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Confiscation of Criminal Assets in Albania: Financial law instruments between punitive justice and preventive regulation

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Abstract

The confiscation of criminal assets has become a central instrument in contemporary strategies to combat organized crime, corruption, and money laundering. As modern criminal activity is predominantly motivated by economic gain, measures aimed at depriving offenders of illicit profits are increasingly viewed as more effective than traditional custodial sanctions alone. Asset confiscation therefore serves a dual function: it operates as a punitive response to unlawful conduct while simultaneously acting as a preventive regulatory mechanism designed to disrupt criminal economies and protect the integrity of financial and economic systems. This paper examines the confiscation of criminal assets in Albania within the broader framework of financial law, positioning it at the intersection of criminal justice and preventive regulation. The analysis explores the theoretical foundations of asset confiscation, tracing its evolution from a conviction-based criminal penalty to more expansive models, including extended and non-conviction-based confiscation. Particular attention is given to the Albanian legal framework, its development in the context of post-communist transition, and its alignment with international and European standards on asset recovery and anti-money laundering. The paper further assesses the constitutional and human rights implications of preventive confiscation measures, especially regarding property rights, due process guarantees, and the presumption of innocence. It argues that while Albania's confiscation regime reflects international best practices and contributes to the effective disruption of organized crime, its legitimacy ultimately depends on proportionality, judicial oversight, and robust procedural safeguards. The study concludes that asset confiscation represents a powerful but legally sensitive financial law instrument requiring careful balance between effectiveness and fundamental rights protection.

Keywords: asset confiscation, financial law, organized crime, preventive justice, Albania, EU.

1. Introduction

The confiscation of criminal assets has emerged as one of the most effective legal mechanisms in the global fight against organized crime, corruption, and money laundering. Contemporary criminal enterprises are primarily profit-driven, operating through complex financial networks that transcend national borders. As a result, traditional punitive approaches particularly imprisonment are often insufficient to dismantle criminal structures that continue to function despite the incarceration of individual offenders. Depriving offenders of illicit gains is therefore considered a more strategic and impactful intervention (Levi & Reuter, 2006). Asset confiscation not only serves a punitive function but also operates as a preventive mechanism designed to disrupt criminal economies and safeguard the integrity of financial systems. International legal instruments increasingly emphasize financial disruption as a core strategy against serious crime. The United Nations Convention against Transnational Organized Crime (2000) and the United Nations Convention against Corruption (2003) require States Parties to adopt effective measures for identifying, freezing, seizing, and confiscating proceeds of crime. Similarly, the Financial Action Task Force (FATF, 2012) has established international standards mandating comprehensive confiscation regimes as part of anti-money laundering (AML) and counter-terrorist financing (CFT) frameworks. These developments reflect a broader shift from a purely retributive model of criminal justice toward a preventive and regulatory paradigm grounded in financial control. Within this international context, Albania has undertaken significant reforms to strengthen its asset confiscation regime. Due to historical challenges with organized crime, trafficking, and systemic corruption during its post-communist transition, asset recovery has become a central pillar of Albania's criminal justice and financial governance strategy (European Commission, 2023). Over the past two decades, Albania has developed an increasingly robust legal framework integrating criminal law, financial law, and administrative measures. Notably, this framework reflects a shift from traditional conviction-based confiscation toward broader preventive models, including extended and non-conviction-based confiscation. This paper analyzes the confiscation of criminal assets in Albania as a financial law instrument situated between punitive justice and preventive regulation. It examines the theoretical foundations of confiscation, the Albanian legal framework, its compliance with international standards, and the constitutional and human rights challenges arising from its application.

