

Luxembourg, 4th October 2023

Environmental and Social Completion Sheet (ESCS)

Overview

Project Name:	VLORE BYPASS
Project Number:	20120200
Country:	Albania
Project Description:	Construction of a 29 km highway bypassing the city of Vlore to improve road traffic flow along the southern coast of Albania.

Summary of Environmental and Social Assessment at Completion

The project concerned the construction, on a new alignment, of 29 km of highway to act as a bypass around the town of Vlöre, thereby improving access to the southern shoreline towns and settlements of Albania. The highway is 2 x 1, with climbing lanes for 18 km, and several laybys. The operating speed is between 80-90 km/hr. Junctions are at grade, either through T junctions or roundabouts. The new section of road starts at the end of the Levan Vlöre motorway in the northern suburbs of Vlöre, crosses the Babica plateau, Shushica hills and Gambirit mountains, and then follows the Dukati valley before rejoining the S8 highway to the south of Orikum.

The relevant national authorities went through a full EIA procedure. The Promoter commissioned an ESIA report which was completed in 2012 and was subject to public disclosure and consultation before the Competent Authority gave its positive Environmental Decision in May 2014.

The Environmental and Social Data Sheet prepared at appraisal was published in the Public Register of EIB in June 2014¹.

EIB notes the following Environmental and Social performance and key outcomes at Project Completion.

The Environmental Decision, by reference to the ESIA report, prescribed various mitigation measures such as landscaping and the installation of noise barriers. At the time of writing, these measures are not completely fulfilled. Notwithstanding that the Project was not complete, including that all environmental mitigation measures have not been implemented, the road was opened to traffic in July 2022. The balance works, including the pending mitigation measures are expected to be completed by the end of March 2024.

The Borrower had undertaken to ensure that the Promoter implements the project in accordance with an agreed Environmental and Social Management Plan (ESMP), which was included as an obligation on the works contractor. The enforcement of the provisions of the ESMP by the Supervising Engineer and Promoter was incomplete, leading to avoidable negative environmental impacts such as the incorrect disposal of excess cut material below the road (highly visible from the populated shoreline below). These avoidable negative impacts have also generated negative media coverage. A third party audit of the ESMP implementation was commissioned, which concluded, inter alia: (i) non completion of the Resettlement Action Plan; (ii) failure to complete the necessary reinstatement of the site in line with the ESMP; (iii) non completion of road safety measures; and (iv) insufficient stakeholder engagement. The Promoter has committed to ensure the rectification of the noted gaps by March 2024.

¹ [VLORE BYPASS \(eib.org\)](https://eib.org)



Luxembourg, 4th October 2023

The project crosses the Narta Landscape Protected Area (LPA) for about 2.2 km at its northern end and passes close to the Karaburun/Vlëre Managed Nature Reserve (MNR) at its southern end (IUCN Category V and IV respectively, and both proposed Emerald Network sites and therefore potentially future Natura 2000 sites). Therefore, the principles of the Habitats (92/43/EEC) and Birds (2009/147/EC), Directives applied. The EIA report noted that the crossing of the Narta LPA is on its southern fringe in an already degraded and partly developed part of the site, that the road is several km distant from the Karaburun MNR and that no protected or endangered species are likely to be found in the planned corridor. The 2012 ESIA report therefore concluded that the project is unlikely to have a significant negative impact on protected areas or species. Moreover, no special mitigation measures were prescribed. This opinion was confirmed in 2014 by the Competent Authority for Nature Conservation.

The project passes close to Kaninë, a hilltop settlement and fort with important cultural property value which has been the subject of various progressive historical developments dating back to the Illyrian period over two and a half millennia ago. There are also other known cultural property sites in the vicinity of the project and any excavation in the area may reveal archaeological remains. In December 2014, the Competent Authority for the Protection of Cultural Property issued a positive opinion, namely that the Project was not expected to have a significant negative impact on protected sites. The Albanian Cultural Heritage Law nevertheless required that, during construction of the road, specialised archaeologists monitored the works to minimise potential damage to sites and monuments. No important sites or artefacts were discovered or damaged during construction.

The project crosses mostly agricultural land but also olive groves, vineyards, pastures, urban zones and some forest areas. Expropriation was performed in accordance with the Albanian Law No 8561, 1999 and published Resettlement Action Plan. 58 plots of land with total area of 7.8 ha were acquired. The Promoter faced difficulties to hand over the site to the contractor in a timely way without affected landowners protesting, particularly in the stretch from 9-12 km around Kanine, even if a compensation decision had been made for all plots in 2013-14. This led to complaints by project affected households to the national and local authorities as well as delays to the progress of works, more especially as it prevented efficient movement of construction traffic from one end of the alignment to the other. The audit performed by a third party noticed that certain entitlements under the RAP remain pending, which needs to be remedied by the Promoter and local authorities.

The project design was subject to an independent road safety audit and the feasible recommendations were incorporated in the final design. The Promoter still has to commission the Road Safety Audit at the time of substantial completion. At the time of writing, certain recommended safety measures have not been put in place; this needs to be rectified in the coming months (see below).

The Promoter provided to the EIB the following documents prior to first disbursement of the loan in June 2015: (i) positive decision of the Competent Authority for the Environment, May 2014; (ii) opinion of the Competent Authority for Nature Conservation (Form A equivalent), December 2014; (iii) opinion of the Competent Authority for the Protection of Cultural Property, December 2014; and (iv) evidence that the necessary land acquisition had been performed, May 2015.

EIB notes the following key Environmental and Social aspects to be monitored during operations:

- By March 2024, completion of all the mitigation measures as prescribed in the Environmental Decision and identified in the third party audit of the ESMP - such as slope protection works, reinstatement of site - and completion of road safety measures in line with Road Safety Audit at the substantial completion stage.



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Summary opinion of Environmental and Social aspects at completion:

EIB is of the opinion based on reports from the promoter, site visits by the EIB team and/or inputs provided by Lenders' Supervisors and others, where applicable, that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal, subject to the completion of environmental and social mitigation as well as safety measures as noted above.