record of affected workers and subsequent relevant vacancies. The ministry cannot prohibit collective dismissal under this provision, but that does not make consultation optional or validate an otherwise discriminatory selection process.

LEGAL BASIS & NOTES

LC arts 143, 145, 148; AD arts 12-15; GE art 26.

PART 21 / COLLECTIVE EMPLOYMENT RELATIONS

Collective agreements and bargaining

Collective agreements regulate employment conditions, individual contracts, training and relations between the contracting parties. They are concluded between employers or employer organisations and trade unions. They generally cannot provide terms less favourable than mandatory law except where the law expressly permits otherwise.

The Code sets rules for representation, requests to bargain, recognition and the negotiation process. An employer should verify the representative body and applicable procedures rather than ignoring a request because not every employee belongs to the union.

Identify the agreement that applies

Review the agreement's parties, territorial and occupational scope, covered employer and period of operation. Its normative employment terms can apply to covered workers irrespective of union membership under the Code's rules. Compare individual terms and preserve any legally more favourable treatment.

Collective agreements must be in writing and are subject to the prescribed deposit requirements, including the 15-day period in article 167. Maintain an accessible current version and ensure payroll and HR procedures implement it accurately.

Keep bargaining operational

Prepare reliable information on workforce, pay, hours and the business position. Identify authority to negotiate and approve terms. Record proposals, responses and agreements, and distinguish a negotiating position from a final binding commitment.

Expiry or termination of a collective agreement does not necessarily erase terms already incorporated into individual employment relationships. The Code addresses duration, notice, continuing effects and disputes. Review those rules before replacing benefits with a new handbook. A practical compliance audit should therefore examine collective arrangements early: a contract or payroll calculation that satisfies the statutory minimum may still breach a more favourable collective obligation.

LEGAL BASIS & NOTES

LC arts 159-175, particularly arts 163-167 and rules on scope, duration and effects.

PART 21 / COLLECTIVE EMPLOYMENT RELATIONS

Union freedom and representatives

Workers have the right to organise and participate in lawful union activity. The employer must not make recruitment, advancement or continued employment conditional on joining or leaving a union. Adverse treatment linked to lawful union membership or activity can engage both the Labour Code and discrimination protections.

Worker representatives need the information and procedural opportunities provided by law. The employer should distinguish legitimate representation from conduct unrelated to that role and avoid treating disagreement during consultation as disloyalty.

Special protection of representatives

Article 181 contains additional safeguards for union representatives, including the union-consent procedure for termination, an eight-day response period and recourse where consent is refused without justification. It also addresses changes affecting representatives and continued protection for at least one year after the mandate ends.

These protections require a specific review before a dismissal or transfer. Do not assume that following the ordinary article 144 meeting alone is sufficient. Verify the representative's status, mandate dates, relevant union and the procedural steps actually required.

Working arrangements

Establish practical channels for meetings, information requests and consultation. Record agreed facilities and any collective terms. Protect confidential business information through lawful safeguards while allowing representatives to perform their functions.

Managers should understand that lawful union activity and a worker's ordinary performance obligations can coexist. Where misconduct is alleged, investigate objectively and separate the alleged conduct from representation. Preserve evidence of consistent treatment and obtain legal advice before an adverse decision. A retaliatory appearance can be particularly difficult to rebut when the business has not documented the underlying concern until immediately after a union request or collective complaint.

LEGAL BASIS & NOTES

LC arts 10, 33/1, 146, 176-181; AD arts 12-15.

PART 21 / COLLECTIVE EMPLOYMENT RELATIONS

Collective disputes and strikes

Collective disputes follow procedures distinct from individual employment claims. The Labour Code provides mediation and conciliation mechanisms, with statutory periods generally of up to ten days for each relevant stage, and consensual arbitration where applicable. Essential services are subject to special rules.

A lawful strike requires compliance with the Code's conditions, including the role of trade unions and the relevant dispute-resolution steps. Participation is voluntary. Neither the employer nor a union should assume that every work stoppage automatically qualifies for the statutory protection.

Essential and minimum services

The Code distinguishes essential services from arrangements for minimum services. Identify the activity and applicable requirements before giving instructions during industrial action. The commercial importance of a business does not itself establish that it is an essential service within the legal definition.

