



**Western Balkans Investment Framework
Infrastructure Project Facility
Technical Assistance 6 (IPF6)**

TA 2016032 R0 IPA

WB16-ALB-TRA-01

Detailed Design for the Rehabilitation of the Railway Line

Vorë – Hani i Hotit

Albania

Environmental and Social Impact Assessment

LAND ACQUISITION AND RESETTLEMENT FRAMEWORK

July 2021

Revised in July 2022



IPF6 Consortium



Western Balkans Investment Framework (WBIF) Infrastructure Project Facility Technical Assistance 6 (IPF6)

TA 2016032 RO IPA

Name of Sub-project

Detailed Design for the Rehabilitation of the Railway Line Vorë – Hani i Hotit,
Albania

WB16-ALB-TRA-01

Environmental and Social Impact Assessment

LAND ACQUISITION AND RESETTLEMENT FRAMEWORK

Version	Date of issue	Contributors	Checked out	Approver	Comment
Draft v.01	June 2019	ESIA team	Hector Martinez	Aristides Karlaftis	Draft report for comments
Draft v.02	November 2020	ESIA team	Hector Martinez	Aristides Karlaftis	Draft report for comments
Draft v.03	April 2021	ESIA team	Hector Martinez	Aristides Karlaftis	Draft report for comments
V.04	July 2021	ESIA team	Hector Martinez	Aristides Karlaftis	Final document
V.05	July 2022	Abkons	Eriola Kurti/RBiba	Redion biba	Revised report

The Infrastructure Project Facility (IPF) is a technical assistance instrument of the Western Balkans Investment Framework (WBIF) which is a joint initiative of the European Union, International Financial institutions, bilateral donors and the governments of the Western Balkans which supports socio-economic development and EU accession across the Western Balkans through the provision of finance and technical assistance for strategic infrastructure investments. This technical assistance operation is financed with EU funds

CONTENTS

LIST OF ABBREVIATIONS.....	3
GLOSSARY	4
1 INTRODUCTION	6
2 PROJECT OVERVIEW	10
3 REGULATORY FRAMEWORK FOR LARF.....	18
4 ELIGIBILITY, EVALUATION AND ENTITLEMENT	25
5 GRIEVANCE REDRESS MECHANISM	30
6 CONSULTATION AND DISCLOSURE	33
7 MONITORING AND REPORTING	35
8 PREPARATION OF RP AND IMPLEMENTATION	38
9 APPENDICES.....	41

List of Tables

Table 2:1_ Civil works as per each Lot.....	10
Table 2:2_ Area of horizontal alignment improvements	12
Table 2:3_ Areas of to be affected auxiliary structures	13
Table 2:4_ Length of retaining walls as per each Lot	14
Table 2:5_ Summary of potential Project’s impacts	16
Table 3:1_ Key institutions involved in the entitlement process.....	19
Table 4:1_ Specific compensation entitlements	27
Table 7:1_ Roles and responsibilities	35
Table 7:2_ Monitoring indicators.....	36
Table 8:1_ Organisational responsibilities and arrangement for RP implementation	40

List of Figures

Figure 1.1_ General location of the railway line	6
--	---

SUB-PROJECT DATA SUMMARY

ACTION	Sub-project implementation
PROJECT CODE	WB16-ALB-TRA-01
BENEFICIARY	Ministry of Transport and Infrastructure, Albania Albanian Railways / Hekurudha Shqiptare
SECTOR	Transport
COUNTRY	Albania
LEAD IFI	EBRD
GAF budget	EUR 4,500,000
IPF6 Budget	EUR 4,500,000
Assigned to IPF6	6 th July 2018
Non-Objection by CA	12 th December 2018
Commencement date	20 th December 2018
Duration (months)	24 months + 7 months (extension)
Due date for completion	July 2021 Revised in July 2022
IPF6 Key Expert responsible	Aristides Karlaftis

LIST OF ABBREVIATIONS

CMD/DCM	Council of Ministers Decision
CoM	Council of Ministers
CSO	Civil Society Organization
DD	Detailed Design (also referred to as Main Design – MD)
HSH	Albanian Railways
EBRD	European Bank for Reconstruction and Development
ESIA	Environmental and Social Impact Assessment
ESP	Environmental and Social Policy
GoA	Government of Albania
GRM	Grievance Redress Mechanism
IFI	International Financial Institution
NCA	National Cadaster Agency
IPRS	Immovable Property Registration System
LARF	Land Acquisition and Resettlement Framework
RP	Resettlement Plan
MIE	Ministry of Infrastructure and Energy
PAP	Project Affected Persons
PD	Preliminary Design
PEA	Public Expropriation Agency
PR	Performance Requirement
SEP	Stakeholder’s Engagement Plan
ToR	Terms of Reference

GLOSSARY

When used in this document, following terms are defines as follows:

Term	Definitions
Application file	Set of documents prepared to support the request for expropriation submitted to the respective authority
Case file	Set of documents that the Expropriation Commission finalizes in support of proposal for expropriation to the Council of Ministers
Census and socio-economic survey	<p>A process carried out through a field survey to identify, determine and compile a 100% sample individuals, households and business (formal and informal) which will be physically and economically displaced by the project. The meaning of the word shall also embrace the criteria for eligibility for compensation, resettlement and other measures emanating from consultations with affected communities.</p> <p>The socio-economic survey is used to determine and analyse the socio-economic conditions of individuals, households and business (formal and informal) which will be physically and economically displaced by the project.</p>
Compensation	Compensation is the payment in kind, cash or other assistances given in exchange for the acquisition of land including fixed assets, as well as other impacts resulting from project activities.
Cut-off date	Date of completion of the census and assets inventory of persons affected by the project. Persons occupying the project area after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the date of completion of the assets inventory, or an alternative mutually agreed on date, will not be compensated.
Expropriation Commission	Special Ministerial Commission for application of the expropriation procedure.
Expropriation Law	Law No.8561, dated 22.12.1999 “On Expropriation and Taking on Temporary Use of Private Property for Public Interest”, as amended by law no. 11/2020, date 12.02.2020.
Land	It refers to agricultural and/or non-agricultural land and any structures thereon whether temporary or permanent and which may be required for the project.
Land acquisition	It means the repossession of or alienation of land, buildings or other assets thereon for purposes of the Project.
Land Acquisition and Resettlement Framework	A document development when the exact nature and magnitude of the land acquisition or restrictions on land use related to the project with potential to cause physical and /or economic displacement is unknown due to the project development stage. The purpose of the framework is to describe the likely impacts of the associated with land acquisition and outline the principles which will be followed to address these. Once the individual project components are defined and the required information becomes available, the framework serves as a basis for the development of a detailed plan (see item below)
	The document in which the client specifies the procedures it will follow and the actions it will take to mitigate the adverse effects, compensate losses, and provide development benefits to persons and communities affected by an

Term	Definitions
Land Acquisition and Resettlement Plan	investment project. The purpose of the Plan is to present to all interested parties, including PAPs, how acquisition will be implemented and by whom, as well as the time frame and resources
Local Government Unit	The LGUs include Municipalities and Administrative Units as per the new territorial division in force since June 2015.
Project	When used in this LARF, the Project refers to the rehabilitation works for the railway line from Vorë to Hani i Hotit (border with Montenegro)
Project Affected Person (s) (PAPs)	PAPs are persons affected by land use or acquisition needs in the framework of the project. These person(s) are affected because they may lose, be denied, or be restricted access to economic assets; lose shelter, income sources, or means of livelihood. These persons are affected, whether or not they must move to another location.
Replacement cost	It means replacement of assets with an amount sufficient to cover full cost of lost assets and related transaction costs. The cost is to be based on Market rate (commercial rate) according to Albanian law for sale of land or property. In terms of land, this may be categorized as follows: (a) "Replacement cost for agriculture land" means the pre-project market value of land of equal productive potential or use located in the vicinity of the affected land, plus the costs of: (b) preparing the land to levels similar to those of the affected land; and (c) any registration and transfer taxes.
Vulnerable groups	Refers to people who are exposed to higher risks of poverty and can include people living below the poverty line, the landless, the elderly, women and children, and those who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by resettlement than others or who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

1 Introduction

1.1 Project background

The Railway Line Vorë – Hani i Hotit is about 120 km long and was constructed in two stages: the section from Vorë to Laç in the early 1960's and later, in the early 1980's, the section from Laç to the border with Montenegro at Hani i Hotit, approx. 37 km to the north of Shkodër.



Figure 1.1_General location of the railway line

The railway line in its current situation cannot handle the expected increase of the transit freight. Furthermore, community safety issues are in question due to lack of signalling, unprotected authorised level crossings and emergence of many unauthorised level crossings, downgraded engineering networks, abandoned rail stations and other elements.

The train speed restrictions stem mainly from the poor track condition and the frequent unauthorized level crossings, rather than from the alignment geometry. Signalling system, largely destroyed during the unrest periods in 1991 and 1997, is inexistent on the line. The communications between stations are done via radio and there is no controlled safety system for the trains' movement along the line, which highly increases the risk of accidents.

Freight services are poor with long journey times and low demand. The potential for commodities and raw materials rail transport, for the steel and cement industries in particular, is good, and improvements in the system to permit increased speeds, capacity and axle loads compatible with European standards will provide a more attractive service for these industries.

The connection to Montenegro and further to Serbia links the Albanian network to Corridor X/Orient Est-Med Corridor.

The EBRD has assigned the Project as of Category A, which means that a comprehensive Environmental and Social Impact Assessment (ESIA) and review of associated documents must be carried out, followed by their public disclosure for a minimum period of 120 days.

1.2 Scope of this document

This document, named Land Acquisition and Resettlement Framework (LARF), has been prepared to outline the general principles, procedures and entitlement framework concerning the potential impacts of land acquisition required for the Project, in compliance with the national laws and EBRD requirements, in particular EBRD's Performance Requirement (PR) 5 of EBRD's Environmental and Social Policy (2019): Land Acquisition, Involuntary Resettlement and Economic Displacement.

Since the final design was not completed and the impact on land acquisition was not identified, a LARF document was necessary to be prepared which specifies the procedures that shall be followed and the actions that shall be taken to mitigate the negative impacts on land acquisition and any possible impacts on physical or economical displacement. It will serve as additional guidance to bridge any gaps between the national legislation and the EBRD requirements related to land acquisition and livelihood restoration. This is one of the key safeguards documents of this project.

In addition, it will serve as a basis for the development of a detailed Resettlement Plan (RP) for the Project, which will be developed once the exact nature and magnitude of the land acquisition or restrictions on land use related to the Project are known. The RP will provide more precise details on the Project Affected People, the eligibility criteria and the procedures to be applied for the Project in line with this LARF and compliance with EBRD PR5.

1.3 Guiding Principles of LARF

During the implementation of the Project, the need for land acquisition will occur as a result of civil works foreseen under the Project. This document provides basic and binding principles to be applied in all cases of land acquisition (permanent or temporary) and all other adverse social impacts caused by Project implementation in any of its phases (like physical resettlement, economic displacement, etc.).

The fundamental principles guiding land acquisition in this Project are:

- If possible, all resettlement should be avoided by exploring all viable alternatives during Project design and selection of alternatives.

- When unavoidable adverse effects and social impacts occur, all loss of property shall be compensated at the value of replacement costs and PAPs livelihood restored at least to the level before the Project implementation or improved.
- PAPs will be assisted in all phases of the Project in their effort in the restoration of livelihood and living standards in real terms to the level before Project implementation.
- All land acquisition needs to be managed following national laws, EBRD PR5 performance requirements, accepted international best practices, and provisions of this document. As a fundamental rule under this LARF, during the implementation of the Project, the policy that is most beneficial to the PAPs will always prevail.
- Special support and concern in the land acquisition process, as well as during the implementation of all phases of the Project under this LARF will be provided for affected vulnerable groups, according to their specific vulnerability. Inclusion of women from affected households in all public consultation, specific mitigation measures gender tailored, and other measures to provide women the possibility to participate in mitigation measures provided for resettlement impact, will be guaranteed under this LARF. The documentation for ownership or occupancy, such as title deeds and lease agreements (including the bank accounts established for payment of compensation), will be issued in the names of both spouses if the expropriated assets are part of the marital property of both spouses.
- Following this LARF, RP will be prepared once the detailed design is complete, and the expropriation study is undertaken. LARF and the RP will be publicly disclosed during public consultations held before its final approval to allow affected persons and stakeholders to participate in Project development, planning and implementation of resettlement programs.
- During the Project implementation and resettlement cycle, stakeholders will be provided with full information about their grievance rights, possibilities and procedures. All grievances will be taken into account during Project implementation and resettlement activities.
- All land acquisition activities should be conceived and conducted as sustainable projects by providing sufficient investment resources to enable principles and goals of land acquisition defined by this LARF and RP to be applied.

The above principles should govern all actions of the Project Promoter and its representatives, contractors, and all other state and local institutions involved in the Project implementation.