2. Definition of confiscation of criminal assets

Historically, confiscation was treated as an accessory criminal penalty imposed following conviction. Under this traditional model, the state could seize assets directly linked to a proven criminal offense. However, globalization and financial innovation have enabled criminal organizations to conceal illicit proceeds through layered transactions, offshore structures, and third-party ownership arrangements (Levi, 2015). This evolution has necessitated broader confiscation mechanisms. Modern

confiscation regimes are grounded in three principal rationales: retributive justice, deterrence, and prevention. From a retributive perspective, confiscation ensures that crime does not pay by removing unlawfully obtained benefits. From a deterrence standpoint, it reduces incentives for future criminal activity. Most significantly, from a preventive perspective, asset confiscation disrupts criminal infrastructures by targeting the economic foundations of illegal enterprises (Naylor, 2003).

The emergence of extended confiscation and non-conviction-based confiscation reflects this preventive orientation. Extended confiscation permits courts to seize assets disproportionate to lawful income when a defendant is convicted of certain serious offenses. Non-conviction-based confiscation allows authorities to confiscate assets without a criminal conviction, typically through civil or administrative proceedings, provided that the unlawful origin of the property can be established on a lower standard of proof (FATF, 2012). These mechanisms shift the focus from individual culpability to the objective illicit nature of assets.

3. Theoretical Framework: Punitive Justice and Preventive Regulation

The Albanian regime on confiscation of criminal assets reflects the broader theoretical evolution of confiscation from a traditional criminal sanction toward a hybrid instrument situated between punitive justice and preventive regulation. This dual character is particularly visible in Albania's post-communist legal transformation, where asset confiscation has become central to combating organized crime, corruption, and trafficking while simultaneously aligning with EU standards. Within the Albanian Criminal Code, confiscation is formally recognized as a supplementary criminal punishment imposed following conviction. Under this classical model, confiscation targets instrumentalities and proceeds directly linked to a proven criminal offense. The measure operates within the framework of criminal liability and adheres to traditional guarantees such as proof beyond a reasonable doubt and judicial adjudication. From a retributive perspective, conviction-based confiscation ensures that offenders are deprived of unjust enrichment, thereby reinforcing the principle that crime must not generate economic benefit. Deterrence theory further justifies confiscation in Albania's context, where organized criminal groups historically accumulated substantial wealth through trafficking and corruption. By targeting illicit profits, the state seeks to weaken the economic base of criminal organizations rather than merely incapacitating individual offenders (Naylor, 2003). However, the conviction-based approach has proven limited in cases where criminal proceedings are complex, prolonged, or obstructed by evidentiary challenges. Organized crime structures often shield assets through third parties, offshore transfers, or fictitious ownership, making direct linkage to a specific criminal conviction difficult. These practical limitations contributed to Albania's adoption of preventive confiscation mechanisms inspired by comparative European models.

3.1 Preventive Confiscation and the Influence of the Italian Model

A significant development in Albania's legal framework has been the adoption of

preventive, non-conviction-based confiscation under its so-called “anti-mafia” legislation. This model draws clear inspiration from the Italian preventive confiscation regime developed to combat mafia-type organizations. In Italy, preventive measures were institutionalized through legislation culminating in the *Codice Antimafia*, which permits the confiscation of assets deemed disproportionate to lawful income, even in the absence of a criminal conviction. The Italian system conceptualizes confiscation not as punishment but as a preventive security measure aimed at neutralizing the social danger posed by individuals associated with organized crime (Maugeri, 2014). Albania has adopted a similar approach by allowing courts to confiscate assets where individuals cannot justify their lawful origin once reasonable suspicion of involvement in organized crime is established. This mechanism reflects a shift from a strictly punitive model toward a regulatory paradigm focused on risk management and financial disruption. The preventive rationale aligns with international standards promoted by the Financial Action Task Force (FATF, 2012), which emphasize effective confiscation as a core component of anti-money laundering systems. In this framework, the objective is not solely to punish past wrongdoing but to dismantle the economic infrastructure that sustains criminal networks.