The rules include restrictions on replacing striking workers with new staff. During a lawful strike, the employment relationship is suspended in the respects specified by law, including pay, while continuity is treated under the statutory provisions. Check collective terms and any agreed arrangements.

Manage the dispute lawfully

Maintain communication, protect safety and property through proportionate measures, and document proposals and events. Avoid threats, retaliation or unilateral declarations that every participant has abandoned employment. The legality of a disputed strike and related consequences require the proper legal determination.

Prepare a business-continuity plan that respects the strike rules and protects non-participants' rights. Obtain prompt advice on court relief, essential-service obligations and any proposed disciplinary response. A collective dispute should be managed as a legal and industrial-relations process, not as a series of ordinary absence cases processed automatically through payroll. Correct classification is central to both the employer's response and workers' protection.

LEGAL BASIS & NOTES

LC arts 188-197/10, particularly mediation, conciliation, essential-service and strike provisions.

Choose the right route

Employment problems can involve several institutions with different powers. An internal complaint may resolve the issue quickly, but it does not replace a court claim where compensation or enforceable relief is required. The Labour Inspectorate supervises compliance within its competence; KMD addresses discrimination; the data-protection Commissioner and ILDKPKI have separate responsibilities.

Identify the legal employer and the act challenged. A private employment dispute, a civil-service appointment dispute and a challenge to an administrative fine may belong to different jurisdictions or procedures. Do not select a court solely because one party is connected with the public sector.

Territorial and procedural questions

Article 7 of the Labour Code addresses territorial jurisdiction, including the defendant's residence and the place where work is habitually performed or centred. Pre-dispute contractual jurisdiction clauses are restricted by the provision. A foreign-law or foreign-court clause should not be assumed to remove Albanian mandatory protection.

Review the remedy sought, parties, evidence, applicable procedural law, fees and any available legal aid or exemption. Where urgent protection is needed, assess interim relief under the relevant procedural and substantive framework. This guide does not guarantee that every employment claim qualifies for the same fee treatment or interim order.

Coordinate overlapping routes

A discrimination claim can proceed directly to court without a prior KMD decision. The law addresses parallel proceedings. A labour-inspection complaint or internal appeal should not be assumed to stop the separate dismissal limitation period.

Create a case map listing each claim, competent forum, deadline and remedy. Consider settlement without allowing negotiation to consume a filing deadline. If several statutes provide protection, plead and assess them coherently, avoiding unsupported double recovery while preserving distinct heads of loss. The route should be chosen by the legal issue and the relief needed, not by which institution is easiest to contact.

LEGAL BASIS & NOTES

LC arts 3, 7, 146, 155, 203; AD arts 33-38; applicable civil and administrative procedure.

PART 22 / CLAIMS AND ENFORCEMENT

Limitation periods: different clocks

The Labour Code's general limitation period is three years from accrual of the right, subject to its exceptions and special rules. A dismissal claim does not necessarily benefit from that general period. Article 146 generally requires proceedings within 180 days from the end of notice; article 155 uses 180 days from immediate termination.

If the abusive or unjustified motive is discovered only after the respective 180-day period has elapsed, the relevant provision gives 30 days from discovery to bring the claim. Record the facts supporting the discovery date rather than assuming the exception revives any late claim. Article 203 also specifies one year from the disciplinary measure, notified in writing to the employee.

Employer claims also have short steps

Article 203 requires written assertion of an employee-damage claim within six months of knowledge and addresses reservation of known claims before the contract ends. Article 156's abandonment-related compensation claim has a special 30-day period where it is not extinguished by set-off.

Article 33/1 gives six days from the employer's refusal decision to challenge it in court. A routine internal escalation can consume that period. Record the decision and communication dates and seek immediate legal review.

Equality deadlines are separate

For KMD complaints, article 33 applies the three-year period from the act and two-year period from knowledge. For court discrimination claims, article 36 applies five years from the act and three years from knowledge. Both relevant limits must be satisfied; use the earlier expiry in planning.

Do not assume that a longer discrimination period automatically preserves an otherwise late Labour Code remedy. Identify each legal basis and its own deadline, including any procedural interruption or suspension rules established in the actual case. Maintain evidence of service and filing. The practical rule is to act promptly and calculate each clock independently, rather than relying on the longest period mentioned anywhere in the legislation.