1.4 Objectives of LARF

The main objective of LARF is to define overarching principles, procedures, actions, organizational structures and capacity requirements during resettlement and its impact attributable to Project implementation. It also provides the framework for the development of RP under the Project. LARF specific objectives are:

- to present the actual legal framework of Republic of Albania concerning land acquisition, including legal and administrative procedures and compensation paid for loss of assets; compare them to EBRD Performance Requirements 5 and international best practices; and provide the way to bridge the gaps, if any;
- to identify key institutions of Republic of Albania, besides the Project Promoter, involved in Project implementation, including especially legally authorized state institutions implementing the procedures and safeguards of land acquisition; who can support the Project Promoter implement measures and monitoring to provide compliance with PR 5 and international best practices;

- to identify stakeholders and ways of their engagement in course of Project implementation;
- to present PAPs eligibility criteria and compensation entitlement matrix according to type of lost assets;
- to define the process/methodology of identification and evaluation of affected assets at the replacement cost;
- to provide procedures that allow prompt and effective compensation at full replacement cost for loss of assets or access to assets;
- to describe mitigation measures, including procedures to minimize impacts on PAPs during Project implementation. Particular focus on mitigation measures provided for vulnerable groups and women;
- to define grievance and complaint rights, process, bodies and procedures available to PAPs during the whole course of Project implementation, including feedback reporting;
- to describe and provide directions for preparation of RP, approval procedure and implementation process;
- to specify the requirement of public disclosure, disclosure of documents, public and local community involvement in all phases of Project preparation; especially including public consultation in the PAP communities during the process of land acquisition and Project implementation that may result in loss of assets;
- to establish a gender-sensitive framework for resettlement to determine differential impacts since economic and social disruption do not result in equal hardship for women and men;
- to specify monitoring activities during all phases of the Project, especially regarding resettlement issues, safeguarding the legal process and processes defined under this LARF, and evaluation of the resettlement process;
- to provide forms and questionnaires key to safeguarding and implementing the resettlement process.

1.5 Structure of this document

The LARF is structured as follows:

- Chapter 1: Project background and the purpose of the LARF;
- Chapter 2: Project's overview that includes the land use context and the Project's impacts;
- Chapter 3: Regulatory framework for LARF;
- Chapter 4: Eligibility, evaluation and entitlement;
- Chapter 5: Grievance redress mechanism;
- Chapter 6: Preparation of Resettlement Plan (RP);
- Chapter 7: Consultation and disclosure requirements;
- Chapter 8: Monitoring and reporting;
- Chapter 9: Appendices

2 Project overview

The project area extends in the Western Lowland of Albania. The railway crosses a flat terrain dominated by agricultural lands and of a dense network of roads, commercial facilities, and suburban residential areas.

- Vorë to Lezhë (km 20+00 to km 70+000), the railway crosses a flat terrain dominated by agricultural lands and of a dense network of roads, commercial facilities, and suburban residential areas;
- From Lezhë town to Mjedë (km 70+000 to km 95+000), the railway runs for 5 km through the flat agricultural lands of the Merqia Plain, and as from Gocaj passes from the South to the North the Zadrime Plain, where the railway line route runs mainly across agricultural lands;
- From Mjedë to Bajza (km 95+000 to km 130+000), the landscape is dominated by flat terrain composed of agricultural lands and a dense network of roads, commercial facilities, and suburban residential areas;
- From Bajza to Hoti village (km 130+000 to km 140+000), the railway line passes through agricultural lands and some sparsely inhabited rural areas, as well as the recreational zone of the Managed Nature Reserve of Shkodër Lake.

The civil works for the rehabilitation of the railway line Vorë – Hani i Hotit will be divided into four Lots as presented in the table below.

Table 2:1_Civil works as per each Lot

Lot	Section	Chainage Start	Chainage End	Length (km)	Major Structures / Stations interventions	No of the affected land parcels
Lot 1	Vorë – Gjorm (exit)	20+621	48+420	27.8	Budull Station; Ishëm Station; Droja Bridge; Mamurras Station and Gjorm Station	351
Lot 2	Gjorm – Lezhë 1 (exit)	48+420	68+780	20.4	Laç Station; Milot Station; Mati-Miloti Bridge; Lezhë 1 Bridge and Lezhë 1 Station	458
Lot 3	Lezhë – Shkodër (exit)	68+780	104+300	35.5	Lezhe Tunnel; Lezhe 2 Bridge; Lezhe 2 Station; Baqel Station; Mjede Station; Bridge Shkoder Station	506
Lot 4	Shkodër – Hani i Hotit	104+300	140+080	35.8	Kiri Bridge; Vraka Bridge Koplík Station; Rjollí Bridge; Banush Bridge; Bajzë Station Perroi i Thatë Bridge	412

Construction of Ishmi Bridge will be subject to Albanian Government funding. Besides, the construction of the new Spathara bridges (from km 93+500 to km 95+500) is proposed to be implemented under a separate contract. The realignment in this short section will be done on the west, 50m from the axis of the existing line. It is worth mentioning that 90% of the new axis goes through barren land or state land (Drin river bed).

Taking into consideration the activities required for the reconstruction of the railway line, permanent land acquisition is expected to result from the restoration of local road network connectivity due to the track safety fencing, the improvement of railway track geometry, stations, level crossings and train road crossings. Additional land may be required by the contractor for construction works, borrow pits, landfills, storage areas, etc. which are expected to result in temporary land acquisition only.

The preliminary assessment indicates that no physical displacement will occur with the main impact on land the total disturbed land-area affects in total 1,727 land parcels, which ownership at present cannot be identified (whether these land parcels are private or public properties). Taking into consideration the railway belt, it is assessed that in total 7.5 ha of land falls in private properties. This estimation is based mainly on the area needed for the planned local road, the improvements in the authorised level crossings and the new freight station in Lezhë.

2.1 Land use context

The railway line from Vore to Hani i Hotit passes through seven municipalities – Vorë, Krujë, Laç, Lezhë, Kurbin, Shkodër, Malësi e Madhe. The railway line passes mainly through suburban and agricultural areas. This area has experienced also the migration of population from the mountainous region to flat terrains, which has led to many unauthorized level crossings serving this population. Across the urban areas (i.e. Lezhë and Shkodër towns) many formal and informal buildings have been built at an inappropriate distance from the railroad. Besides, these buildings have damaged the drainage channels on both sides of the railroad.

Given the geographic and economic structure of the area, it can be expected that the main impact of the Project will be on land acquisition, land access and livelihood restoration.

2.1.1 Construction of new freight station of Lezhë

A new freight station is proposed to be built in the north of Lezhë, Lezhe 2. This station will be located from km 70+000 to km 71+300 in agricultural land that is currently under private ownership. The area needed for building Lezhe 2 is roughly 1.4 ha; as per the data gathered from Lezhë Regional Cadastral Agency and the provided cadastral maps, it affects 17 land parcels, which ownership details will need to be confirmed in the next phases of the project.

2.1.2 Construction of numerous short side roads

Several kilometers of local roads are proposed to be built for reaching the level crossings that will be formalized and secured. The construction of these local roads will replace unauthorized crossings. The total land surface required permanently for these roads may reach roughly 60 hectares. A part of this land surface belongs to Hekurudha Shqiptare (railway belt), while the other part belongs to private landowners or the local governments. It is assessed that the land area needed for local roads, outside the railway belt is 4ha.

2.1.3 Horizontal alignment improvements

The existing railway line horizontal alignment needs to be improved to allow for the increased design speed. The rehabilitation of Vorë – Hani i Hotit railway line maintains the geometric alignment and profile of the exiting line, therefore the project works are confined within the boundaries of the existing right of way of the railway. There is only one area of design improvements as shown in the table below:

Table 2:2_ Area of horizontal alignment improvements

No.	From Ch.	To Ch.	Length (m)	Existing Curve Radius (m)	To be improved Curve radius (m)	No of the affected land parcels
1	22+915	23+800	600	300, 300	850, 650	28

The line alignment radius will be improved in the section from km 23+000 to km 23+800, within the territory Vorë Municipality. From km 23+000 to km 23+300, the land to be used falls in an old road that is state ownership (Albanian Road Authority), and therefore, there is not any need for expropriation. While from km 23+300 to km 23+800 the required land surface falls in agriculture land plots, where no physical displacement is anticipated. The number of affected land plots which will be expropriated is approx. 28 parcels. The detailed percentage of land to be expropriated in relation to the whole property, is yet to be calculated.

At this stage of project development, it is assessed that the rehabilitation works will not affect any immovable property, such as houses and/or businesses.

2.1.4 Vertical alignment improvements

No new overpasses will be constructed in the rehabilitation works. The construction of underpasses is not expected to require the land surface to be occupied permanently, as the needed land surface is assessed to be found within the railway belt.

2.1.5 Drainage channels improvements

The rehabilitation of the railroad will respect the existing drainage and irrigation system. Special attention has been provided to the areas that are prone to floods, in order for the railroad not to play the role of embankment or barrier (both sides of Ishmi Riverbed at Gjola Bridge km 35+000) and therefore to allow the water circulation between both railway sides. Due to the necessary rehabilitation works of the drainage system along the existing railway corridor, limited localized expropriations might be necessary.

2.1.6 Level crossing improvements

A major safety objective of this railway rehabilitation design is to minimize the existing level crossings and to secure the remaining ones with technical equipment and signalisation. Solutions to the closure of the existing level crossings have been carried out taking into account traffic rerouting to restore the road network functionality or by grade separation were was technically feasible and acceptable from a social impact perspective.

The unauthorized crossings are grouped to reduce at minimum their number and will be secured with technical equipment and signalisation, in the function of the new situation of the newly created settlements.

In addition, to bring the local roads in standards to enter and/or exit the authorized level crossing areas, (in total 53 level crossings) some land will be required to improve the local roads entry and exit from these secured level crossings. This area is assessed at 2.1ha.

2.1.7 Railways land's property

The LARF will take into consideration also the railway belt which is the property of the Albanian Railways according to Law 9317/2004 as amended by Law 142/2016 (Railway Code). This law stipulates that “the railway land surface belt consists on the land surface of 5.0m minimal width on both sides of the lowest point of the railroad basement or 5.0m from the drainage channels both sides of the railroad”.

CMD 280/2015, as amended by CMD 756/2016, states that “... informal buildings/constructions cannot be formalized when they affect the railway belt defined by the Railway Code”. This means that informal constructions that overlap the railway belt cannot be legalized as the inhabitants have no recognisable legal right or claim to the land they occupy. Nevertheless, the Project either will seek design solutions to not affect the building properties or offer resettlement in line with EBRD PR5 requirements. Displaced persons shall be offered a choice of options for adequate housing with legal tenure or financial compensation for affected structures.

It should be noted that lack of proper maintenance along the railway line with no proper enforcement of legal framework has resulted in unauthorized occupancy of the railway corridor in the last 30 years.

2.2 Summary of Project impacts

Performed field observations showed that the railway rehabilitation will follow the existing track, with minor widening at the level crossings, affecting thin strips of land along the sides, for which no significant land expropriation is required. The total number of land plots expected to be affected amounts to 1727 parcels, which ownership status will need to be identified with the National Cadastre Agency during the preparation of the expropriation study following the completion of the detailed design. The total land surface, outside of the railway belt, is roughly 6.5 ha. Compensation for affected structures and livelihood restoration will be assessed upon the development of RP.

The percentage of land to be expropriated in relation to the whole property is yet to be calculated, nevertheless the railway follows the railway right of way (railway belt) and widens into private land at a range of 0-4 meters maximum. Expropriation would impact the fences and auxiliary structures, and thin strips of yard in the houses and businesses at the urbanized areas of the railway line. All the remaining properties consist of empty land. A summary of the auxiliary structures is as follows:

Table 2:3_ Areas along the railway alignment where auxiliary structures will be affected

Lot	From Ch.	To Ch.	No and typology of auxiliary structures affected
Lot 2	49+970	50+200	2 auxiliary structure (informal) on the west side of the railway and 4 auxiliary structures (informal on the east of the railway line build inside Laç station which will be affected due to rehabilitation of the station road infrastructure and building of secondary lines
Lot 2	63+600	63+700	1 auxiliary structure (abandoned) on the west of the railway line to be affected by local road to be built for reaching the level crossing
Lot 3	78+110	78+200	3 auxiliary structures on the west of the railway line to be affected by the standardization of authorized secured level crossing no 27
Lot 3	92+980	93+000	1 auxiliary structure (informal) on the west of the railway line to be affected by the rehabilitation of Mjede railway station
Lot 3	102+750	102+800	1 auxiliary structure (informal) on the west of the railway line to be affected by local road to be built for reaching the level crossing

Lot	From Ch.	To Ch.	No and typology of auxiliary structures affected
Lot 4	104+500	105+000	properties' fencing (informal) on both sites (east and west) of the railway line which has been built after the '90s as per the urban development inside the freight stations territory; they will be affected by the building of the local roads on both sides of the railway to ensure the safe crossing of the railway line in the authorized secured level crossings
Lot 4	105+000	106+700	properties' fencing (informal) on the east of the railway line, which has been built after '90s as per the urban development inside the freight stations territory; they will be affected by the building of the local roads on the east of the railway for reaching the level crossing no 37; it should be noted that up to level crossing no 37, the territory where the after 90's urban development happened used to be a property of Shkoder Railway Freight station;
Lot 4	116+100	116+200	1 auxiliary (informal) building on the west of the railway line to be affected by the widening of the railway embankment; the structure has been built inside the railway property and next to the slope of the existing railway embankment

The presence/absence of these auxiliary structures will be validated during assets inventory preparation and the expropriation study, at the stage of RP completion.