3.2 Alignment with EU Law

Albania’s confiscation regime has also evolved under the influence of EU legal harmonization requirements. As an EU candidate country, Albania must approximate its legislation to the EU *acquis*, including Directive 2014/42/EU on the freezing and confiscation of instrumentalities and proceeds of crime in the EU. This Directive encourages Member States to adopt extended confiscation and, where appropriate, non-conviction-based confiscation mechanisms. The EU framework conceptualizes confiscation as both a criminal justice tool and a regulatory instrument designed to protect the internal market and the integrity of financial systems. By incorporating extended confiscation and preventive measures into its domestic law, Albania has aligned itself with these European standards. However, the implementation of such measures requires strong judicial safeguards to ensure compatibility with fundamental rights protected under the European Convention on Human Rights. The jurisprudence of the European Court of Human Rights has generally accepted preventive confiscation regimes, including the Italian model, provided that they respect proportionality, legal certainty, and due process guarantees. This jurisprudence is particularly relevant for Albania, as it sets binding human rights standards that shape the constitutional limits of preventive confiscation.

4. Non-Conviction based Confiscation in Albania: Legal Analysis and jurisprudence

Non-conviction based confiscation (NCBC)

Nonconvictionbased confiscation (NCBC) in Albania represents a critical evolution in the country’s legal framework for combating organized crime, corruption, and illicit enrichment. Unlike traditional confiscation, which requires a criminal conviction, NCBC permits the permanent deprivation of property without establishing personal

criminal guilt. This mechanism is grounded in preventive regulatory logic and reflects Albania's effort to disrupt the economic foundations of criminal activity. NCBC has generated significant constitutional debate, particularly concerning the rights to property, due process, and the presumption of innocence. Albania's primary legislative basis for NCBC is found in its antiorganized crime laws, which allow courts to order confiscation when assets are disproportionate to a person's lawful income or when there is credible evidence suggesting criminal origin (UNODC, 2020). Under these provisions, once a prima facie case is established, the burden of proof shifts to the individual to demonstrate lawful acquisition. This inversion contrasts with standard criminal procedure and situates NCBC within a preventive framework rather than a punitive one (UNODC, 2020).

The Albanian Constitutional Court has not yet issued a major decision directly invalidating NCBC provisions; however, its jurisprudence on related property and due process issues underscores constitutional safeguards that any confiscation regime must respect. For instance, in cases challenging administrative decisions affecting property rights, the Court has emphasized the constitutional requirement that deprivation of property must be authorized by law, proportionate, and subject to judicial review (Constitutional Court of Albania, 2018). Although not directly addressing NCBC statutes, such reasoning establishes that preventive confiscation measures must adhere to the principles of legality, proportionality, and procedural fairness. Legal scholars in Albania have expressed concern that NCBC, if applied without sufficient judicial oversight, may undermine the presumption of innocence and the right to a fair trial enshrined in both the Albanian Constitution and the European Convention on Human Rights (ECHR). Article 41 of the Albanian Constitution guarantees the right to property, while Article 6 of the ECHR protects the right to a fair hearing and presumption of innocence. Critics argue that shifting the burden of proof in NCBC cases places an undue evidentiary burden on individuals who have not been convicted of any offense, potentially infringing these fundamental rights (Hoxha, 2022). Comparative perspectives strengthen this constitutional analysis. The EU's Directive 2014/42/EU on the freezing and confiscation of instrumentalities and proceeds of crime recognizes extended and, in certain contexts, nonconvictionbased confiscation, provided procedural safeguards protect fundamental rights (European Parliament & Council, 2014). Italy's preventive confiscation model, which significantly influenced Albanian legislation, has been upheld by the European Court of Human Rights as compatible with Article 1 of Protocol No. 1 of the ECHR when implementation adheres to principles of foreseeability and proportionality (European Court of Human Rights, 2018). These comparative standards underline the necessity for Albania to balance effective asset recovery with robust safeguards. Judicial practice in Albania reflects a mixed application of NCBC. Courts have applied preventive confiscation primarily in cases involving organized crime and illicit enrichment. However, procedural inconsistencies, such as inadequate notification, limited access to evidence, and variable judicial reasoning have raised concerns about compliance with constitutional norms. The presence of these procedural challenges highlights

the need for clearer judicial standards and stronger procedural protections to ensure NCBC is both effective and constitutionally compliant.