LEGAL BASIS & NOTES

LC arts 33/1, 146(2), 155(4), 156(3), 203; AD arts 33(4), 36(1).

Compensation, fines and remedies

Employment exposure is not captured by a single universal severance figure. Depending on the facts, the employee may claim unpaid remuneration, notice-related amounts, unused annual leave, seniority, procedural compensation and damages for unlawful termination. Each item has its own conditions and calculation.

Article 144 provides two months' salary for procedural non-compliance, subject to article 154(3)'s court-assessed gross-fault rule. Article 146 addresses compensation up to one year's salary for termination without reasonable grounds, alongside the applicable notice remuneration. Article 155 addresses unjustified immediate termination through notice or remaining-term remuneration, statutory deductions and additional compensation up to one year's salary.

Do not add every maximum automatically

Some claims concern alternative legal characterisations or overlapping loss. Assess which provisions apply, how they interact and what the court may award. The maximum is not an automatic entitlement, and a commercial settlement need not equal a theoretical sum of every statutory ceiling.

Discrimination and gender-equality remedies can include material and non-material damage and restorative measures. Those regimes should not be presented as universally capped by the Labour Code's twelve-month termination figure. Public-administration reinstatement and other specific restoration rules also require separate analysis.

Administrative penalties are distinct

Labour Code article 202 provides fines linked to specified breaches and multiples of the minimum wage, with rules concerning repetition and multiple workers. Equality, safety, inspection, tax and whistleblowing laws may create separate exposure. A fine payable to the state does not compensate the employee or extinguish the underlying obligation.

Prepare a reasoned exposure schedule showing the legal basis, assumptions, evidence, range and possible overlap. Include compliance orders, reputational effects and management time without treating them as court-awarded damages. This produces a more reliable decision than describing every dismissal as costing either nothing beyond notice or an automatic twelve months of salary.

LEGAL BASIS & NOTES

LC arts 94, 144-146, 148, 155, 201-203; AD arts 33, 37-38; GE arts 47-48; WB art 27.

PART 22 / CLAIMS AND ENFORCEMENT

Build a litigation-ready file

A strong employment file is chronological, complete and capable of explaining the decision without relying on memory. Identify the contract and amendments, service history, relevant policies, pay and leave records, communications, complaints, investigation material and termination documents. Preserve originals and reliable copies.

Create a chronology with dates, events, source documents and disputed points. Distinguish facts known at the time from explanations developed later. A reason added after litigation begins may not repair an inadequate termination notice or an unsupported contemporaneous decision.

Evidence quality

Record how documents were obtained and protect metadata where relevant. Identify witnesses with direct knowledge and the topic each can address. Do not coach witnesses to adopt a common story or alter records to improve consistency.

Respect confidentiality and data-protection obligations when sharing material with advisers, authorities or the court. Assess privilege and disclosure rules in the particular procedure; marking every document confidential does not automatically make it legally privileged.

Manage the case and the workplace

Track filing, response, hearing, appeal and enforcement deadlines from the actual procedural acts. Assess settlement throughout the case while preserving rights. Continue to prevent retaliation against complainants and witnesses who remain employed.

After judgment or settlement, record payment and implementation, including any reinstatement, corrective measure or reporting obligation. Review why the dispute arose and update the relevant process. The objective is not simply to close one file, but to prevent the same contract, payroll or management defect from creating the next claim. Keep the improvement record separate from confidential litigation strategy so that operational lessons can be implemented without unnecessary disclosure.

LEGAL BASIS & NOTES

LC arts 33, 144-146, 155, 203; AD arts 33, 36; DP; applicable procedural law. File design is recommended practice.

PART 23 / OPERATING AN ALBANIAN WORKFORCE

Employing foreign nationals

Permission to enter Albania, permission to reside and authorisation to work are different questions. A visa exemption or a lawful tourist stay does not by itself establish permission to perform every type of employment. Review nationality, existing status, activity, duration and the current foreign-nationals framework before work begins.

Law no. 79/2021 on foreigners, as amended, and its implementing measures provide residence and single-permit routes, with category-specific requirements and exceptions. The appropriate route for an employee may differ from that for a self-employed person, investor, intra-group transferee or contractual service provider.