Nevertheless, it should be noted that the people living along the vicinity of the proposed subproject will not be affected directly by the rehabilitation of the railway line. There will be no need for displacement during the implementation of the project. To avoid impact on the household, and to protect the existing houses and infrastructure, the technical team has foreseen the construction of retaining walls nearby the inhabited areas along the whole 120 km railway line. The total length of these retaining walls amounts at 1.8km. The retaining walls will be applied only in certain areas, where needed, for the protection of the existing houses and infrastructure and with a fixed length, as defined in the DD. Within the total length of 1.8km retaining walls is also included the length of the existing retaining walls' reinforcement.

The retaining walls will be permanent constructions which shall not disturb the daily activities and communication on both sides of the railway line. It should be mentioned that in most of its length the railway line runs along the old national road (nowadays the intercity roads) and the farm houses do have access to the local transport network through the level crossings. In addition, building of additional service roads will enable secure and safe mobility of local communities.

A total of 1826.4 linear meters will be rehabilitated and built as per each lot below:

Table 2:4_ Length of retaining walls as per each Lot

Lot	Section	Ch Start	Ch End	Length (km)	Length of retaining walls	Comment
Lot 1	Vorë – Gjorm (exit)	20+621	48+420	27.8	312.5linear meter	A new retaining wall will be built from km 23+250 to km 23+410, due to the radius improvement alongside a hilly foot. No access will be disrupted because there is an existing service road within this section, on the side of the wall. The service road is linked to the authorised level crossing at Fushë Preze (km 23+370)

Lot	Section	Ch Start	Ch End	Length (km)	Length of retaining walls	Comment
Lot 2	Gjorm – Lezhë 1 (exit)	48+420	68+780	20.4	648.5 linear meter	A new retaining walls will be built in some short sections where the height of the vertical alignment of the railway line is more than 3m (e.g. from km 51+970 to km 52+030). No access will be disrupted as there is no need for such an access. The wall will serve also as a fence and as noise barrier. Besides, there are existing service roads within this railway section.
Lot 3	Lezhë – Shkodër (exit)	68+780	104+300	35.5	138.9 linear meter	Most of the retaining wall interventions in this section relate to the reinforcement of the existing walls within Lezhe Tunnel, approximately 108 linear meters.
Lot 4	Shkodër – Hani i Hotit	104+300	140+080	35.8	726.5 linear meter	<p>A new retaining wall from km 105+850 to km 106+550 because some houses are built close to the railway line. The wall will serve as a fence and as noise barrier. No access will be disrupted because a service road is planned between the wall and the houses. The start and the end of this service road ensure connection with the two authorised level crossings.</p> <p>The existing walls will be reinforced, such as the existing retaining wall between the railway line and the motorway at the last km of the railway line. No access is disrupted as there is no such an access.</p> <p>Other new retaining walls will be built in some short sections where the height of the vertical alignment of the railway line is more than 3m (e.g. from km 113+220 to km 113+500). No access will be disrupted as there is no need for such an access.</p>

The ESIA study established a general social and economic profile of the affected communities as discussed in sections 5.2.19 and 6.2.21 and identified vulnerable groups.

At the next phases of the Project implementation, the preparation of the expropriation study and implementation of the census and asset inventory along the project footprint will identify in more in detail relevant factors of vulnerability and vulnerable groups who will then be added to the SEP and appropriate communication methods will be defined.

The table below summarizes the potential impacts of the Project. The table will be completed with concrete impacts, and remediation measures as per information during the preparation of RP. The precise list of impacts and refinement and detailed planning of entitlements to compensation and assistance for these impacts will be informed by the results of the socio-economic survey and included in RP.

Table 2:5_ Summary of potential Project's impacts

Impact	Description	Negative / positive	Likelihood 5 – very high 1 – very low
Pre-construction phase			
Loss of land	Commercial land	N	1
	Agriculture land (cultivated and not cultivated)	N/P ¹	3
Loss of crops	Annual and perennial plants	N	2
Physical displacement	Loss of housing resulting in the physical relocation	N	0
Economic displacement	Inability to continue with agricultural production	N	1
	Loss of income from land lease	N	2
	Loss of rural infrastructure (irrigation systems, informal access roads)	N	4
	Loss of auxiliary structures	N	1
	Loss of grazing area for livestock	N	2
	Loss of business facilities	N	1
Construction Phase (impacts during this phase are mainly temporary)			
Economic displacement	Encroachment – construction activities outside of site boundaries (Construction machines, works, excess deposit materials, waste, etc.)	N	5
	Excess dust impacting crop development	N	3
	Temporary loss of access to property due to disconnected rural roads	N	3
	Damage to existing rural infrastructure (irrigation systems, informal access roads)	N	4
	Increased travel time and cost due to damaged or disrupted local roads	N	2
	Damage to private property and failure from contractor to remedy damages (fences, auxiliary structures, houses, etc.)	N	3
	Loss of agricultural production due to soil contamination	N	1
Employment opportunities	Additional income from land lease	P	2
	Loss of potential for agricultural production due to soil contamination (failure to reinstitute land)	N	1
	Local recruitment for construction	P	4
	Local suppliers of good and services	P	4

¹ In case of uncultivated land expropriation could result in benefits due to favourable compensation rates

Impact	Description	Negative / positive	Likelihood 5 – very high 1 – very low
	Indirect employment – Higher turnover due to increased workforce in the area (catering, accommodation providers, cafes, restaurants, gas stations, etc.)	P	5
Operational Phase			
Loss of access to the property	Permanent loss of access to property due to disconnected or severely damaged rural roads	N	2
Economic displacement	Loss of agricultural production from traffic nuisances and inadequately designed/performed construction works (dust, flooding due to poor drainage systems, land contamination)	N	1

2.3 Summary of affected land, people and assets

The information on the affected land area, owners and structures presented in this LARF is based on data available at the time of preparing the document. These figures do not include temporary land take required for the works and/or by the Contractors; temporary land access will be agreed by negotiation.

There may be land being used (i.e. for agricultural purposes) in the area (i.e. users may have no legal rights) and on a customary basis. This will be reviewed during the socio-economic survey and land and assets inventory to be prepared as part of RP.

It should be noted that the Cadastre information (to be retrieved from every local Cadastre Office – 7 in total) may have information gaps that will need to be i) verified in the field (during the socio-economic survey and land and asset inventory); ii) through the valuation of properties and iii) through consultation process with the affected landowners and users. Some of the possible gaps may include:

- unregistered users of land and properties;
- deceased owners with legal heirs who are unregistered and/or have not completed the inheritance process;
- unregistered changes in property ownership;
- unregistered right of use (i.e. rented land could be on a customary base);
- unregistered non-residential buildings (auxiliary structures);
- unregistered buildings extensions exceeding the registered size of the property;
- unrecorded buildings (i.e. buildings without permits)

3 Regulatory framework for LARF

3.1 National regulations and Compensation

The key law regulating expropriation and governing the land acquisition process for the Project is Law No. 8561/1999 “On Expropriation and Temporary Takings of Private Property for a Public Interest” (Expropriation Law), last amended by law no. 11/2020, date 12.02.2022.

This Law is complemented by several Decisions of the Council of Ministers (DCM), guidelines and regulations, namely, the following:

- DCM No.127, dated 23.03.2000, “On the content and procedures of introducing the request and or initial announcement of expropriation and temporary takings of private property for a public interest”;
- DCM No. 138, dated 23.03.2000, “On the technical criteria for the assessment and calculation of the compensation amount of private properties that are going to be expropriated for a public interest, of properties that are devaluated and of the rights of the third parties” as amended;
- DCM No. 257, dated 11.04.2007, “On the criteria and procedures for the physical compensation with state properties of expropriated subjects, in special cases”;
- DCM No. 89, dated 03.02.2016, “On the approval of the land map values in the Republic of Albania”;
- Guideline No. 1, dated 05.10.2000, “On the technical criteria to calculate the value of the fruit trees that are being expropriated for the public interest, in the cases when indicators of declared purchase are missing”; and

In regards to the compensation process, the following laws, bylaws and regulations shall be taken in consideration as well:

- Constitution of the Republic of Albania;
- Civil Code of the Republic of Albania (Chapter II. Acquisition and Loss of Property);
- The New Law 111/2018 “On Cadastre”;
- DCM no.395, dated 13.05.2020, “On the manner of organization and functioning of the State Agency for Expropriation”;
- Law No. 133/2015 “On the treatment of property and finalization of the process of compensation of property” (repealed articles by the Constitutional Court decision no.1, dated 16.1.2017);
- Law no.107/2014, dated 31.07.2014, “On the planning and development of the territory”, amended;
- DCM no. 686, dated 22.11.2017, "On the approval of the regulations of the territory planning”;
- DCM no. 408, dated 13.5.2015, "On the approval of the regulations of the territory; development”, amended;
- DCM no. 655, dated 28.7.2010, “On the rules and procedures of changing the land resource categories”;
- Law no. 22/2018 “On social housing”;

Other regulations on land tenure rights, registration and social protection shall be taken into consideration.

3.2 Key institutions in the process of land expropriation and resettlement

The institutions responsible for the delivery of each item/activity in the entitlement process, implementation of the RP and coordination of the activities associated with and described in LARF, are presented in the table below.

Table 3:1_Key institutions involved in the entitlement process

Institutions	Key responsibilities during expropriation/resettlement
Government of Albania (Council of Ministers)	<p>The Government of Albania will compensate the project-affected people (PAPs) for any loss of physical assets, revenue, and income resulting from economic displacement or physical relocation whether these losses are temporary or permanent. The Council of Ministers is responsible for issuing the expropriation decision and authorizing the funds required for it.</p> <p>The land acquisition transfer must be fully completed, and payment made before any works can be executed on the expropriated property.</p>
Ministry of Infrastructure and Energy	<p>The financial responsibility for the expropriation procedures, including the compensation to be paid, resettlement costs, etc., lies with the Ministry of Energy and Infrastructure.</p> <p>MIE submits the confirmed/approved expropriation request for approval to the Council of Ministers.</p>
Public Expropriation Agency (subordinate institution of the minister responsible for urban development/Ministry of Infrastructure and Energy)	<p>Once an expropriation request is filed with the Public Expropriation Agency (“PEA”), the latter orders the establishment of a specific commission responsible to follow and accomplish the expropriation process.</p> <p>The expropriation commission is responsible to determine the amount and the type of compensation.</p>
Albanian Railways – Hekurudha Shqiptare	<p>The Albanian Railways has the ultimate responsibility for the implementation of all project components along with other institutions of the Albanian Government.</p> <p>As such, HSH:</p> <ul style="list-style-type: none"> - applies and coordinates all resettlement activities under this LARF and RP; - discloses Cut-off date in the public announcement for the relevant municipality, as part of the expropriation process; - prepares the RP and other documents; - implements the RP; - discloses LARF, and all other documents; holds public consultations in all Project phases - engages relevant stakeholders; - establishes and administrates the grievances mechanism to redress all grievances from PAPs and other stakeholders; - monitors and evaluates the process of land acquisition; - prior review and approvals of negotiated agreements between contractors and landowners impacted by temporary land-occupation; - monitors the process of temporary land occupation until the land is given back to their owners following this LARF;

Institutions	Key responsibilities during expropriation/resettlement
	- reports to EBRD on all issues under this LARF; Albanian Railways manages the process of evaluation of the expropriated property and pays compensation for the expropriated assets and if needed, additional compensation to bridge the gap with PR 5. It submits the expropriation request to the PEA.
Ministry of Finance and Economy	Borrower; provides also funds for expropriation; to date, no expropriation funds for this project implementation have been allocated in the Mid-Term Budget Programme (2021-2023)
National Cadastral Agency ² , ex-Immovable Property Registration Office (IPRO) and its local offices	Provides official legal information on the land to be expropriated by identifying and verifying property boundaries and ownership, before the application is sent to the PEA. The National Cadastral Agency is responsible for running the ex-Immovable Property Registration System, which provides information on the property (surface, type of land, location, etc.) and on its owners and their rights on the land and the Cadastral maps which provide ownership data.
Local Government Unit	Municipalities are responsible for the development and monitoring on the ground of the General Local Development Plans and therefore shall be consulted in the process of land expropriation. In case no information on the area is available (first registration is not made), local authorities (municipalities and administrative units) are responsible to provide data on the land and ownership rights. They will be responsible for the coordination of expropriation implementing procedures and support the execution of the compensation.
Administrative Courts	Address complaints on the amount of compensation provided in the Decision of the Council of Ministers approving the expropriation.

3.3 Expropriation process

Expropriation Law regulates the process for the expropriation of permanent and/or temporarily occupied properties (land and structures), in the public interest for activities that cannot be realized in another way and which bring greater benefit to the public. The law provides compensation in such cases and even when the land is temporarily occupied. Only registered properties and formal legal owners of the properties are entitled to benefit by the law. No provision applies to unregistered properties.

Expropriation may be done in favor of the state and of public or private, local or foreign juridical persons, for the realization of a project, investment, or object of theirs that, in each case following expropriation law, presents a public interest. The subject, in favor of whom the expropriation is done, shall apply to expropriation to the Public Expropriation Agency³.