4.1 The Hybrid Nature of the Albanian Model

The Albanian confiscation framework thus embodies a hybrid structure that integrates punitive and preventive elements. Conviction-based confiscation remains anchored in traditional criminal law principles, emphasizing culpability and judicial determination of guilt. In contrast, preventive confiscation operates within a regulatory logic focused on financial transparency, economic risk prevention, and disruption of criminal wealth accumulation. This hybridity generates doctrinal tension. On one hand, preventive confiscation enhances effectiveness in combating organized crime and corruption, persistent challenges in Albania's transitional context. On the other hand, it raises constitutional concerns related to property rights, the presumption of innocence, and the shifting burden of proof. The legitimacy of Albania's system therefore depends on maintaining a careful balance between enforcement efficiency and fundamental rights protection.

In this sense, Albania's confiscation regime illustrates the broader European transformation of asset recovery law. Influenced by the Italian preventive model and harmonized with EU standards, Albania has moved beyond a purely punitive conception of confiscation toward a preventive financial law instrument. Nevertheless, its long-term legitimacy and effectiveness depend on rigorous judicial oversight, institutional integrity, and adherence to constitutional safeguards.

4. AntiMafia Law in Albania: Comparison with EU Standards

The principal legal instrument governing preventive asset confiscation in Albania is Law No. 10192, dated 3 December 2009, commonly referred to as the AntiMafia Law (*Ligji "Antimafia"*). This law establishes procedures, competences, and substantive criteria for applying preventive measures against property when there is reasonable suspicion that the assets belong to individuals involved in organized crime, trafficking, corruption, terrorism, money laundering, or other serious offenses (*Law No. 10192/2009, as amended*). It aims to prevent and combat organized criminal activity by targeting the economic base of crime through the confiscation of unjustified assets. The object of the AntiMafia Law is explicitly preventive rather than purely punitive, shifting the emphasis from punishing past wrongdoing to disrupting the financial foundations that enable criminal networks to operate. The law applies to both movable and immovable property owned directly or indirectly by an individual when there is a reasonable belief, based on evidence, that the wealth was obtained through criminal conduct. Subsequent amendments have expanded its scope to include corruption and other serious offenses, and have aligned procedural elements with the Criminal Procedure Code. Under the AntiMafia Law, courts can order preventive measures, including sequestration and confiscation, when there is a reasonable suspicion that assets are disproportionate to lawful income or linked to criminal activity. This framework permits nonconvictionbased confiscation, placing a partial

burden of proof on the asset holder to justify the lawful origin of the property once authorities demonstrate reasonable grounds for suspicion. This reflects a preventive regulatory logic by prioritizing financial disruption over the need for a prior criminal conviction. The law extends beyond the suspected individual to include assets held by relatives or persons who indirectly control or benefit from assets connected to criminal conduct. It also covers assets acquired before the law's entry into force if clear indications of criminal involvement exist, which has been clarified through case law on temporal limits and retroactive application. The law operates in conjunction with specialized prosecutorial and judicial structures established under Albania's broader justice reform, including the Special Prosecution Against Corruption and Organized Crime (SPAK) and specialized panels within the judiciary. These institutions support the implementation of preventive confiscation measures by conducting financial investigations parallel to criminal inquiries. Beyond confiscation, the AntiMafia Law establishes frameworks for the social reuse of seized assets, including the creation of a Special Fund and management mechanisms aimed at channeling proceeds toward crime prevention and social benefit programs. Management is overseen by relevant agencies in coordination with public institutions and civil society actors. Albania's AntiMafia Law shares the preventive regulatory goals found in EU instruments, particularly Directive 2014/42/EU on the freezing and confiscation of instrumentalities and proceeds of crime in the EU. The EU Directive requires Member States to adopt legal frameworks permitting the confiscation of assets related to criminal activity and permits extended confiscation measures—where property disproportionate to lawful income may be seized—while emphasizing the need for adequate procedural safeguards to protect fundamental rights (European Parliament & Council, 2014). Albania's preventive approach largely aligns with the minimum standards set by the Directive, as both frameworks permit measures that extend beyond convictionbased confiscation. However, there remain differences in procedural guarantees and institutional capacity. EU law underscores the importance of judicial control and respect for fundamental rights, such as proportionality, legal certainty, and effective remedies, particularly where asset deprivation occurs without a criminal conviction. Albania's system, although structurally compatible, continues to face challenges in ensuring consistent judicial oversight and uniform application of safeguards in preventive asset procedures. Ongoing alignment efforts are supported by EUfunded projects aimed at improving legal harmonization and institutional implementation, particularly through joint programs with the Council of Europe that reinforce compliance with European standards on money laundering, asset recovery, and investigative capacity. These initiatives reflect broader commitments under the EU enlargement framework to strengthen the rule of law and approximate the EU acquis, including in areas related to confiscation and financial crime. Despite its alignment with preventive confiscation models in EU law, the antimafia framework in Albania raises constitutional considerations, particularly regarding the right to property and the presumption of innocence. Legal scholars observe that preventive measures, by shifting burdens and imposing asset deprivation absent criminal conviction, can