Coordinate immigration and employment

Confirm the employing entity, role, proposed contract, remuneration, workplace and intended start date. Align the application with the actual arrangement. Maintain evidence of the relevant approval or exemption and track expiry and renewal, rather than assuming a pending application always permits immediate work.

Employment protection, payroll and safety duties remain relevant. A foreign worker's vulnerability or unfamiliarity with Albanian procedures is not a lawful reason for inferior treatment. Provide understandable terms and practical information on rights and reporting routes.

Changes need review

A change of employer, role, location or immigration status may affect authorisation. Refer the change before implementation, particularly when a permit was issued for a specific employment arrangement. Plan lawful cover if an authorisation expires or a renewal is delayed.

This paper does not provide a universal permit fee, processing time or exemption list: those depend on the current route and individual facts. Use a coordinated checklist covering immigration permission, written terms, tax registration, insurance, accommodation where relevant and onboarding. Company ownership or appointment as a director should not be confused automatically with either employee status or unrestricted work permission.

LEGAL BASIS & NOTES

Law 79/2021, as amended, and VKM 858/2021, as amended; MFA and Interior Ministry official guidance; LC arts 3-5, 9, 12; AD.

A practical workforce audit

A workforce audit should test actual arrangements against legal requirements, not merely count signed contracts. Begin with a complete population: employees, fixed-term workers, part-time staff, contractors, agency workers, directors and foreign personnel. Reconcile it with payroll, access records and management's knowledge of who performs work.

Select a risk-based sample while reviewing systemic issues across the whole workforce. Pay particular attention to repeated fixed terms, undeclared work, persistent overtime, unused leave, recent exits, complaints and special protection. A small number of apparently tidy files can conceal a widespread payroll error.

Test four layers

First, check the legal structure: correct employer, status, contract type and applicable collective terms. Second, compare documents with practice: duties, hours, pay and work location. Third, inspect controls: approval, recording, consultation and complaint handling. Fourth, verify outcomes: actual payment, leave taken and completion of corrective actions.

Record findings with the rule, evidence, affected population, risk and proposed remedy. Distinguish a missing copy from a substantive breach. Where a defect affects many workers, assess the full population and retrospective exposure before selecting a correction.

Close the findings

Assign owners and deadlines. Correct unsafe conditions immediately and prioritise time-sensitive claims, payroll and discrimination concerns. Do not backdate contracts or manufacture historical approvals to make the file appear complete. Record when the issue was found and what was done to remedy it.

Management should receive a concise report identifying urgent action, financial exposure and unresolved legal questions. Retest material corrections rather than accepting a promise that the policy has been updated. The audit succeeds when the working practice changes and the organisation can show that the new control is functioning.

PART 23 / OPERATING AN ALBANIAN WORKFORCE

Board and management oversight

Employment compliance requires coordinated responsibility across management, HR, finance, legal, safety and information security. A policy with no owner is unlikely to be implemented consistently. Define who may hire, change pay, approve overtime, investigate complaints and terminate employment, and where legal review is mandatory.

The board or management body should receive meaningful information about the workforce without unnecessary personal detail. Useful indicators include undeclared or unsigned arrangements, overtime patterns, overdue leave planning, payroll corrections, safety actions, complaints, litigation and upcoming collective decisions.

Review exceptions, not only averages

Average working hours can hide excessive hours in one team. A low complaint count can indicate fear of reporting rather than a healthy workplace. Ask whether controls allow problems to be identified and corrected, and whether managers are rewarded in ways that encourage non-compliance.

Review the gender-equality governance requirements and whistleblowing arrangements separately where applicable. Ensure that a concern involving senior management can reach an independent decision-maker. Conflicts of interest should be addressed before the merits are assessed.

A management decision record

For material employment decisions, record the proposal, legal constraints, evidence, alternatives, consultation, financial implications and approval. Identify unresolved issues and any condition that must be satisfied before implementation. A short disciplined record can be more useful than a long policy nobody applies.