The expropriation process in the case of rehabilitation of a railway line is initiated by the Albanian Railways (Hekurudha Shqiptare) that submits an expropriation application to the PEA. This application contains information about ownership and other rights as they appear in the Immovable Property Registration System (IPRS). For properties that have not yet been registered (first registration), ownership data is collected from other local sources (i.e. Cadastral

² Established by Law 11/2020, amending Law 8561/1999

³ Public Expropriation Agency (PEA) has been established by

Offices in respective Municipalities). This information is referred to as the Expropriation Dossier. Upon receiving the application, the PEA, orders the establishment of a commission to follow and accomplish the expropriation process.

Within 10 days from the day of notification of acceptance of an application for expropriation, an agreement is entered between the PEA and the applicant in favor of whom the expropriation is sought. Within 10 days from agreeing with the subject applying for expropriation, the PEA begins fulfilling the procedures of direct notification to each owner or joint owner of the private properties sought to be expropriated or devalued as well as to third persons related to their compensation.

The PEA publishes the expropriation application in the Official Gazette, in a newspaper with national circulation and in a local newspaper for one week. Any third party affected by the expropriation is entitled to, not later than 15 days from the completion of the periods of publication, submit their claims accompanied by the relevant documents to the PEA.

When the claims of the third party about ownership, as well as about the conditions of expropriation offered are verified to be legally supported, the PEA proceeds with the expropriation, while also respecting these rights.

In valuing the private properties that are expropriated or other real rights of third persons that are subject to expropriation, the commission will consider the nature of the asset, depreciated value, location, the initial value, the purpose for which they are destined.

After the preliminary procedures for expropriation, the competent minister for urban development (Minister of Infrastructure and Energy) submits to the Council of Ministers the proposal for expropriation. The expropriation and the compensation value are determined in the Decision of the Council of Ministers.

It should be noted that the implementation of expropriation activities will be linked to the implementation of the project, to ensure that loss of assets and/or and displacement does not occur before the necessary mitigation measures and resources are in place. In particular, land and related assets will be taken only after compensation has been paid.

3.3.1 Land tenure and property rights

The land and property reform began in Albania at the beginning of the 90's, characterized by several laws on property and ownership of land rights as Law No. 7501 "On the Land", Law No. 7843 "On Registration of Immovable Property" etc. Nevertheless, almost 30 years later, the reform is still ongoing and some issues remain unsettled i.e. the first registration of properties, high legalization costs, complex administrative procedures and a large number of property disputes in court. The deadline for the legalization of informal construction has expired long time ago and the National Cadastral Agency, part of which is also the ex-Agency on the Legalization of Informal Construction (ALUIZNI), has all the ownership data.

3.3.2 Resettlement Assistance

Law No. 22/2018 "On Social Housing" establishes the legal framework for the development of social housing programs in Albanian municipalities. Other laws on the assistance offered by the State to vulnerable groups can be used as a basis for the development of resettlement programs for vulnerable groups. The Expropriation law does not provide for any resettlement regime.

3.3.3 Compensation

The Expropriation Commission evaluates the affected properties and provides the relevant compensation, as approved by the Council of Ministers, following the DCM No. 138, dated 23.03.2000, “On the technical criteria for the assessment and calculation of the compensation amount of private properties that are going to be expropriated for a public interest, of properties that are devaluated and of the rights of the third parties”.

Properties are categorized as:

- Category no. 1 Construction objects: (a) residential structures and (b) any other structures rather than residential (warehouse, shops, etc.);
- Category no. 2 Agriculture land;
- Category no. 3 Construction land.

For (a) residential structures, the valuation is set as the average of sales and purchases, as determined by the National Cadastre Agency. In case such information is not available, the valuation is to be made based on the building costs, using the prices as provided by the National Dwelling Entity (Enti Kombetar i Banesave).

The valuation of the building cost method is also used for the compensation of industrial or agricultural objects.

The compensation price for agricultural land, forests, fruit trees, etc., is based on the average sales price of a similar transaction within the same cadastral area. This information is obtained from the Cadaster Office if such information is missing (i.e. there are no similar transactions). The compensation price is set based on the DCM No. 89, date 03.02.2016, “On the approval of the land map values in the Republic of Albania”. The valuation for fruit and trees is made using the cost method (investments, number of plants, surface area, other expenses etc.). The valuation of crops is made based on expected productivity.

3.4 Informal constructions crossing with the railway land surface belt

Law No. 9317, dated 18.11.2004 “On the Railway Code of the Republic of Albania” defines the railway line and as a part of it, the railway belt that consists of the land surface of 5m minimal width at both sides of the lowest point of the railway basement or 5m from the drainage channels both sides of the railway”.

As per Article 18 of the same Law, any form of construction along the railway belt is forbidden, except those that facilitate the railway line. Any construction which is required to be made along the railway belt, including railway crossings, is subject to the prior approval of the Albanian Railway Authority (Hekurudha Shqiptare).

Other limitations exist for the protection of the railway line as provided in article 35/d of Law No. 9317. The Railway Code prohibits any kind of construction along the railway line, closer than 25 meters from the line, outside urban areas. In urban areas, it is allowed to build residential buildings and other buildings, along the railway line belt, at a distance of 25 to 100 meters from the railway belt.

For the construction of any type of object located in urban areas outside the railway line belt, and at a distance of up to 25 meters from this belt, permission from the Albanian Railway Authority is required.

A lot of informal constructions were built in the last 20 years in Albania due to internal migration from rural to urban areas. To allow occupiers to legalize the informal constructions, Law no. 9482, dated 03.04.2006 “On Legalization, Urbanization Planning and Integration of

Unauthorized Buildings” was approved to formalize these informal constructions and develop the relevant areas.

A recent decision of the Council of Ministers, issued under the Law 9482/2006, no. 280 as amended in 2016, provides a list of those informal buildings exempted from the legalization process. Section II, 2/b of the DCM provides that informal buildings/constructions cannot be formalized when they affect the railway system/lines or cross the existing railway protection belt defined by the Railway Code. The railway protection belt consists of the land on both sides of the railway line, with a width of 100 meters, starting from the outer extremity of the railway line.

3.5 EBRD standards

The project has been screened as a Category A project under EBRD’s Environmental and Social Policy, as reviewed in 2019, Involuntary Resettlement is covered by the Performance Requirement (PR) 5 of the Policy. The main points of PR no. 5 are the following:

- avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring alternative project designs;
- avoid forced eviction;
- mitigate unavoidable adverse social and economic impacts from involuntary resettlement on affected persons by: (i) providing timely compensation for loss of assets at full replacement cost; and (ii) ensuring that land acquisition, restriction on land use, other assets and natural resources and involuntary resettlement activities are implemented with meaningful consultation, participation, and disclosure of information, in accordance with the requirements of PR10;
- improve, or at a minimum, restore the livelihoods and standards of living of affected persons compared to pre-displacement levels;
- improve living conditions of physically displaced persons through the provision of adequate housing (including essential service and utilities) with security of tenure at resettlement sites.

3.6 Main findings and suggestions / GAP Analysis

Some existing gaps between the domestic legislation and the EBRD are provided below. A more detailed gap analysis summary is provided in Appendix 9.1.

- The Albanian law provides regulation only for people having legal rights over the properties and focuses on assets that may be expropriated or temporarily occupied properties for the public interest.
- The law provides no regulation on restrictions resulting in people experiencing loss of access to physical assets or natural resources;
- The law imposes no requirements for avoiding and/or minimizing physical and/or economic displacement;
- A resettlement/livelihood restoration plan nor the implementation of a socio-economic survey is required by the Albanian legislation in force. The law is also silent regarding consultations with affected persons or informing vulnerable groups;
- No specific provision on the compensation of registration costs and transfer taxes is provided;

- Public consultations are not required before expropriation. Only those having formal legal rights over the affected properties are consulted once the expropriation process has initiated;
- Relocation costs and assistance for vulnerable groups are not foreseen by the Expropriation law, however, vulnerable persons are entitled to social welfare assistance;
- Consultation of communities regarding the loss of public amenities is not provided;
- The law does not apply to those who have a claim to land that is recognized or recognizable under national laws and those who have no recognizable legal right or claim to the land. Furthermore, those belonging to these categories are not entitled to any compensation or livelihood restoration assistance (except social housing);
- No requirements for the monitoring of the expropriation process are provided.

4 Eligibility, evaluation and entitlement

At the time of preparation of this LARF, the detailed design for the rehabilitation of the railway line Vorë – Hani i Hotit was still in the functional analysis stage and the full impact from the land acquisition could not be fully assessed.

Taking into consideration construction processes required for the railway line rehabilitation works, the permanent land acquisition is expected to result from the construction of new stations (e.g. Lezhë 2 station), the opening of several short side roads alongside the railway line, the horizontal alignment improvements (direct occupation of the area for the radius curve improvement), vertical alignment improvements (overpasses and underpasses), level crossing improvements (widening of level crossings, and building of access roads), etc. Additional land may be required by the contractor for construction works, borrow pits, landfills, storage areas, etc. which are expected to result in temporary land acquisition only.

However, considering the geographic conditions, land acquisition is expected to include land, crops, and perennial trees, as well as some auxiliary structures and rural infrastructure. It may affect access to land, however, it is not expected that the land acquisition process for this section will affect any business (unrelated to agriculture) or cause any physical displacement.

LARF has been prepared to capture the entitlements based on the estimated impacts.

4.1 Persons and Entities Eligible for Compensation and Assistance

According to this LARF, the following persons and entities are entitled to compensation as prescribed in the LARF, if present in the Project area before the cut-off date:

- Persons or legal entities who are formal owners of any affected property;
- Persons or legal entities that are recognized users, under the provisions of national laws, of any affected property;
- Persons or legal entities who are formal lessees of any affected property
- Persons or legal entities that are unregistered owners and informal users of, privately or publicly owned, affected agricultural or construction land, or part of the land;
- Persons that are users of the affected property but have no legal rights to the property – squatters;
- Persons or legal entities owners of the crops that are affected by the Project (regardless of the status of the land where it is planted);
- Persons or legal entities owners of the perennial plants and trees such as fruit-bearing trees and vineyards, that are affected by the Project (regardless of the status of the land where it is planted);
- Persons or legal entities owners of vineyards and orchards that have not given yield yet, and are affected by the Project (regardless of the status of the land where it is planted);
- Persons or legal entities owners of the nursery which has not given yield yet, and are affected by the Project (regardless of the status of the land where it is planted);
- Persons or legal entities owners of the structures affected by the Project (auxiliary buildings, fences, wells, irrigation systems, etc.) regardless of the status of the land on which the structures are located;
- Workers, agricultural possessors and farmers on the affected property, whose incomes and livelihoods are permanently or temporarily under the impact of the Project;
- Communities or households whose access to their buildings, commonly held resources and amenities are affected by the Project;

- Persons or legal entities that are formal owners, or lessees, or legal users under the provision of RC law, or unregistered owners and informal users of land, and who are affected by the Project because of the temporary occupation of the land;
- Persons or legal entities owners of property who are not citizens/residents of the Republic of Albania;
- Vulnerable groups, and individuals belonging to those groups, persons below the poverty line following national laws, women-led households, single parents, elderly, disabled persons, or those with long-term health problems) which are affected by the Project;
- Compensation must be shared between spouses according to title documentation or the Family Code in the silence of title documentation. This also includes co-habitants who have already made an agreement on having property ownership and inheritance at a notary office. Ensure that all programs, including those related to livelihoods restoration are equally accessible to both men and women; Persons or legal entities whose losses cannot be determined or foreseen at this stage of the Project (includes persons who have title over buildings affected by the project).

4.2 Census and Cut-off Date

The Albanian Railways is required to carry out a census and socio-economic baseline surveys to establish the number of people which livelihoods will be affected, and property to be compensated.

The census date is usually also a cut-off date for eligibility claims. The cut-off date is determined (i) as foreseen in applicable legislation; or (ii) using the end date of the census or of the asset inventory (whichever is the latest).

The census should cover the total affected population and should be accompanied also by an asset inventory which is a detailed measurement survey valuating affected assets. The socio-economic baseline survey can be derived from a sample survey and is critical in identifying the current socio-economic, cultural and political profile of the affected persons; their levels of overall resilience or vulnerability; and ensuing degrees and sorts of impacts.

The census and the asset inventory and socio-economic survey should be ideally done in parallel. Cut-off dates determine the eligibility for compensation of PAPs. Therefore, they represent the actual date that the PAPs' assets and infrastructure at a particular site were recorded during the census survey. Assets such as land, structures and others, which are created, encroached, or acquired by individuals or groups, after the cut-off dates, will not be eligible for compensation or other assistance. Issuance of a cut-off date requires the simultaneous clear, public and accessible disclosure of the imminent project activities on the site concerned and their relevant implications for peoples' lives. As the cut-off dates will be specified in the RP, they will be discussed and agreed upon with the IFI (EBRD) as part of the RP preparation process. A census may be revisited in cases when a long time has elapsed between the census undertaking and the implementation of the RP.

4.3 Entitlement matrix

An entitlement matrix is prepared based on EBRD procedures for eligibility criteria, and to overcome the gaps noted in section 3.6. All affected persons as per EBRD classification (paragraph 26 of PR5) with or without legal title to their property are eligible for compensation.

