



BASHKIA
TIRANË

REPUBLIC OF ALBANIA
GENERAL DIRECTORATE OF PUBLIC WORKS
DIRECTORATE OF FOREIGN INVESTMENT MANAGEMENT

RESETTLEMENT ACTION PLAN

LANA RIVER FRONT URBAN REDEVELOPMENT PROJECT

Date Issued: 12 December 2022

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Acronyms

MoT	Municipality of Tirana
CM	Council of Ministers
EIB	European Investment bank
AEA	Albanian Expropriation Agency
ACA	Albanian Cadastre Agency
HH	Household
PAP	Project affected people
RIT	RAP Implementation Team

1 Introduction

1.1 Background

The Council of Ministers of the Republic of Albania (the “Borrower”) signed a loan agreement with the European Investment Bank (EIB or the “Bank”) for financing the Lana River Front-Urban Redevelopment Project (the “Project”) in Tirana. The Project is to be implemented along a section of approx. 1.8 km of the Lana River, from the Technological bridge to the Teodor Keko street crossing, also known as the New Ring. The Municipality of Tirana (the “ MoT“ or the “Promoter”) will be implementing the project and will provide co-financing. The Project will be implemented by a dedicated Project Implementation Unit (PIU), supported by relevant MoT departments and a team of external consultants.

Today Tirana has a population of nearly one million inhabitants, which is four times the size it was 20 years ago. The population of Tirana today amounts to more than one quarter of the country’s population. For the past 10 years, public authorities have been studying and assessing the future development potential of Tirana developing plan and programs to manage the growth and these new urban conditions.

The MoT is committed to compensate for the loss of assets and land using international and local best practices guided by the European Investment Bank’s Environmental and Social Practices and Standards (2018), specifically Standard 6: “Involuntary Resettlement”, Standard 7: “Vulnerable group rights and interests” and Standard 10: “Stakeholder engagement” and experiences in similar projects in the country.¹

The “Lana River Front – Urban Redevelopment Project” is firmly rooted in the planning framework prepared for the City. The Project forms part of the wider rehabilitation and upgrade of the urban waterfronts of central Tirana. The Project site and its immediate surroundings have suffered from a lack of residential amenity, poor connectivity with the rest of the City, environmental degradation and periodic flooding resulting from unplanned and poorly regulated residential development and deficiencies in the public infrastructure serving the area.

The Lana River flowing through the city has already been rehabilitated at various locations starting from the New Maternity to the Technological Bridge, and at the intersection with the path of Kavaja Road. Two main urban streets in Tirana, named Gjergj Fishta Boulevard and Boulevard Bajram Curri, run parallel to the river.

This proposed Project addresses the section of approx. 1.8 km of Lana River from the Technological Bridge to the Teodor Keko street crossing. In parallel with this Project, the Albanian Road Authority is developing the Ring Road Project (Teodor Keko Street). The project area is shown in Figure 1-1

Figure 1-1 Photos of the Lana River in the Segment that will be Rehabilitated



Structures located along the Project footprint are mostly informal residential buildings with 1, 2 and 3 floors, self-constructed and some of them with minimal conditions for residence (a few examples of structures are provided Figure 1-2. These living quarters have significant deficiencies in social and engineering infrastructure. The project area is part of the Administrative Unit No. 6 and Administrative Unit No. 7 of Tirana municipality.

¹ [Environmental and Social Standards \(2018\) \(eib.org\)](https://www.eib.org)

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The MoT has conducted two major census activities, one performed in 2018 and later updated in 2020. During this activity, the MoT collected information on affected assets and livelihood by each affected household. The data collected by census and information provided by the Albanian Cadastre Agency identified a total of 317 households that own a total of 244 residential structures² and 71 plots of private land of approximately 45 216 m2 in the footprint area. These include:

- 24 residential legal structures (with title deeds) belonging to 26 Households.
- 211 affected residential structures in the process of legalization belonging to 211 Households but occupied by 290 households in total. Out of the 211 structures, 24 might be auxiliary buildings to existing residential ones. All structures and ancillary facilities will have to be classified as "residential", as identified by ACA and the Census. As shown on Google earth and maps available to the MoT these structures might be part of the existing buildings, but they might as well be used as residential facilities for the family members that are not part of the family certificate. As such, they have been identified as residential and will be cleared with ACA with the updated documentation that will be provided for each structure.
- 9 undefined affected structures.

This RAP has identified different groups eligible for compensation and details of those groups can be found Table 7-1.