Schedule legal updates when legislation, minimum pay, contribution thresholds or implementing rules change. The 2024-2026 developments covered in this paper show why a handbook cannot be treated as permanently current. Ask the responsible owner to confirm both the text update and the operational changes, including payroll configuration, forms, training and staff communication. Completion means the business has adopted the requirement in practice.

LEGAL BASIS & NOTES

LC arts 33/1, 36-44; GE arts 24-31; WB arts 14-15; DP. Oversight framework is recommended practice.

PART 23 / OPERATING AN ALBANIAN WORKFORCE

A 90-day implementation programme

An employer can improve compliance through a sequenced programme, provided urgent legal and safety duties are not postponed to fit the timetable. The following is a recommended management plan, not a statutory grace period. Assign an accountable sponsor and identify matters requiring immediate action on day one.

Days 1-30: establish the baseline

Reconcile the workforce with payroll and contracts. Check minimum pay, contribution settings, registration, work permission, annual leave and working-time records. Identify unsafe conditions, active complaints, impending expiry dates and proposed dismissals. Preserve evidence and correct urgent defects through a lawful process.

Create an obligations register with the rule, responsible person, evidence and deadline. Confirm applicable collective and sector-specific requirements. Review policies against the current discrimination, gender-equality, whistleblowing and data-protection framework.

Days 31-60: implement the controls

Update contracts and policies through the appropriate agreement or consultation process. Train managers on recruitment, accommodation, complaints, discipline and termination. Introduce reliable approval and recording for overtime, leave and payroll changes. Test reporting channels and clarify escalation when the usual manager is implicated.

Address historical deficiencies transparently. Calculate arrears where necessary, correct records and explain the outcome to affected employees. Avoid obtaining signatures that inaccurately suggest a missing document existed earlier or that mandatory rights have been waived.

Days 61-90: test and embed

Sample actual decisions and transactions after implementation. Check that staff received information, payroll uses the correct settings and complaints reach the designated handler. Verify closure of safety actions and review access to sensitive files.

Report results to management, including unfinished items and reasons. Set a recurring review cycle proportionate to the organisation and its risks. The final output should be an operational system with named owners and evidence, not simply a new handbook stored beside the old one.

LEGAL BASIS & NOTES

Recommended programme derived from the legal obligations in this guide; no statutory deadline is extended by this timetable.

Employment contract review checklist

Use this checklist before issuing a contract or reviewing an existing workforce. It is a working control, not a complete contract or a substitute for role-specific drafting. Record the answer, supporting document, reviewer and any action required. A positive answer should reflect actual practice as well as the written clause.

Identity, status and purpose

Confirm the correct legal employer and authorised signatory; the employee's identity; the habitual workplace; the role and reporting line; and any work-permission requirement. Establish whether the relationship is employment in substance. Identify applicable collective, sector and special statutory rules.

For a fixed term, record the objective temporary reason, duration and renewal history. For probation, confirm the lawful duration, any written requirement and whether the employee previously performed the same work. For remote work, identify the specific statutory and contractual arrangements.

Core economic and working terms

Check the start date, pay components, payment interval, normal hours, leave, notice and other mandatory article 21 information. Distinguish salary from reimbursed expenses. Review bonus and commission conditions, overtime treatment, equipment, travel and any more favourable collective promise.

Test confidentiality, non-compete, intellectual-property and disciplinary clauses for their particular legal conditions. A provision's presence does not establish validity. Confirm that incorporated policies are identified, current and accessible in a language the worker understands.

Implementation and evidence

Complete signing and delivery, registration, payroll setup, safety instruction, privacy information and required training. Retain evidence through the appropriate records process. Assign responsibility for future amendments and review dates.

Flag any mismatch between the document and the actual job before work starts. Where an existing relationship is being corrected, document the current agreement honestly without backdating. The review is complete only when the responsible team has resolved the material findings or recorded a lawful, time-bound plan for doing so.

LEGAL BASIS & NOTES

LC arts 3-5, 12-18/5, 21, 28-38, 140-143; AD; DP. Recommended checklist.

Termination approval checklist

No termination should proceed solely on a manager's instruction to prepare a letter. This checklist is a recommended approval control. It helps identify the applicable legal route and evidence; it does not make a dismissal lawful if its substantive reason or process is defective.