Table 4:1_Specific compensation entitlements

Asset acquired	Type of project affected right or property loss	Category of PAP	Entitlement	Implementation Modalities
Land	Loss of agricultural land, less than 40%	Owner with a formal title (including those that have a claim to land)	Free registration of land parcels according to Albanian legislation, before expropriation, and Cash compensation for affected land at replacement cost (equivalent to the market value of the property, sufficient to replace the lost assets and cover transaction costs).	Provide replacement property (for example, agricultural or commercial sites) of equal or greater value, or cash compensation at full replacement cost where appropriate.
	Loss of agricultural land, more than 40%	The title holder (formal user of land)	Registration of land parcels according to Albanian legislation, before expropriation, free of costs, and Cash compensation for affected land at a replacement cost or land plot of similar size and characteristics with a secure tenure status, and Livelihood restoration assistance including job training.	Provide replacement property (for example, agricultural or commercial sites) of equal or greater value, or cash compensation at full replacement cost where appropriate.
		Informal user	Assistance in the lease of alternative land/ property.	Finding an alternative location given with the right to use with secure tenure.
	Loss of construction land	Title holder	Registration of land parcels according to Albanian legislation, before expropriation, free of costs; and Cash compensation for affected land at a replacement cost.	Provide replacement property (for example, agricultural or commercial sites) of equal or greater value, or cash compensation at full replacement cost where appropriate.
		Informal user	Assistance in the lease of alternative land/ property.	Finding an alternative location given with the right to use with secure tenure.
	Structures	Loss of residential structure	Title holder with a building permit or with the legal right to register the structure.	Registration of structure according to Albanian legislation, before expropriation, free of costs and Cash compensation for residential structure at replacement value and Moving allowance and compensation for other expenses related to resettlement and

Asset acquired	Type of project affected right or property loss	Category of PAP	Entitlement	Implementation Modalities
			Assistance to obtain a building permit for a new structure.	
		Occupant without the legal right to register the structure/ informal user	Cash compensation at replacement value and moving allowance to the owner.	Transfer of property right or expropriation process.
	Loss of non-residential structure	Title holder with a building permit or with the legal right to register the structure.	Cash compensation at replacement value and moving allowance.	Transfer of property right or expropriation process.
		The user without legal right to register the structure.	Right to demolish the building and collect construction materials.	Compensation not foreseen.
Commercial Property	Loss of place of business activity	Owner	The same is applicable for residential property.	In cases where land acquisition affects commercial structures, the affected business owner is compensated for: (i) the cost of re-establishing commercial activities elsewhere; (ii) lost net income during the period of transition; and (iii) the costs of the transfer and reinstallation of the plant, machinery or other equipment, as applicable.
	Loss of business and/or rent	Owner	Compensation for the cost of re-establishing the commercial activity and compensation for loss of income.	In cases where land acquisition affects commercial structures, the affected business owner is compensated for: (i) the cost of re-establishing commercial activities elsewhere; (ii) lost net income during the period of transition; and (iii) the costs of the transfer and reinstallation of the plant, machinery or other

Asset acquired	Type of project affected right or property loss	Category of PAP	Entitlement	Implementation Modalities
				equipment, as applicable. Furthermore, provide transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels and standards of living.
Standing Crops	Loss of annual crops	Owner/User	Right to harvest crops or cash compensation for annual crops at replacement value.	Cash compensation in case crops could have not been harvested. Furthermore, provide transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels and standards of living.
	Loss of perennials and non-fruit trees	Owner/User	Right to collect production and cash compensation at replacement value.	Cash compensation. Furthermore, provide transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels and standards of living.

5 Grievance redress mechanism

The potential for disputes has been reduced considering that the reconstruction of the railway line, does not affect the PAPs to the extent where houses or other dwellings need to be dislocated, but rather a relatively small portion of their land.

Grievance redress procedures envisaged in the Albanian legislation include the negotiation of settlements encouraged by the Expropriation Law (Article 6); if an agreement is not reached when a decision on expropriation is passed by the Council of Ministers, the affected owner has the right to appeal to the Administrative Court. This right concerns only the amount of compensation offered and not the decision of expropriation itself.

To comply with EBRD requirements, a more inclusive Grievance Redress Mechanism (GRM) must be established. It shall be consistent with the objectives and principles pertaining to grievance management of PR 10, and shall include a recourse mechanism designed to resolve disputes in an impartial manner.

GRM shall be established as early as possible in the land acquisition and resettlement process, and at the latest prior to the census taking place, in order to receive and address in a timely manner specific concerns about compensation, relocation or livelihood restoration measures raised by displaced persons (or others).

The procedure is summarized here but is also available in the Stakeholder Engagement Plan (SEP) which was also developed for the Project.

The following principles will apply to grievance management:

- Any grievance related to land acquisition or any other matter will be registered, acknowledged within 7 working days and tracked until it is closed;
- The grievance management system will include at least one level of review/appeal, to reach an amicable settlement wherever possible without resorting to a judicial review;
- Grievances will be processed and responded to within 30 working days.

5.1 Grievance management

The grievance procedure is designed to be effective, easy, understandable and without associated costs to the complainant. Registers of grievances will be established in locations close to potentially affected people. The investor will be responsible for handling the grievances in a timely fashion. It should be possible to register grievances in headquarters, municipal and local offices and websites. A grievance leaflet will be prepared to tell people about the process. The leaflet needs to be written in easily accessible language. Also bearing in mind the length of the corridor, information on the procedure, as well as the Public Grievance Form (a format provided under section 9.3), will be available on notice boards in the affected communities, on local communities' websites and will be distributed during the consultation meetings.

The existence of these registers, as well as avenues and procedures to lodge a complaint (where, when, to whom, etc.), will be broadly communicated to the public. The grievance is managed by a two-tier system as described below:

5.1.1 First Level of Grievance Management

Albanian Railways needs to establish a registry of grievances. PAPs will be able to submit grievances directly with the Albanian Railway company (a sample Grievance Form is attached as Annex 2). All grievances will be recorded in a register and assigned a number and acknowledged

within seven (7) days. It will have all necessary elements to disaggregate the grievance by gender of the person logging it as well as by type of grievance.

Each grievance will be recorded in the registry with the following information:

- Description of grievance;
- Date of receipt/acknowledgment returned to the complainant;
- Description of actions taken (investigation, corrective measures); and
- Date of resolution and closure/provision of feedback to the complainant.

Any grievance can be brought to the attention of the Albanian Railways, personally or by telephone, or in writing by filling in the grievance form (by post, email, or personal delivery) to the address/number as below:

Contact person: Mr. Eriton Hasaj, Communication and Social Manager
HEKURUDHAT SHQIPTARE S.A. (HSH)
Rruga Egnatia, Nr. 3 Durrës
Email: ankesa@hsh.com.al
Tel / Mob: +355 672221452

The Albanian Railway will collect all the grievances and will make all reasonable efforts to address the complaint upon the acknowledgment of grievance. If the Albanian Railways is not able to address the issues by immediate corrective action, a long-term corrective action will be identified. The complainant will be informed about the proposed corrective action and follow-up of corrective action within 30 working days upon the acknowledgment of the grievance.

For each grievance, a relevant file will be opened, including the following elements:

- initial grievance sheet (including the description of the grievance), with an acknowledgment of receipt handed back to the complainant when the complaint is registered;
- grievance monitoring sheet, mentioning actions taken (investigation, corrective measures);
- closure sheet, one copy of which will be handed to the complainant after he/she has agreed to the resolution and signed-off.

If the Albanian Railways is not able to address the particular issue raised through the grievance mechanism or if action is not required, it will provide a detailed explanation /justification on why the issue was not addressed. The response letter will also contain an explanation of how the person/organization which raised the complaint can proceed with the grievance in case the outcome is not satisfactory.

The closeout at this first level will be sanctioned by a document, whereby the complainant acknowledges receipt of the proposed resolution and mentions whether he/she is satisfied or not.

5.1.2 Second Level of Grievance Management

If the complainant is not satisfied with the implemented corrective action and/or a justification on why the corrective action is not required, the complaint will be directed to the Grievance Committee, which shall function as a third party independent mediator. This would be the

second level of grievance management, processing those grievances that the first level is not able to resolve.

The Grievance Committee will include one member of each Municipality in which the understudy railway passes through, two representatives of the affected people and one representative of an independent CSO, or highly regarded lawyer or other people.

The Committee will re-evaluate previously carried corrective action and/or the justification on why an action is not required, and reconsider alternatives to address the complaint adequately. The complainant will be informed about the proposed alternative corrective action and follow-up of alternative corrective action within 3 months upon the acknowledgment of grievance.

At all times, complainants may seek other legal remedies following the legal framework of Albania, including formal judicial appeal.

The complaints should be addressed effectively and in due time, using an open, transparent, understandable, and friendly process that is readily accessible and culturally appropriate to the affected communities.

6 Consultation and disclosure

As part of the ESIA public consultation and disclosure process, the LARF will be disclosed by Albanian Railway.

6.1 Disclosure of documents

All documents identified for disclosure will be prepared and published in Albanian and English language. As per EBRD requirements, the ESIA disclosure package, which includes this LARF, will be publicly disclosed for 120 days for comments. After the disclosure period, all comments received will be evaluated and incorporated into the final LARF.

ESIA disclosure package must be available to the public throughout the Project. Versions in the Albanian language will be published on the websites of the Albanian Railways and of the relevant affected local municipalities. All announcements in local newspapers and media will be made in Albanian in a non-technical vocabulary and language. All documents shall be presented to PAPs in the process of expropriation, particularly to vulnerable groups. Project impacts to their property and their rights must be explained, as mentioned earlier. Hard copies of the documentation shall be available in the affected municipalities. Albanian Railways is responsible for all disclosures of the documents.

6.2 Public consultation

Public consultation is an essential element of policy preparation and review as good policy development is built on openness. Stakeholder and public inputs provide feedback and evidence to support evaluations, impact assessments, the preparation of initiatives and political decisions. Public consultation is crucial for all impact assessments, evaluations and fitness checks. The legislative framework for participatory decision-making processes in Albania is set in the Rules of Procedures of the Council of Ministers (CMD 584/2003, amended) and, more importantly, and in more detail, in Law No. 146/2014 on Public Notification and Consultation.

The Albanian Railways will establish an ongoing relationship with the affected communities from as early as possible in the project planning process and will maintain it throughout the life of the Project. To this purpose, representatives of the Albanian Railways have been invited and attended the initial stakeholders' consultation with the affected municipalities during April 2019 and June 2020. Further and more detailed information on public consultations is presented in the Stakeholder Engagement Plan.

Documents shall be disclosed and available for public insight no later than 14 days before public consultations and sufficient time shall be left for submitting remarks after public consultations. All public consultations shall be announced through the local newspaper and media and on the internet portal of the Project Promoter. Additional activities are also recommended, depending on the scope of the project:

- Public meetings with relevant stakeholders, relevant international or local institutions, local municipalities, etc., are recommended occasionally during Project planning and implementation. Such consultations can be helpful if a problem is encountered during project design or implementation, as advice and remarks given at such consultations can lead to reaching mutually acceptable solutions and avoid resistance to project implementation;
- Meetings with local communities to include all comments and concerns of PAPs (individuals, households, business subjects) in the earliest stages of the Project.

- Individual meetings with PAPs regarding specific cases. These meetings can also be organized when needed upon request by PAPs.

Albanian Railways will publish a Project description which includes the grievance form and contact details for submitting grievances, on its website (<https://hsh.com.al/index.php/ankesa/>)

Resettlement Plan will be publicly disclosed to the local communities at least 30 days before the start of the expropriation process.

In line with the construction timeline, Albanian Railways Project Implementation Unit (PIU) will organize meetings in local communities and with the affected owners of land parcels along the corridor where works will be carried out, to present the planned construction works, safety risks (during construction and operation) and expected construction nuisances, as well as foreseen mitigation measures and the grievance mechanism. These meetings will also serve as platforms for potentially affected people to ask questions and provide suggestions for further mitigation measures. The meetings will be announced through the local media, on the Albanian Railways website, and as recommended at the local level to inform the affected communities (e.g. through letters, announcements on bulletin boards, by phone, etc.).

Project leaflets will be developed and disseminated to residents living or working in the affected communities, before construction. The leaflets will include a brief overview of the Project, dates when the works are expected to commence, possible construction-related nuisances, a description of the grievance management procedure and contact details for submitting grievances.

Albanian Railways will continue to inform the public through its website, the media and in other appropriate ways on all significant project achievements and issues (environmental, H&S and social).

7 Monitoring and reporting

Efficient expropriation and resettlement depend on the dedication and capacities of all institutions responsible for the preparation and implementation of the process of displacement. It is of imperative importance that Albanian Railways appoint a person responsible for resettlement and preparation of the expropriation and resettlement process, to coordinate the activities of expropriation between the government agencies, municipalities and ministries at an early stage of the project.

7.1 Institutional monitoring

Albanian Railways will also keep a database of resettlement and expropriation with all information about the affected persons and property (including contact information), which would include all cases of expropriation and the stage of completion in the process of expropriation for each case (expropriation proposition submitted and/or signed, compensation offers prepared and/or delivered to PAPs, agreements regarding the compensation, compensation payment, additional assistance provided, grievances or initiated court procedures, etc.).