Regarding the compensation and the eligibility criteria, the MoT has involved the affected people in different consultation processes in the area but the major ones (other than the ones held for Census activities) were the meetings with the Mayor in April 2022 and consultation for RAP held on February 2022. During both occasions, the affected people were informed that they will be compensated in the same regardless of their ownership status. The prices used for cash compensation are adjusted when needed to match a replacement value. Titleholders, whose residences are affected, will have the possibility to choose between the cash compensation or apartments as replacement for their lost residence, in the same area of the project (see Figure 6-1 and **Error! Reference source not found.**). People that are in the process of legalisation will be provided with a replacement apartment.

The MoT will be in charge of the implementation of the RAP. This process will be an open and transparent process and affected people will be presented and informed on the individual offers during two different visits to reach voluntary agreements with the affected people, leaving expropriation as the last resort. Affected people will be provided with assistance and guidance throughout the process of implementation. The communication with the project affected people will be through a dedicated team (see Figure 8-1). For any inquires and/or grievance they can use the grievance mechanism dedicate for this project (

² It is noted that all structures have been classified as residential regardless of their occupancy status and in line with the categories as defined by ACA. The census did not identify any non-residential buildings.

Figure 11-1)

The MoT will cover not only the costs for compensation but also all the transactions costs as detailed section 13.

With the successful implementation of the RAP, the construction work is foreseen to start in the fall of 2023 or early 2024. The MoT will compensate and provide solutions to all affected people before removal of any structures.

Figure 1-2 Example structures in the affected area (residential and nonresidential)



Many large-scale infrastructure projects have been planned and are being implemented in Albania over the past years, which, along with positive results, are accompanied by adverse consequences that are mainly associated with involuntary resettlement caused by these Projects. To ensure that resettlement is addressed following the principles of best practice, the Project is being developed to comply both with the national legislation of the Republic of Albania and the environmental and social requirements of EIB.

1.2 Purpose

This document is the Resettlement Action Plan (RAP) for the Lana River Front-Urban Redevelopment Project. The RAP has been prepared to address the resettlement of Project Affected Persons (PAPs) residing or working on the proposed Project footprint. The RAP has been prepared on the basis of various studies and documents, findings of field surveys, the census of the affected population, land acquisition and involuntary resettlement policies of the Albanian and municipal governments, the European Investment Bank's Environmental and Social Practices and Standards (2018), specifically Standard 6: "Involuntary resettlement", Standard 7: "Rights and interests of vulnerable group" and Standard 10: "Stakeholder engagement" and experiences on similar projects in the country.

This RAP has been developed in alignment with the principles and objectives of the Stakeholder Engagement Plan (SEP) for the Lana River Project (December 2019).³

For the implementation of the RAP, the MoT commits itself that it will adhere to EIB requirements as per Standard 6 and address the adverse effects of involuntary resettlement as follows:

³ <https://www.eib.org/attachments/registers/125453165.pdf>

- a) Involuntary resettlement will be avoided.
- b) Where involuntary resettlement is unavoidable, all people affected by it will be compensated fully and fairly for lost assets.
- c) Involuntary resettlement will be used as an opportunity for improving the livelihoods of the affected people and will be implemented accordingly.
- d) All people affected by involuntary resettlement will be consulted and involved in resettlement planning to ensure that the mitigation of adverse effects as well as the benefits of resettlement are appropriate and sustainable.

The current draft design documentation addresses the planned Project footprint, which will be subject to an expert design review. The final decision on the design will be taken during last quarter of 2022 and the first quarter of 2023 and may result in changes, thereby changing some of the actual structures and people that will be affected. The RAP will be updated following this review, however, the principles as per EIB requirements Standard 6 and activities presented in the document will still apply.

The Resettlement Plan document is organised as follows:

- Section 1 Introduction
- Section 2 Project Description
- Section 3 Legal Framework
- Section 4 Socio Economic Summary
- Section 5 Displacement Impacts
- Section 6 Eligibility and Entitlements
- Section 7 Entitlements Matrix
- Section 8 Organizational Arrangements and Rap Process
- Section 9 Timeframe
- Section 10 Disclosure of Information and Consultations
- Section 11 Grievance Mechanism
- Section 12 Monitoring and Reporting
- Section 13 Implementation Costs

The following appendixes are also presented:

- Appendix 1 Structures affected by less than 1 m2
- Appendix 2 Informal Structures
- Appendix 3 Letter of the Mayor addressed to affected people
- Appendix 4 List of Vulnerable Groups
- Appendix 5 Consultation Report
- Appendix 6 Compensation with Apartments
- Appendix 7 Cash Compensation

1.3 RAP Amendment

The MoT is fully committed to complete the construction and hand-over of the replacement apartments that will be provided by the MoT in the next three years to provide sustainable housing solutions to the PAP families. Furthermore, the MoT is also fully committed to keep the PAPs updated on the progress of the works and in relation to the relocation process. The latter will be done in line with the stipulations of this RAP which already foresees the setup of a representative committee specifically devoted to keep an open dialog with all PAPs (see Section 10.4). However, to date, not all the information is available about the planned apartments planned by the MoT to be built in five sites near the current place of residence of all PAPs (see Figure 6-1 in Section 6 for overview of proposed locations). The details on the implementation mechanism, as well as the technical standards for all the apartments and the timing pertaining to the works contracts for all the locations are still unknown. Detailed plans pertaining to the construction and management of the replacement apartments should be developed before October 2023 or at least 3 months before start of demolition works are started.

Once the information will be available, the RAP will be updated with an addendum outlining the following:

- Implementation modalities for the construction of replacement apartments (Municipality of Tirana or private developers).
- Timelines for the construction and completion of the replacement apartments (beginning and completion of works, hand-over of apartments).
- Technical standards to be applied for the construction of the replacement apartments
- Criteria and methodology for allocation of apartments in the five designated locations

The RAP update will be done and approved by the Tirana Municipal Council by October 2023 or at least 3 months before start of demolition works.

2 Project Description

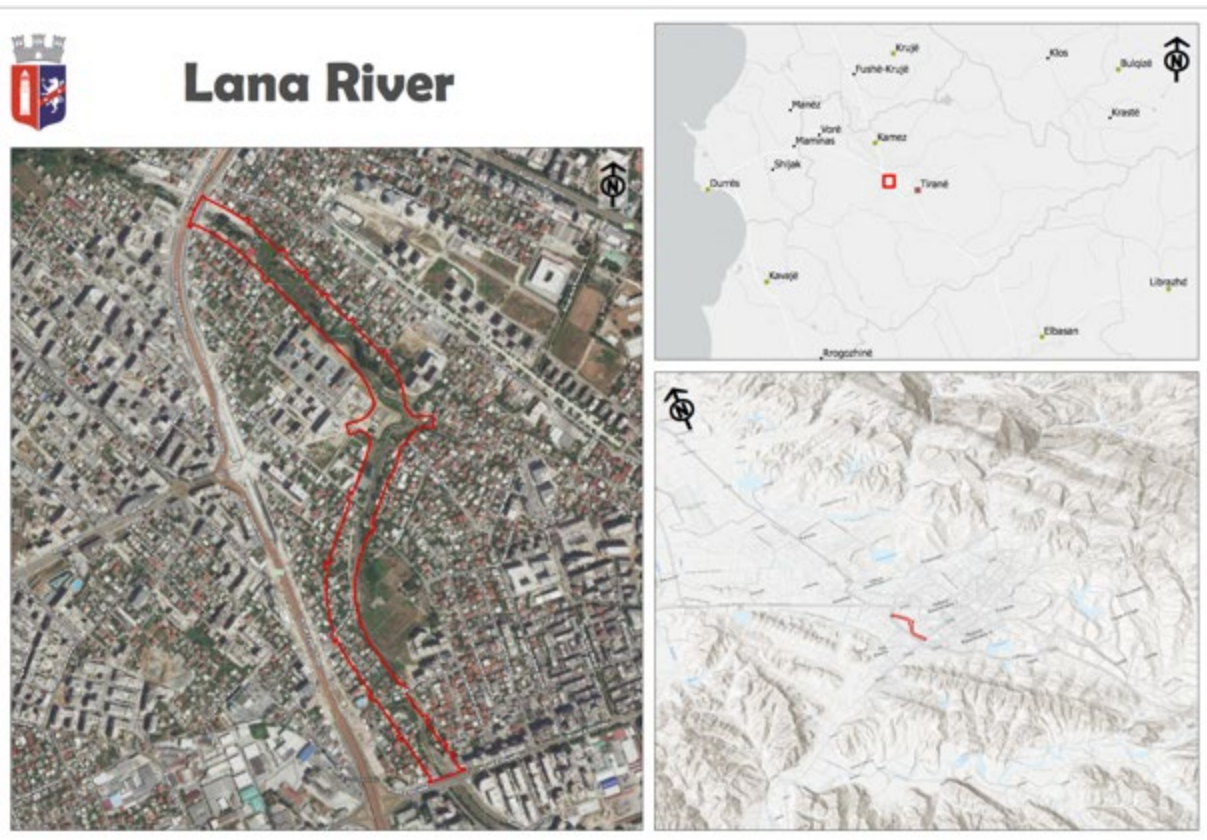
The implementation of this project by the MoT is aimed at:

- Improving the standard of living of citizens by improving the infrastructure and creating modern facilities.
- Preventing Lana River flooding.
- Creating new lines of urban mobility according to the contemporary standards of a metropolis.
- Proportional distribution of traffic in the area by orienting it towards the main exits of Tirana in accordance with the urban plan of the city.
- Avoiding contamination of rainwater with polluted waters and improving the overall quality of the environment.
- Visual improvement of the area in harmony with other parts of Tirana.

The area benefitting from the Project extends over a surface of an estimated 15.5 ha. The area is well integrated with investments in each of the sectors of public transport, wastewater and flood risk management in the wider city, expecting to deliver substantial benefits for a population of 65,000, out of which 20,000 are currently living on both riverbanks.

The land clearance and rehabilitation works are foreseen to start in the fall of 2023 or early 2024. The project area and the project affected buildings are shown in Figure 2-1 .

Figure 2-1 Photos of the Lana River in the Segment that will be Rehabilitated



Source: MoT

The project will ensure the continuation of Gjergj Fishta and Bajram Curri Boulevard and Rehabilitation of the Lana River from the Technological Bridge to the Intersection with Teodor Keko Street; the Lana River should be directed by creating a bed with an efficient hydraulic regime to avoid any flooding in this area , as well as creating the necessary spaces for the urban development of the area. Also, the boulevards parallel to the river should be extended with all the necessary infrastructure such as signage, the separation of rainwater from polluted water, lighting, telecommunications, landscaping, as well as the connection with the existing infrastructure. Two bridges over the new riverbed should be provided for the needs of urban development.

The needs for the development of this project are conditioned by the difficult and problematic situation existing in this area. The Lana River that runs through the city of Tirana has been rehabilitated in different locations starting from the new Maternity Hospital to the Technological Bridge, or at the intersection with Kavaje Street.

Parallel to the river are the two main urban streets named Gjergj Fishta Boulevard and Bajram Curri Boulevard. The Technological Bridge over the Kavaje road has been rehabilitated in recent years and the Lana River at the exit of the Bridge remains unguided and with numerous urban wastes as a result of chaotic vegetation in its bed and interventions from construction after the 90s. As a result, the river creates blockages at the Technological Bridge as well as frequent floods in the residential areas behind the bridge. It is also observed that in this segment of the river, the wastewater of the neighbourhood that borders the Lana River with the ring of Tirana are discharged into the river, which increases the urban pollution of this river.

The project will include the following activities and components:

- Civil works for Rehabilitation of Lana River from “Technological” Bridge to the junction with “Teodor Keko” street and site development
- Civil works for two parallel roads along the Lana River with a length of 1.8 km each and 10.5 m width
- Civil Works for the construction of two Bridges with the length of 24 m and 22 m respectively;
- Civil works for the construction of sidewalks along road axes with a total width of 10.5m (respectively 6.5m on the right and 4m on the left side).

An ancillary benefit of the Project will be the resettlement of approximately 1,389 inhabitants living in 308 households from the Project site to residences of a higher standard in accordance with this RAP, satisfying both national and EIB requirements. The project affected area and structures are shown in the Figure 2-2 .

Figure 2-2 Project Area



Figure 2-3 below shows the cross section of the rehabilitated Lana River Bed and Figure 2-4 shows the Cross section of the two Boulevard.