Before inviting the employee

Confirm the employer, signatory, contract type, service history and probation status. Identify the proposed reason and supporting evidence. Check pregnancy, maternity, adoption, incapacity, approved leave, union representation, complaints and whistleblowing. Assess reasonable accommodation and alternatives where relevant.

Determine whether the case is ordinary termination, fixed-term expiry, immediate termination, transfer-related exit or collective dismissal. Check whether other planned exits within 90 days trigger article 148. Calculate the correct process and do not mix incompatible procedures.

Before issuing the final act

Verify consultation, hearing and service evidence. For article 144, check the minimum 72-hour invitation and the 48-hour-to-one-week decision window. Record the employee's explanation and the reasoned assessment. Confirm that the final reasons correspond to the evidence and the lawful category relied on.

Calculate notice and the rounded end date, including any suspension. Prepare separate figures for earned pay, leave, seniority, benefits and any proposed additional payment. Review lawful deductions, work certificate, equipment and access arrangements.

After communication

Preserve delivery evidence and track the actual end date. Arrange the paid job-search leave where applicable. Complete payroll and reporting accurately, provide the final breakdown and record payment. Retain relevant records under the correct category-specific rules.

If the employee challenges the decision, preserve evidence and refer promptly for legal review. Do not retaliate against them or witnesses. Management approval should confirm that material legal questions have been resolved, rather than merely accepting a financial estimate of what an unlawful dismissal might cost.

LEGAL BASIS & NOTES

LC arts 35, 94, 105/a, 107, 142-156, 181; AD; WB. Recommended checklist.

PART 24 / PRACTICAL TOOLS

Key deadlines at a glance

This reference brings together frequently missed deadlines. It does not replace the detailed conditions in the relevant provision. Record the triggering event and proof of service, distinguish working days from calendar periods, and obtain advice on computation, suspension or interruption in the actual case.

Event	Statutory reference point
Ordinary dismissal meeting	Written invitation at least 72 hours before; LC 144.
Decision after that meeting	Written notice from 48 hours to one week after; LC 144.
Discrimination at work	Protective measures within one month of knowledge; effective response within one month of complaint; AD 13.
Ordinary dismissal claim	Generally 180 days from end of notice; LC 146.
Immediate-dismissal claim	Generally 180 days from termination; LC 155.
KMD discrimination complaint	Within three years of act AND two years of knowledge; AD 33.
Court discrimination claim	Within five years of act AND three years of knowledge; AD 36.
General employment claims	Three years from accrual, subject to special rules; LC 203.

Important exceptions

If the abusive or unjustified motive is discovered only after the relevant 180-day period has elapsed, the dismissal provisions give 30 days from discovery. Evidence of that timing is essential. Employer damage claims, abandonment-related compensation, consultation challenges and disciplinary measures have additional, often shorter, rules explained in Part 22.

Maintain a live diary for an actual matter. Filing an internal complaint, negotiating a settlement or contacting an authority should not be assumed to preserve another claim's deadline. The safest working practice is early identification and action, supported by a written calculation for each distinct legal route.

LEGAL BASIS & NOTES

LC arts 33/1, 144, 146, 155-156, 203; AD arts 13, 33, 36. Summary only; read the operative provisions.

Frequently asked practical questions

Can a contract remove overtime or leave rights?

Mandatory protections cannot generally be waived by a standard clause. Check the actual legal regime, including the specific telework provisions, any lawful exception and more favourable collective terms. A salary described as inclusive of everything does not establish that every obligation has been satisfied.

Does paying notice make any dismissal lawful?

No. Reasons, procedure, protected circumstances and the legal character of an immediate exit remain relevant. Notice remuneration, seniority and compensation are separate issues. Review the full decision before calculating its cost.

Must an employee complain internally first?

There is no general rule requiring internal exhaustion before a discrimination court claim. KMD and court routes have their own conditions, and protected external whistleblowing is not conditional on first using the internal channel. An employer policy cannot remove those statutory options.

Does a signed receipt waive all claims?

No. Receipt of pay, a payslip, policy or letter does not automatically waive mandatory rights. Settlement requires a specific enforceability analysis. Preserve the distinction between acknowledging delivery and agreeing to a legally valid resolution.

What should management do first after finding a breach?