potentially encroach on fundamental rights guaranteed by the Albanian Constitution and the European Convention on Human Rights (ECHR). Such concerns mirror debates in the wider European context where preventive confiscation is permissible only if accompanied by robust procedural safeguards and effective judicial remedies.

5. The relationship between criminal law and financial law in criminal asset confiscation in Albania

In Albania, the legal regime governing the confiscation of criminal assets exemplifies the evolving intersection between criminal law and financial law. Traditionally, criminal law focuses on determining individual culpability, assigning penalties for unlawful conduct, and safeguarding procedural rights through standards such as proof beyond a reasonable doubt and the presumption of innocence. In contrast, financial law is primarily concerned with the regulation of economic activity, financial transparency, and the protection of the integrity of financial markets. Asset confiscation stands at the confluence of these two domains, acting as both a punitive response to criminality and a preventive mechanism to protect financial systems from illicit enrichment and economic abuse. Within Albania's Criminal Code, confiscation traditionally operates as an ancillary penalty imposed following a criminal conviction for serious offenses, including organized crime, trafficking, corruption, and money laundering. Under this punitive framework, the state may permanently deprive a convicted person of assets that constitute either the proceeds of crime or the instrumentalities used to commit the offense (*Criminal Code of the Republic of Albania*, Articles 36–39). The criminal law approach adheres to principles of retributive justice and deterrence, grounded in the view that offenders should not benefit from unlawful conduct (Naylor, 2003). By linking confiscation to conviction, the criminal law model prioritizes the identification of specific illegal acts and establishes clear causality between offense and property. Financial law in Albania complements the punitive regime by introducing preventive and regulatory elements that expand the scope of asset confiscation. Notably, the enactment of the AntiMafia Law (Law No. 10192/2009) created a legal basis for nonconvictionbased confiscation, empowering courts to seize and confiscate assets disproportionate to lawful income or suspected of criminal origin even absent a criminal conviction (UNODC, 2020). This preventive model reflects a regulatory logic aimed at disrupting the economic foundations of criminal organizations and preventing illicit funds from reentering or corrupting the financial system. Unlike traditional criminal procedures, NCBC shifts the evidentiary burden to the asset holder once reasonable suspicion is established, placing emphasis on financial disproportionality rather than individual culpability (UNODC, 2020). Furthermore, financial law concepts such as asset declarations, financial investigations, and transparency requirements play a significant role in facilitating confiscation. Financial investigations, often parallel to criminal probes, map the flow of funds, identify hidden assets, and expose layering and integration stages of money laundering. This regulatory framework