Some institutions have additional obligations in the monitoring of the resettlement process, particularly the Albanian Railways, the affected local municipalities as well as contractors. The table below provides for roles and responsibilities in this process:

Table 7.1_Roles and responsibilities

Tasks	Responsible entity
Disclosure of LARF	Albanian Railways
Public notification about the start of expropriation and associated actions during all phases of expropriation	Ministry of Infrastructure and Energy, Albanian Railways and local municipalities
Communication and consultation with PAPs	Albanian Railways and local municipalities
Activities before the commencement of works	Albanian Railways and local municipalities
Assisting in land acquisition and resettlement	Albanian Railways and local municipalities
Compensation payment, payment of additional assistance for bridging the gaps (national versus EBRD standards)	Albanian Railways
Grievance management	Albanian Railways
Monitoring and reporting on expropriation and resettlement	Albanian Railways; external consultants
Monitoring and reporting in respect of the land acquisition and/or temporary land occupation carried out after construction commencement if required	Contractors, Albanian Railways and external consultants

7.2 Monitoring of land acquisition process

Monitoring measures should be designed to endure that at a minimum livelihood and standard of living of displaced persons are restored to pre-project levels. To this end, the project promoter will conduct internal periodic monitoring to ensure that the efficiency of the expropriation

process and the level of satisfaction of PAPs could be assessed. The frequency of monitoring will be adjusted to reflect the external reporting required by EBRD and the stage of the expropriation process. The following table presents a list of indicators to be collected during the monitoring process and through the life of the Project.

Table 7:2_Monitoring indicators

Indicator	Source of information	Frequency
Input and key performance indicators		
No public discussions and consultations scheduled and held on RP	SEP implementation	Quarterly
% of purchased land in relation to needed land acquired for the project, including total expropriated area and land area per person;	Financial records	Quarterly
No of completed compensation payments	Financial records	Quarterly
No replacement properties given	Census and grievance management	Quarterly
No of PAPs affected by exercising its right of ownership on buildings and land;	Census and grievance management	Quarterly
No and amount of payment for loss of income;	Financial records	Quarterly
No of households where both spouses / co-habitants receive compensation.	Census / Financial Records	Quarterly
Amount and/or type of assistance provided to vulnerable people	Census and grievance management	Quarterly
No and type of grievances, including legal actions arising from expropriation (submitted cases, resolved cases, the time needed for their resolution)	Census and grievance management	Quarterly
Output indicators (to be tracked against data from the socio-economic census)		
No and % of persons with improved household income	Data management system	Monthly
No and % of persons having received cash compensation in the period with distribution by compensation type and be classes of amounts	Data management system	Monthly
No and % of individual compensation agreements signed in the period	Data management system	Monthly
No and % of households harvesting agricultural products for personal consumption in the post resettlement situation against the pre-settlement one	Monitoring Reports on Resettlement Activities	Quarterly
No and % of households with increased monthly expenditure levels	Data management system	Quarterly
No and % of businesses re-established in the period, with distribution as relevant, as well as their income restoration	Monitoring Reports on Resettlement Activities	Quarterly

During construction works, the Contractor may need to temporarily occupy privately owned land. Particularly concerning storing the material required for the rehabilitation works for the

railway. This process is going to be managed by the Contractor, however certain provisions will be introduced in the works and supervision contracts to ensure the temporary lease of land does not negatively affect the landowners and should restore it to its original condition for future agricultural productions.

The Project Promoter will include provisions in the Tender Documents which will subsequently be transferred into the Contract for Construction works setting as mandatory compliance with the provisions of this LARF to the extent applicable. Such arrangements shall be included in the Contract for Supervision Consultancy services also.

As a minimum, the Contractor will be obliged to notify the Albanian Railways via the Supervision Consultant of any upcoming need for temporary occupancy of land along with the draft lease agreement with the landowner. The lease agreement will be subject to Albanian Railways before “No Objection” to ensure that the provisions of the contract follow the principles of this LARF.

The Consultant engaged to supervise the civil works will have the obligation to monthly monitor the implementation of these contracts (regular payment, restoration of the land as per the lease contract once the lease has ended) and report back to the Project Promoter.

7.3 Reporting

Albanian Railways shall provide an Initial Monitoring Report on the implementation of the RP at the time of the Loan condition effectiveness and periodical Monitoring Reports annually thereafter, during the life of the project as part of the Annual Reporting to EBRD.

Albanian Railways will also report annually to the EBRD on any similar issues falling under its responsibility. It should be noted that the project promoter may need also to publicize some of the above-mentioned indicators as a response to a formal information request filed in line with the relevant information access legislation.

Implementation of RP will be considered completed when the adverse impacts of resettlements have been addressed in a manner that is consistent with the relevant plan and requirement outlined in the mentioned IFI’s (EBRD) policies on involuntary resettlement.

8 Preparation of RP and implementation

8.1 Objectives of RP

The objective of any RP shall be to specify the procedures to follow and what specific actions to take to properly acquire land and compensate people affected by the Project, by allowing and providing adequate participation, consultation and full functioning of the grievance mechanism. Displaying due regard for the equal protection of women and vulnerable the RAP shall outline measures to:

- mitigate the negative impacts of resettlement and identify potential development benefits;
- assure that the rights and interests of project-affected people are respected and protected, in particular, those deemed vulnerable;
- establish the entitlements of all categories of affected people, including the host communities;
- introduce any additional accompanying measures for vulnerable affected persons, if relevant;
- document all compensation measures and relocation activities;
- establish procedures to document all compensation measures and relocation activities and guarantee due process to the affected people, such as meaningful consultation, adequate information to the affected people and sufficient notice before eviction, together with a free and independent grievance mechanism;
- establish the organizational arrangements and procedures to monitor the implementation of resettlement plans and take corrective actions as necessary.

8.2 RP preparation, approval and implementation schedule

Based on this LARF, considering the extent of the impact in terms of land acquisition and resettlement, a Resettlement Plan is in process of being developed and will contain more detail information as now the final project design is completed. RP preparation shall be based on up-to-date and reliable information about the proposed land acquisition and its impacts on the displaced persons and other adversely affected groups, as well as any legal issues involved in resettlement.

It shall include at minimum the following:

- Description of the project and identification of the project area;
- Identification of project activities that give rise to displacement, being economical and physical ones;
- Identify the Cut-off date;
- Consider alternatives to avoid or minimize displacement and establish meaningful consultations with affected people with regards to acceptable alternatives;
- Establish mechanisms to minimize displacement adverse effects on persons and communities, to the extent possible, during project implementation;
- Provide a comprehensive socio-economic baseline assessment including:
 - census survey covering current owners of land in the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and displacement assistance;

- the magnitude of the expected total or partial loss of assets, and the extent of displacement, physical or economic, information on vulnerable groups or persons;
 - standard characteristics of physically displaced households, if any, including a description of production systems, labour, and household organization;
 - baseline information on livelihoods (including, as relevant, production levels and the income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population.
- Establish a database of PAPs with information on all affected people and property (including contact details);
 - Provide references to the gaps in the legal framework as noted in this LARF, as well as to any changes in the legislation which came into force after the LARF is published that cover eminent domain and resettlement; note the gaps between the changed legislation and PR 5 requirements, and the mechanisms to bridge those gaps;
 - Establish an institutional framework, institutional responsibility for implementation, eligibility, valuation of and compensation for losses and the methodology to be used in valuing losses;
 - Establish grievance procedures, implementation arrangements, monitoring, evaluation and cost and budget.

The first draft of RP shall be submitted to the EBRD for review and confirmation. After it has been confirmed, it will be disclosed (version in the Albanian language) by the Project Promoter in the communities affected by the Project and on the internet portal of the Project Promoter, and advertised in the local newspapers, followed by public consultations with local communities and stakeholders. Project Promoter shall also issue summarized information contained in the RP for public disclosure to ensure that affected people understand the compensation procedures and know what to expect at various stages of the project (for example, when an offer will be made to them, how long they will have to respond, grievance procedures, legal procedures to be followed if negotiations fail). Public consultation outcome shall be documented and reported with the final RP document and sent to EBRD for “no objection”. Upon receiving the “no objection”, the final RP will be again advertised in the local newspapers and published in the community(s) affected by the Project and on the internet portal of the Project Promoter and EBRD and made available throughout the Project.

Albanian Railways shall include the approved RP document in the Expropriation Dossier that will be submitted to the Public Expropriation Agency together with the expropriation application containing the legal argumentation for expropriation, the expropriation maps from detailed design, and the ownership data collected by official resources such as the NCA or Municipalities (in case the first registration is missing). After the submission of the expropriation application, the approval process follows the steps dictated by the Albanian Law, described in section 3.3 of this LARF.

An important process that must be followed in parallel is securing funds for compensation. Based on the calculated amount for the compensation that will be provided in the RP, the Albanian Railways shall send a request to the Ministry of Finance and Economy to allocate on an escrow account the required amount for compensation.

No activities on construction works can commence until and unless compensation has been paid, or appropriate budget set aside on an escrow account or account alike or replacement property administered to PAPs.

8.3 RP implementation responsibilities

Implementation of RP is an obligation of the Ministry of Infrastructure and Energy and Albanian Railways according to the responsibilities described in section 3.2 above. They shall monitor overall implementation, collaborate with the municipalities in whose territory the works are taking place, collaborate with Contractors and disclose information to PAPs and communities.

An overview of the responsibilities and arrangements for implementing the requirements of the RP is provided below:

Table 8:1_ Organisational responsibilities and arrangement for RP implementation

Task	Responsible entity
Preparation of expropriation study	HSH (through independent consultants)
Conduction of the socio-economic survey and census	HSH (through independent consultants)
Land and asset inventory/valuation of the property	HSH (through independent evaluators)
Information disclosure to all PAPs and communities	HSH
Direct communication with and visits to owners and occupants	HSH
Conducting negotiated settlements before the expropriation	HSH
Provision of assistance to vulnerable persons/households as necessary	HSH in cooperation with the Ministry of Health and Social Protection
Payment/provision of compensation packages	HSH
Assessing and providing livelihood restoration assistance	HSH in cooperation with Regional Agricultural Directorates
Monitoring and reporting concerning expropriation	HSH
Monitoring and reporting in respect of temporary land occupation carried out after construction commencement	Contractors
Grievance management	HSH and the Grievance Committee

8.4 Resettlement costs and budget

At the moment of drafting this LARF, the estimates of the required land are not available for the whole project and precise costs of resettlement are not possible to be estimated at this stage. Since an expropriation study and valuation of properties, as well as the census, have not been conducted to date, the detailed breakdown of compensation per categories of land or assets is not possible and available at this stage of the project preparation.

The cost of land acquisition will need to be covered by the Albanian state budget. To this moment, due to the above reasons, no budget for expropriation has been allocated by the Albania Government.

8.5 Grievance management in RP

All complaints regarding property/land acquisition will be processed through the grievance management mechanism laid out in this document and elaborated in Section 6 of this LARF.

9 Appendices

9.1 Legislative Framework gap analysis

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
Involuntary resettlement	Albanian Legislation in general including the Expropriation Law of the Republic of Albania, does not recognize the term involuntary resettlement. Issues related to land acquisition in the public interest are regulated by Law No. 8561 on Expropriation.	EBRD Involuntary resettlement refers both to physical displacement (relocation or loss of shelter) and economic displacement (loss of assets or resources, and/or loss of access to assets or resources that leads to loss of income sources or means of livelihood) as a result of project-related land acquisition and/or restrictions on land use.	Gaps regarding physical and economic displacement, as well as displacement of those who do not have formal legal rights to the land and structures which they occupy are discussed further in the table. GAP/COMMENT: The law focuses on properties and assets which may be expropriated or temporarily occupied, in the public interest. The law recognizes affected people who have formal legal right.
Land acquisition / restriction of access	The law regulates the right of the state to expropriate properties of natural or juridical persons in the public interest, (Article 1), against fair compensation (Article 2). In addition, compensation is to be provided for the devaluation of properties which are not the object of expropriation (Article 4). The law regulates temporary occupation of land in Articles 27 and 28 (e.g. for construction works, setting up construction sites, etc.), for up to 2 years (Article 33), against set compensation (Article 30).	Involuntary resettlement occurs as a result of: 1. Land acquisition which includes both outright purchases of property and purchases of access rights (i.e. rights of way) 2. Imposition of restrictions that result in people experiencing loss of access to physical assets or natural resources.	Solutions for overcoming restrictions that result in loss of access to physical assets or natural resources, have to be considered and defined, on a case by case basis, for a particular project. GAP/COMMENT: Restrictions that result in people experiencing loss of access to physical assets or natural resources are not covered by Albanian legislation.
Scope of impact	There are no legal requirements in Albanian legislation for avoiding or at least minimizing physical and / or economic displacement.	Consideration of feasible alternative project designs to avoid or at least minimize physical and/or economic displacement, while balancing	Ensure that minimization of physical and /or economic displacement is investigated during project design and maximized to the extent practically possible. Whenever