Stop any continuing harm, preserve evidence and identify the affected workers and legal deadlines. Correct the issue through a lawful process, document the decision and test whether the control now works. Do not backdate records or pressure employees to sign away the consequences.

An effective workplace combines clear terms, accurate payroll, safe conditions, fair decisions and accessible reporting. Those elements reinforce each other: reliable records make rights easier to administer, early dialogue reduces avoidable disputes, and reasoned decisions protect both the organisation and the people who work within it. Use this guide to identify the question, locate the rule and prepare the facts for the next decision.

SOURCE REGISTER

Core employment and equality sources

LC | Labour Code

Law no. 7961 of 12 July 1995, as amended by Laws 8085/1996, 9125/2003, 10053/2008, 136/2015 and 91/2024. The supplied 68-page consolidated text is the principal source for this guide. Official Labour Inspectorate consolidation includes the 2024 annual-leave amendment.

[Open official source](#)

AD | Protection from discrimination

Law no. 10221 of 4 February 2010, amended by Laws 124/2020 and 22/2026. The supplied 19-page consolidation was checked against the current KMD publication. References to articles use this amended text.

[Open official source](#)

GE | Gender equality

Law no. 64/2025 of 6 November 2025. Particular attention to articles 24-31 and 47-52. Replaces Law 9970/2008 and its implementing acts. This guide describes the published law; subsequent implementing measures and constitutional orders must be checked for an individual decision.

[Open official source](#)

Gender-equality implementation and proceedings

KMD implementation monitoring published in August 2026 and its notice of 1 October 2026 concerning the constitutional proceedings. The latter confirms an amicus submission, not a final ruling on constitutionality.

[Open official source](#)

SOURCE REGISTER

Safety, privacy and protected reporting

OSH | Occupational safety and health

Law no. 10237 of 18 February 2010, amended by Laws 161/2014 and 99/2024. Read together with Labour Code safety provisions and applicable implementing rules. The Inspectorate also publishes a 2026 verification checklist.

[Open official source](#)

DP | Personal data protection

Law no. 124/2024 of 19 December 2024. Covers processing principles, legal bases, sensitive data, rights, security, controller/processor duties and international transfers. Read with the specific personnel-file rules in Labour Code article 33.

[Open official source](#)

WB | Whistleblowing and protection

Law no. 96/2025 of 18 December 2025. Repeals Law 60/2016. Particular attention to scope, confidentiality, internal units, external reporting, deadlines, records and anti-retaliation measures. Parliamentary published text.

[Open official source](#)

INS | Inspection framework

Law no. 99/2024 on inspection, read with Law 9634/2006 on labour inspection as amended and current implementing measures. Specific inspection, review and appeal requirements must be checked against the act served. Official Inspectorate legislation register.

[Open official source](#)

Practical official controls

Labour Inspectorate verification checklist, 2026; IDPC current complaint and implementation guidance. These support operational checks and do not replace the governing legislation.

[Open official source](#)

SOURCE REGISTER

Payroll, benefits and research method

SS | Social insurance and maternity

Law no. 7703 of 11 May 1993 on social insurance, as amended. Maternity figures in this guide were checked against ISSH official guidance. Actual eligibility and calculation are determined through the competent insurance process.

[Open official source](#)

2026 minimum pay and contribution bases

Tax Administration notice of 14 January 2026: minimum monthly wage ALL 50,000 from 1 January 2026; employed-person social-insurance ceiling ALL 186,416; health-insurance base treatment.

[Open official source](#)

Contribution rates and administration

VKM 77 of 28 January 2015, as amended, and current tax/social-insurance legislation. Ordinary employee rates are used only with the assumptions stated in Part 07. Special categories, personal income tax and international coverage require separate calculation.

[Open official source](#)

Foreign workers

Law 79/2021 on foreigners and VKM 858/2021, both as amended. Official Foreign Affairs and Interior Ministry guidance informs the employment/immigration interface; this is not a complete immigration manual.

[Open official source](#)

Method and limitations

Legislation is the authority for legal propositions; official guidance assists with administration. Examples and implementation tools are original practical analysis. References to adjacent regimes identify their employment relevance and do not represent an exhaustive review of those regimes. All links were identified during research for the 24 October 2026 cut-off.



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