aligns with global antimoney laundering (AML) standards and reflects a preventive stance prioritizing risk mitigation over purely punitive responses (Levi, 2015). The Albanian asset confiscation regime illustrates a convergence between criminal and financial law that enhances overall effectiveness. Criminal law provides the doctrinal foundation and procedural safeguards, such as due process and judicial oversight, necessary for lawful deprivation of property. Financial law, in turn, enriches this framework by introducing tools that target systemic risk and economic dysfunction. This synergy is particularly important in confronting organized crime, where illicit networks often evade conviction yet maintain substantial economic influence. In practice, Albanian courts may apply both paradigms concurrently. For example, assets may be confiscated under criminal provisions following conviction, or under preventive provisions where assets are disproportionate to lawful income. The latter model draws inspiration from comparative frameworks such as Italy's preventive confiscation law and the EU Directive 2014/42/EU on confiscation and freezing of proceeds of crime. Both models recognize that asset recovery must balance effective disruption of criminal economies with fundamental rights protection, including the right to property and the presumption of innocence (European Parliament & Council, 2014).

The integration of preventive financial measures with criminal law raises important constitutional considerations in Albania. Article 41 of the Albanian Constitution guarantees the right to property, and Article 42 protects the presumption of innocence and right to a fair trial. Legal scholars have argued that preventive confiscation must respect these principles by ensuring proportionality, legal certainty, and adequate judicial scrutiny (Hoxha, 2022). The Constitutional Court has not issued major decisions invalidating the antimafia provisions, but its jurisprudence on property rights underscores the necessity of aligning preventive measures with constitutional protections.

Moreover, the European Convention on Human Rights, which Albania has incorporated into domestic law, requires that any interference with property must be lawful, pursue a legitimate aim, and be proportionate. The European Court of Human Rights has upheld preventive confiscation frameworks in other jurisdictions, provided that procedural safeguards and judicial oversight protect against arbitrary deprivation (European Court of Human Rights, 2018). These comparative standards inform the constitutional analysis in Albania, emphasizing that the legitimacy of preventive confiscation depends on balancing state interests with individual rights.

6. European Human Rights Jurisprudence

Confiscation of criminal assets, including proceeds and instrumentalities of crime, involves significant interference with individual property rights and thus engages core human rights protections under the European Convention on Human Rights (ECHR). In particular, Article 1 of Protocol No. 1 to the ECHR, which guarantees the peaceful enjoyment of property, forms the primary human rights standard

against which confiscation measures are assessed. European Court of Human Rights (ECtHR) jurisprudence has developed normative criteria to ensure that asset confiscation—whether in criminal, civil, or administrative contexts—is compatible with human rights obligations (Council of Europe, 1950; see also ECHRKS thematic guide on asset seizure). The ECtHR has consistently reaffirmed that confiscation constitutes an interference with property rights under Article 1 of Protocol No. 1 and can be justified only if it is lawful, pursues a legitimate public interest, and strikes a fair balance between individual rights and the general interest of combating crime. In *Todorov and Others v. Bulgaria*, the Court confirmed that deprivation of property linked to criminal activity is lawful when based on clear legal provisions and when the domestic courts examine evidence establishing a link between the alleged criminal conduct and the assets, including consideration of the proportionality of the measure. However, the Court also held that in cases where domestic law provided overly broad confiscation powers without adequate procedural safeguards, the forfeiture was disproportionate and violated Article 1 of Protocol No. 1. In *Todorov*, significant state interference with property was found to lack sufficient homegrown safeguards because the link between specific assets and criminal income was not rigorously examined. Conversely, in several related cases (*Rusev, Katsarov, Dimitrov*), the ECtHR upheld confiscation where domestic courts conducted careful inquiry into income and expenditure, addressed the applicants' arguments, and provided reasoned decisions demonstrating that forfeiture was proportionate and necessary to serve legitimate aims such as deterring crime and protecting the public interest. These decisions illustrate the principle that proportionality and reasoned judicial review are essential components of human rights-compliant confiscation. Asset confiscation measures also intersect with Article 6 of the ECHR, which guarantees the right to a fair trial. Although confiscation proceedings may be criminal, civil, or administrative in character, the ECtHR has stressed that individuals affected by confiscation must have meaningful access to judicial review, the opportunity to challenge the factual and legal basis for asset deprivation, and adequate notice of proceedings. In cases where procedural safeguards are lacking—such as failure to allow the affected person to present arguments or insufficient judicial reasoning—the Court has found violations of fair trial rights in addition to property rights concerns (ECHRKS). A critical human rights issue in confiscation jurisprudence concerns the rights of third parties whose assets are targeted due to association with a convicted person. The ECtHR has emphasized that confiscation must not punish innocent third parties who did not participate in criminal conduct. Recent case law indicates that extended or preventive confiscation reaching assets held by family members or associates must be justified by clear evidence of involvement or collusion; otherwise, such measures risk violating Article 6, Article 7 (no punishment without law), and Article 1 of Protocol No. 1. For example, in *Petruzzo and Others v. Italy*, the Court condemned confiscation of real estate owned by third parties with no demonstrated connection to criminal behavior, finding such measures contrary to human rights protections. The ECtHR's approach reflects a broader recognition that states have a wide margin