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
(Project design)	However, in practice, resettlement and expropriation are avoided or minimized during project design, in the context of minimizing costs.	environmental, social, and economic costs and benefits.	possible, integrate the consideration of resettlement issues in the EIA process. GAP/COMMENT: There are no legal requirements in Albanian legislation for avoiding or at least minimizing physical and / or economic displacement. However, in practice, resettlement and expropriation are avoided or minimized during project design, in the context of minimizing costs.
Planning Process	According to the expropriation law, the application for expropriation in the public interest, submitted by the expropriation beneficiary to the competent ministry, has to include a detailed list of properties to be expropriated and which are affected by devaluation, their location, information about individuals who have formal legal rights on these properties, including owners and third persons (Article 10). Ownership or other formal legal rights on land and structures are recorded in the Immovable Property Registration Office (Law on Registration of Immovable property -7843), through the Albanian Immovable Property Registration System. All issues regarding property rights have to be resolved before the expropriation payment is made; in case of disputes, the affected parties turn to the court to decide who will receive compensation, which has been deposited into a special account (Article 16). Those with formal legal rights are informed about the expropriation process through direct	A socio-economic baseline assessment shall be carried out on the people affected by the project, including impacts related to land acquisition and restrictions on land use. The assessment will identify impacts within a project’s social context and the needs and rights of the affected people and develop appropriate actions to minimize and mitigate resettlement impacts. A detailed census is carried out to: (i) identify persons who will be displaced by the project; (ii) determine who will be eligible for compensation and assistance; and (iii) take inventory of affected land and property. The census should take into account the needs of seasonal resource users who may not be present in the project area during the time of the census. Additional requirements apply to consultations which involve Indigenous Peoples as well as individuals belonging to vulnerable groups necessary actions to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed and aware of their rights, and are able to benefit equally from the resettlement opportunities and benefits. These groups should be identified through the process	The implementation of a census/ survey and development of a LARF/RP for each project which requires land acquisition (physical or economic displacement) is necessary. This process needs to ensure all categories of affected people (not only those with formal legal rights) are informed and consulted in a meaningful way. If vulnerable groups are identified during the survey, it may be necessary to make special provisions to include them in the consultation process. GAP/COMMENT: Albanian legislation does not require the development of specific resettlement / livelihood restoration plans, nor the implementation of a census / socio-economic survey. All affected persons are informed about the upcoming expropriation through the publication of the application for expropriation. However, there are no requirements for consultations with any affected persons or making special provisions for informing / consulting vulnerable groups. All persons who do not have formal legal rights on land and structures located in the project area are not eligible for compensation or resettlement assistance according to the Expropriation law and therefore there is no cutoff date for eligibility.

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
	notification and publication of the application of expropriation (Art. 14 and 15). Third persons can submit their claims on affected properties, within 15 days from the last day of the publication (Article 15).	of environmental and social assessment (as outlined in PR 1).	
Cut-off date	Persons who have formal legal rights on land and structures, as registered by the Immovable Property Registration System, are entitled to compensation. Preliminary valuations (inventory) of properties / assets, take place before the application for expropriation is submitted to the relevant Ministry (Article 10). Final valuations are performed by the Ministry commission (Article 17) and submitted with the proposal for expropriation to the Council of Ministers.	In the absence of specific national government procedures, the cut-off date for eligibility as foreseen in the applicable legislation and project timeline as appropriate shall be established. Often the most practicable cut-off date is during the baseline assessment or census. Information regarding the cut-off date will be well documented and communicated throughout the project area. Setting a cut-off date will provide clarity as to eligibility for compensation and assistance. Persons moving into the project location after the cut-off date are not entitled to compensation or other assistance.	The date when the census is carried out should be agreed with the implementing agency and specified in the RP as the cutoff date for eligibility for compensation and resettlement for all persons who do not have formal legal rights on land and structures located in the project area. Affected people must be informed about the cut-off date.
Negotiated settlements	Negotiated settlements are encouraged by the Expropriation Law. Article 6, states that when the owner agrees to transfer his/her property to the state, under conditions (compensation) offered by the competent ministry, expropriation is considered completed. The owner has to inform the competent ministry within 15 days from being notified (publication) whether he/she accepts the offer (Article 16). If an agreement is not reached, after a decision on expropriation is passed by the Council of Ministers, the affected owner has the right	Negotiated settlements help avoid expropriation and eliminate the need to use governmental authority to remove people forcibly. Negotiated settlements can usually be achieved by providing fair and appropriate compensation and other incentives or benefits to affected persons or communities, and by mitigating the risks of asymmetry of information and bargaining power.	Negotiated settlements, even before the expropriation process is initiated (before the application for expropriation is made public), should be explicitly encouraged in the RP.

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
	to appeal to the court regarding the amount of compensation (Article 24).		
Compensation at replacement cost	<p>The Expropriation law states that compensation is to be provided based on a final valuation of affected properties by the Ministry Commission for Expropriation, as defined by the Decision of the Council of Ministers (Article 17 and 18). This article explicitly states that depreciation of structures and assets is to be taken into account. Temporary occupation of property is also possible according to the Expropriation law, against a set compensation (Article 30). Compensation rates are provided by the Property Restitution and Compensation Agency of the Republic of Albania, based on recent market transactions in neighboring areas.</p> <p>The Expropriation law, amended by law no. 11/2020, provides the right to define and calculate the compensation of properties under private ownership, expropriated for public interest, based on the stipulations of an international agreement ratified by law.</p>	<p>All displaced persons and communities will be offered compensation for loss of assets at full replacement cost and other assistance. This is intended to restore, and potentially improve, their standards of living and/or livelihoods to pre-displacement levels. The measures can be based on land, resources, wages and/or business activities. Standards for compensation will be transparent and consistent within the project. Compensation will be provided before displacement or imposition of access restrictions. Where livelihoods of displaced persons are land-based, or where land is collectively owned, land-based compensation, shall be offered, when feasible, taking into account seasonal and agricultural timing requirements. Opportunities shall be provided to displaced persons and communities to derive appropriate development benefits from the project.</p>	<p>The RP must describe the valuation method in detail and specify the methodology that will be used to calculate the compensation values for each category of land and assets. To ensure compensation at replacement cost, depending on the categories of affected land/assets and availability of the data, the recommended methods of European Valuation Standards (EVS) shall be applied, such as:</p> <ul style="list-style-type: none"> - The Market (or Comparative) Approach; - The Income Approach; - Residual Value Method; - The Cost Approach. <p>The land use designation as per approved General Local Plans or the status quo of the land at the time of valuation shall be considered as one of the key factors when determining the market value. Depreciation of structures and assets should not be taken into account during valuations. All transaction costs shall be included in the compensation amount.</p> <p>GAP/COMMENT: The National Law does not specifically mention compensation for the costs of any registration and transfer taxes. The reference prices provided by the National Law are outdated and do not reflect the market value.</p> <p>EBRD standards to be applied.</p>
Compensation in kind/cash	Article 19 of the Expropriation Law, as amended, provides that compensation can be made in cash or <i>in kind</i> .	EBRD PR5 paragraph 32 states: <i>Payment of cash compensation for lost land or assets at full replacement cost in-lieu of in-kind compensation may be appropriate where: (i) livelihoods are not land-based; (ii) livelihoods are land-based but the</i>	Affected people should be able to receive in kind compensation whenever it is feasible and when this form of compensation is their preferred choice. The new provisions of the Law provide for compensation in kind alongside compensation in cash

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
	<p>Article 8 of Law 133/2015 states that expropriated subjects are subject to the compensation procedures, based on final decisions on recognition and compensation: a) in monetary value; b) in immovable property of any kind, with equal value, owned by the state; c) with shares in companies with state owned capital, or where the state is co-owner, with an equal value to the immovable property; d) with the value of facilities, subject to privatization.</p> <p>The physically displaced persons will be offered choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction. Compensation in kind will be offered in lieu of cash compensation where feasible. This applies to those who have customary and traditional rights recognized under the laws of the country; to claimants who, prior to the cut-off date, do not have formal legal rights to land, but who have a claim to such land or assets, for example, through adverse possession; and to those who have no recognizable legal right or claim to the land they occupy.</p>	<p><i>land taken for the project is a small fraction of the affected asset and the residual land is economically viable; or (iii) active markets for land, housing and labour exist, displaced persons use such markets, and there is sufficient supply of land and housing.</i></p>	<p>GAP/COMMENT: In Albanian Legislation, several options for compensation are given without prioritization. The Expropriation law does not specify whether compensation is provided in cash or in kind. Certain provisions of the law imply that compensation is provided in cash.</p>
<p>Provision of adequate housing/shelte</p>	<p>Decree no. 814/2004, adopted based on the Law on Social Programs for the Housing of Inhabitants of Urban Zones, establishes</p>	<p>Adequate housing or shelter can be measured by quality, safety, affordability, habitability, cultural appropriateness, accessibility and locational</p>	<p>During the development of the RAP, when compensation is provided in the form of replacement housing, affected people should be consulted in defining standards for adequate</p>

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
r with security of tenure	housing norms/standards and the minimum living area per person.	<p>characteristics. Adequate housing should allow access to employment options, markets, and basic infrastructure and services, such as water, electricity, sanitation, health care and education.</p> <p>New resettlement sites built for displaced persons will offer, at a minimum, pre-displacement living conditions and where achievable, sustainable and cost-effective opportunities to improve the standard of living.</p> <p>Security of tenure exists if resettled persons are protected from forced evictions, to the greatest extent possible.</p>	<p>housing. Those that do not have formal legal rights to properties have to be resettled to appropriate accommodation and have to have security of tenure, i.e. through signed contracts. Such contracts must include all members of the affected household, to ensure that they are all protected from forced evictions.</p> <p>GAP/COMMENT: The expropriation law does not include any provisions about resettlement sites.</p>
Other resettlement assistance	According to Law no. 9355 on social assistance and services vulnerable citizens of Albania are entitled to various forms of social welfare payments or a range of community-based services (public and private).	Other resettlement assistance, such as skills training, access to credit and job opportunities should be made equally available to men and women and adapted to their needs. Relocation assistance suited to the needs of each group of displaced persons, with particular attention paid to the needs of the poor and the vulnerable shall be offered.	<p>Arrange for relocation costs to be compensated in cash or organize transport for people and all of their belongings / assets (specify in the RAP). Vulnerable groups should receive assistance in accordance with their specific needs. This should be done in cooperation with social service departments (municipal or state). At a minimum, vulnerable groups should have access to documentation, education, health and social services. Specific assistance has to be defined on a case by case basis for a particular project.</p> <p>GAP/COMMENT: Provision of relocations costs and specific resettlement assistance for vulnerable groups are not foreseen by the Expropriation law.</p>
Eligibility for compensation/ resettlement and	The Expropriation law foresees compensation to be paid to those who have formal legal rights (Category 1) for land, buildings of every kind of a permanent nature (Article 8), against fair compensation	<p>Persons: (i) who have formal legal rights to the land (including customary and traditional rights recognized under national laws);</p> <p>(ii) who do not have formal legal rights to land at the time of the census, but who have a claim to</p>	Provide assistance to persons in Category 2 to acquire a formal legal status before expropriation (over land and structures), in which case they move into Category 1 and are entitled to compensation as per the Expropriation law. The applicable law is: Law no.9482 on legalization, urban planning and integration

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
entitlements in case of physical displacement	<p>(Article 2). The Law No. 9232 on Social Programs for the Housing of Inhabitants of Urban Zones establishes the legal framework for development of social housing programs in Albanian municipalities. The law defines the administrative regulations and procedures that will ensure the planning, management and distribution of social housing to vulnerable people, in line with their income and the level of state support.</p>	<p>land that is recognized or recognizable under national laws shall receive</p> <p>Compensation for land at full replacement cost</p> <p>In the case of physical displacement, replacement property of equal or higher value with equivalent or better characteristics and advantages of location or cash compensation at full replacement value and relocation assistance.</p> <p>(iii) who have no recognizable legal right or claim to the land they occupy should receive:</p> <p>Compensation for lost assets (such as crops, irrigation infrastructure and other improvements made to the land) other than land, at full replacement cost.</p> <p>In case of physical displacement, a choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction and other resettlement assistance.</p>	<p>of unauthorized buildings (legalization of structures erected on untitled land, except when the land in question is for public purposes) In the case of legalization of structures, the previous registered owners are entitled to compensation for land as per Law No. 9235 on Property return and compensation. In case of physical displacement, at a minimum, provide some form of social (low rent) housing for Category 3. Calculate the construction value of their structures and reduce their rent to correspond to the value of the structure they owned or pay cash compensation. This category is typically the most vulnerable, therefore resettlement assistance must be provided (see below).</p> <p>GAP/COMMENT: Those who have a claim to land that is recognized or recognizable under the national laws (Category 2) and those who have no recognizable legal right or claim to the land (Category 3) are not recognized by the Expropriation law. The provisions of the Law No.9232 "On Social Programs for the Housing of Inhabitants of Urban Zones" should be used as a basis for ensuring that those who are adversely affected by resettlement (usually belonging to Category 3) receive appropriate accommodation. However, it should be noted that the need for social apartments at country level is great, while resources for constructing new apartments are scarce.</p> <p>EBRD standards to be applied;</p> <p>The Consultant (with the assistance of the affected municipalities) will scrutinize all kind of potential physical and/or economic displacement;</p> <p>Anyway, the only physical and/or economic displacement might occur with regard to the land surface required for the proposed new freight station of Lezhe;</p>