of appreciation in determining appropriate measures to combat serious crime, including asset confiscation, but that implementation must conform with human rights guarantees such as legality, due process, and protection of property. Academic analyses highlight that while European and even universal legal standards encourage states to adopt various confiscation mechanisms—including nonconvictionbased and extended confiscation—these regimes must be reconciled with human rights obligations (Virzo, 2021).

7. Conclusion

The confiscation of criminal assets in Albania represents a complex legal mechanism situated at the intersection of punitive justice and preventive financial regulation. Traditional conviction-based confiscation remains a cornerstone of Albania's criminal law framework, ensuring that offenders are deprived of proceeds and instrumentalities of crime in accordance with principles of retributive justice and deterrence. However, the adoption of non-conviction-based and extended confiscation measures, particularly under the Anti-Mafia Law (Law No. 10192/2009), reflects a broader shift toward leveraging financial law as a strategic tool to disrupt the economic foundations of organized crime, corruption, and illicit enrichment (UNODC, 2020). By enabling preventive action, Albanian authorities can target assets disproportionate to lawful income even in the absence of criminal conviction, thereby enhancing the effectiveness of the state's anti-crime strategy and aligning with international trends observed in the EU and comparative jurisdictions such as Italy (European Parliament & Council, 2014). This hybrid legal model, however, raises significant constitutional and human rights considerations. Non-conviction-based confiscation challenges traditional guarantees, including the presumption of innocence, due process, and property rights, as protected under the Albanian Constitution and the European Convention on Human Rights (ECHR) (Council of Europe, 1950). Jurisprudence of the European Court of Human Rights (ECtHR) has established clear standards for asset confiscation, emphasizing the need for legality, proportionality, evidentiary rigor, and procedural safeguards (*Melandri v. San Marino*, 2024; *Todorov & Others v. Bulgaria*, 2021). Albanian courts must ensure that preventive measures are implemented in a manner that respects these standards, including protection of third-party rights and meaningful judicial oversight, to avoid arbitrary deprivation of property or violations of fair trial guarantees.

The Albanian framework illustrates the convergence of criminal and financial law in asset confiscation. Criminal law establishes the doctrinal and procedural foundation for linking assets to criminal conduct, while financial law enables preventive measures, asset tracing, and regulatory oversight to disrupt illicit economic activity. This integration allows Albania to utilize confiscation as both a punitive and preventive instrument, supporting broader objectives of transparency, integrity in financial systems, and the rule of law.

Ultimately, the legitimacy and effectiveness of Albania's confiscation regime depend

on its ability to harmonize preventive objectives with fundamental principles of justice and legal certainty. Strengthening procedural safeguards, clarifying evidentiary requirements, ensuring proportionality, and protecting third-party rights are essential for maintaining compliance with both domestic constitutional principles and European human rights standards. When properly implemented, Albania's approach to asset confiscation exemplifies an emerging global model in which financial law serves as a strategic mechanism to combat organized crime, provided it operates within a coherent legal framework that safeguards individual rights while promoting public interest and systemic integrity.

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