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
			<p>The Consultant will pay special attention to the PAP that may be affected from the land use restriction from limitation of the unauthorized crossings. Secondary roads, underpasses and overpasses will be built to avoid/minimizing economic displacement.</p> <p>The Consultant will pay special attention to the PAP that may be affected from the land surface required for the construction of the proposed secondary roads, underpasses, overpasses and the proposed new freight station in Lezhe.</p>
Vulnerable groups	<p>Article 5 of the Law on Social Programs for the Housing of Inhabitants of Urban Zones specifies categories of vulnerable groups that are entitled to social housing, i.e. those who have not benefitted from buying state owned apartments (privatization); where heads of household are divorced woman or widows; single parent families; retired elderly people who do not receive state assistance; various groups of disabled individuals; families with many children; young couples whose combined age is no greater than 55; families who relocated for employment reasons; orphans under 30 years of age.</p>	<p>The necessary actions will be taken to account to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed and aware of their rights, and are able to benefit equally from the resettlement opportunities and benefits. These groups should be identified through the process of environmental and social assessment. Vulnerable groups refer to people who, by virtue of gender identity, ethnicity, age, disability, economic disadvantage or social status may be more adversely affected by project impacts than others and who may be limited in their ability to claim or take advantage of project benefits. Vulnerable individuals and/or groups may also include people living below the poverty line, the landless, the elderly, women and children headed households, refugees, internally displaced people, ethnic minorities, natural resource dependent communities or other displaced persons who may not be protected by national and/or international law.</p>	<p>During the census it is necessary to identify vulnerable groups and assess their needs related to resettlement and relocation assistance, including access to specific services. Consultations can be held in the form of focus groups to consult with and address the needs of specific groups. Social welfare and other appropriate services should be involved in resettlement planning and implementation to ensure that vulnerable groups have access to all services available to them under the laws of Albania (social welfare, education, health care).</p> <p>GAP/COMMENT: There are no special requirements in Albanian legislation for organizing consultations and relocation assistance for vulnerable groups. However, persons who are homeless are entitled to social welfare assistance, which includes placement in shelters and access to other services available under national and local social welfare laws.</p> <p>EBRD standards to be applied to this category of PAP; However, no homeless persons are affected by the Project;</p> <p>No relocation is needed for the proposed project;</p> <p>Anyway, the Consultant assisted by the affected municipalities will scrutinize all potential impacts on the vulnerable groups</p>

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
Joint property	<p>Men and women have equal rights in Albania (Article 18 of the Constitution of the Republic of Albania and the Law no. 9198 on Gender Equality in Society), including the possibility to have formal legal rights on properties. According to the Family Code of Albania, if formal legal rights over properties / assets have been acquired during the marriage, the law assumes they are shared equally between the spouses, unless a different agreement is formally registered with the court (Articles 73-76).</p> <p>Furthermore, according to current national legal framework, more precisely Article 164 of Family Code, co-habitants are free to make an agreement on having property ownership and inheritance at a notary office.</p>	<p>The documentation for ownership or occupancy, such as title deeds and lease agreements (including the bank accounts established for payment of compensation), should be issued in the names of both spouses or single head of households, as relevant. Other resettlement assistance, such as skills training, access to credit and job opportunities should be made equally available to men and women and adapted to their needs.</p>	<p>Specify in the RP that compensation must be shared between spouses according to title documentation or the Family Code in the silence of title documentation. Ensure that all programs, including those related to livelihoods restoration are equally accessible to both men and women (specify in the RP).</p>
Legal assistance	<p>There is no requirement for providing free legal assistance to persons affected by expropriation or resettlement, under the Expropriation law. The GoA adopted a Law on the provision of free legal aid, which entered into force in April 2009, however not much progress has been made regarding its implementation.</p>	<p>Displaced people shall be offered legal assistance to enable them to complete administrative requirements prior to land acquisition and, if needed, to seek redress from the courts.</p>	<p>Affected people should be informed about and provided with access to free legal assistance, either through municipal departments or through NGOs (specified in the RP).</p> <p>GAP/COMMENT: Some municipalities have departments that provide free legal assistance to the most vulnerable citizens. Apart from that, there are a number of NGOs in Albania providing legal assistance, particularly to the most vulnerable groups of population.</p>
Timing compensation	<p>If an agreement on compensation has been reached, the transfer of property and payment / provision of compensation is</p>	<p>Compensation (alternative housing and/or cash compensation) has to be provided prior to relocation.</p>	<p>The RAP should specify that compensation is provided prior to relocation of affected people.</p>

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
	executed within 15 days from the notification of the affected owner that he/she accepts the offer (Article 16). If not, compensation is provided based on a decision on expropriation of the Council of Ministers, within a period of three months, or after the court decision (Article 23).		
Loss of public amenities	There is no specific requirement in Albanian legislation for consulting affected communities regarding loss of public amenities.	Where a project involves the loss of public amenities, a meaningful consultation shall be undertaken, in accordance with PR 10, with the locally affected community to identify and, where possible, agree upon a suitable alternative.	<p>The institutions tasked with setting up and maintaining specific public amenities which are affected by land acquisition, should consult local communities on how to replace them (specify in the RAP).</p> <p>GAP/COMMENT: There is no specific requirement in Albanian legislation for consulting affected communities regarding loss of public amenities.</p> <p>EBRD standards to be applied to this category of PAP;</p> <p>The Consultant has already taken into consideration this issue. Side roads, underpasses and overpasses will be built to resolve this issue.</p>
Eligibility for compensation/ live hood restoration and entitlements in case of economic displacement	The Expropriation law foresees compensation to be paid to those who have formal legal rights for land, buildings of every kind of a permanent nature (Article 8), against fair compensation (Article 2)	If land acquisition causes loss of income or livelihood Category 1 and Category 2, should receive compensation for loss of assets and access to assets, at full replacement cost, replacement property of equal or greater value or cash compensation at full replacement cost. Category 3, should receive: loss of assets other than land, at full replacement cost. All three categories should receive: -compensation of the cost for re-establishing commercial activities elsewhere;	Provide assistance to persons in Category 2 to acquire a formal legal status before expropriation (over land and structures), in which case they move into Category 1 and are entitled to compensation as per the Expropriation law. The applicable law is: Law no.9482 on legalization, urban planning and integration of unauthorized buildings (legalization of structures built on untitled land, except when the land in question is for public purposes) In the case of legalization of structures, the previous registered owners are entitled to compensation for land as per Law No. 9235 on Property return and compensation.

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
		<p>-compensation for lost net income during the period of transition; -compensation for the costs of the transfer and reinstallation of the plant, machinery or other equipment; -transitional support based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living; -additional targeted assistance (credit facilities), training, or job opportunities) and opportunities to affected persons whose livelihoods or income levels are adversely affected (owners of businesses and employees are eligible).</p>	<p>In case of economic displacement, provide those belonging to Category 3 with access to adequate commercial space, with security of tenure, to restore their economic activities and livelihoods. Ensure that all categories are promptly compensated in cash or in kind (before they lose access to their properties / assets), so that lost net income and the need for transitional support are minimized / avoided. Arrange for relocation costs to be compensated in cash or organize transport of equipment and other assets. Facilitate access to existing services which could assist the affected persons whose livelihoods or income levels are adversely affected to restore their living standards. This could be done in cooperation with the Albanian National Employment Service.</p> <p>GAP: Those who belong to Categories 2 and 3 are not entitled to any compensation or livelihood restoration assistance by the Expropriation law. In addition, all three categories are not entitled to costs of re-establishing commercial activities, lost net income, transitional support, transport of equipment or other targeted assistance. Assistance to off-set any loss of a community's commonly held resource is also not specifically regulated by Albanian legislation.</p> <p>EBRD standards to be applied;</p> <p>The Consultant will pay special attention to the PAP that may be affected from the land use restriction from limitation of the unauthorized crossings. Side roads, underpasses and overpasses will be built to avoid/minimizing land use restriction</p>
Grievance procedure	There is no specific requirement for establishing an independent grievance mechanism, according to the Expropriation Law or other Albanian legislation. The law	An effective grievance mechanism shall be established as early as possible in the process. It will be consistent with this PR and with the objectives and principles of PR 10 in order to	Define a project specific grievance mechanism in the RP. Depending on the scale of the project or the general vulnerability status of affected families, involve any available

Issue	National regulations	EBRD standard	Standard to be applied / GAP and/or Comment (GAP/COMMENT)
	<p>does foresee rights of affected citizens (those with formal legal rights) to appeal to courts against the decision on expropriation passed by the Council of Ministers, however only with regard to level of compensation they are entitled to (Article 24).</p>	<p>receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons and/or members of host communities. It will include a recourse mechanism designed to resolve disputes in an impartial manner.</p>	<p>institutions in the process, e.g. the ombudsman, human rights groups, etc.</p> <p>GAP/COMMENT: In practice those with formal legal rights become aware that expropriation is to take place, during the phase of field work and collection of ownership documentation, in preparation of the application for expropriation</p>
<p>Information disclosure and public consultation</p>	<p>According to Article 14 of the Expropriation law, those who have formal legal rights are directly notified about the acceptance of the application for expropriation by the competent Ministry (within 10 days) and invited to negotiate the compensation package.</p> <p>According to Article 15, the application is also published in the Official Journal, in a newspaper with national circulation and in a local newspaper for a period of one week.</p>	<p>The information contained in the RP shall be summarized for public disclosure to ensure that affected people understand the compensation procedures and know what to expect at the various stages of the project. Consultation will continue during the implementation, monitoring and evaluation of compensation payment and resettlement so as to achieve outcomes that are consistent with the objectives of this PR.</p>	<p>Plans for consultation with all project affected people, including host communities, should be agreed with them and incorporated in the RP.</p> <p>GAP/COMMENT: The Expropriation law does not require public consultations to be held with any categories of project affected people, prior to expropriation. Once the expropriation process is initiated, only those with formal legal rights are consulted through a one on one negotiation process.</p> <p>However Albanian Law “On EIA” requires public hearing prior to the delivery of the Environmental Consent;</p> <p>The Consultant (with the assistance of the affected municipalities) will scrutinize all kind of claims on the ownership of the affected land surfaces.</p>
<p>Monitoring</p>	<p>There are no requirements for monitoring the expropriation / resettlement / livelihoods restoration process, under Albanian legislation.</p>	<p>Monitoring of the resettlement and livelihood restoration process will be carried out in accordance with PR 1 and should involve the participation of key stakeholders such as affected communities.</p>	<p>Define indicators and monitoring mechanisms in the RP.</p> <p>GAP/COMMENT: EBRD standards to be applied.</p>

9.2 Structure of Resettlement Plan (RP)

Table of contents

- 1. SCOPE OF THE RESETTLEMENT PLAN**
- 2. PROJECT DESCRIPTION AND PROJECT POTENTIAL IMPACTS**
- 3. LEGAL FRAMEWORK**
- 4. PRINCIPLES, OBJECTIVES, AND PROCESSES**
 - 4.1. PRINCIPLES AND OBJECTIVES
 - 4.2. PROCESS OVERVIEW
- 5. AFFECTED ASSETS, AFFECTED PEOPLE AND ENTITLEMENTS**
 - 5.1. CENSUS OF AFFECTED ASSETS AND AFFECTED HOUSEHOLDS AND EXPROPRIATION STUDY
 - 5.2. SOCIO-ECONOMIC BASELINE SURVEY
 - 5.3. AFFECTED LAND
 - 5.4. AFFECTED STRUCTURES
 - 5.5. BUSINESSES
 - 5.6. PEOPLE
 - 5.7. ENTITLEMENTS
 - 5.7.1. Eligibility to Compensation
 - 5.7.2. Entitlement Matrix
- 6. RESETTLEMENT AND COMPENSATION**
 - 6.1. METHODS FOR VALUATION OF AFFECTED ASSETS
 - 6.2. RESETTLEMENT
 - 6.3. CASH COMPENSATION
 - 6.3.1. Rates
 - 6.3.2. Payment
 - 6.4. ADDITIONAL ASSISTANCE / LIVELIHOOD RESTORATION
- 7. CONSULTATION AND DISCLOSURE**
 - 7.1. MAIN RESULTS OF CONSULTATION CARRIED OUT FOR PREPARING THE RP
 - 7.2. DISCLOSURE
- 8. GRIEVANCE MANAGEMENT MECHANISMS**
- 9. VULNERABLE PEOPLE**
 - 9.1. IDENTIFICATION OF VULNERABLE PEOPLE
 - 9.2. POTENTIAL ASSISTANCE ACTIVITIES TO VULNERABLE PEOPLE

10. MONITORING AND EVALUATION

11. IMPLEMENTATION RESPONSIBILITIES AND FUNDING

11.1. IMPLEMENTATION RESPONSIBILITIES

11.2. BUDGET

11.3. ARRANGEMENTS FOR FUNDING

9.3 Sample grievance form

Reference No:		Date :	
Full Name			
Contact Information	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ _____		
Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail _____		
Description of Incident or Grievance:	What happened? Where did it happen? Who did it happen to? What is the result of the problem?		
Date of Incident/Grievance			
	<input type="checkbox"/> One-time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)		
What would you like to see happen to resolve the problem?			
Signature: _____			
Please return this form to: To be defined later			