Figure 2-3 Cross section of the rehabilitated Lana River

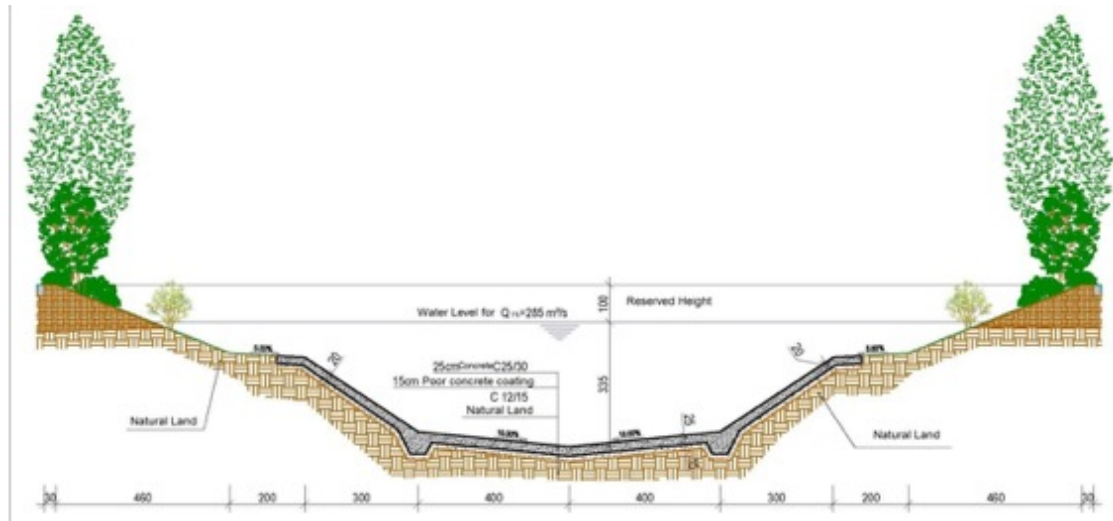
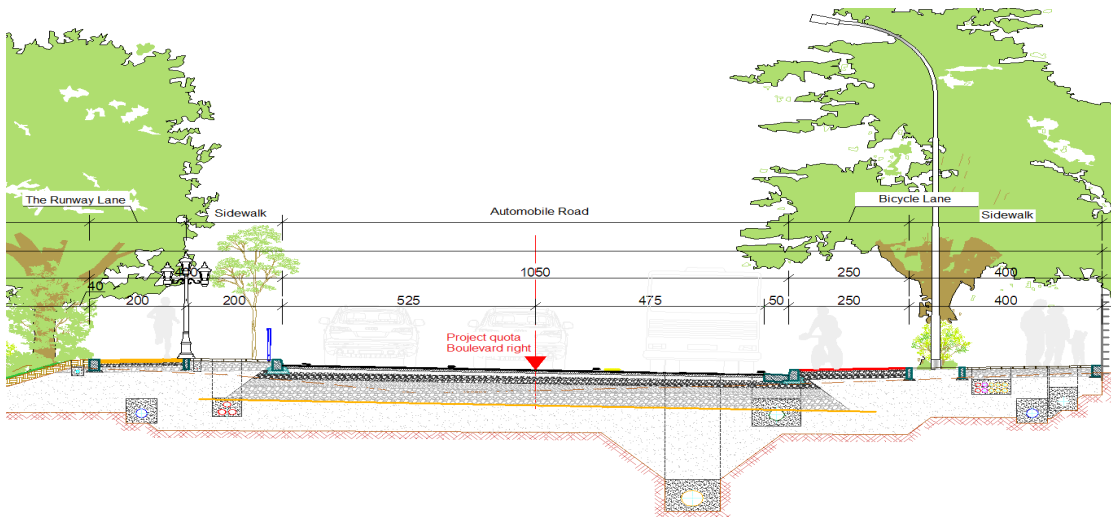


Figure 2-4 Cross section of the two Boulevards



3 Legal Framework

Land acquisition will be implemented in accordance with Albanian legislation and EIB standards.

3.1 Albanian Legislation

Albanian legislation for expropriation is regulated by the following laws and bylaws:

- Law no. 8561, dated 22.12.1999, "On the expropriation and temporary use of property, private property, for public interest", amended.
- Law no. 20/2020 "On the completion of transitional ownership processes in the Republic of Albania".
- Decision no. 409, dated 15.06.2022 "On the procedures, methodology and deadlines for compensating the owners of unauthorized constructions that are not legalized".
- Decision no. 361, dated 29.05.2019 "On determining the displacement of individuals/families from their place of residence or housing, in the cases provided for by law and institutional cooperation".
- Decision no. 89, dated 02.03.2016, of the Council of Ministers "On the approval of the land value map in the Republic of Albania".

Legislation that will be applied to implement land acquisition, compensation for affected assets, resettlement and provision of assistance differs based on the specific circumstances of affected owners, users, household members and affected structures and other assets is described in the following sections.

3.1.1 Expropriation Law and Procedure

3.1.1.1 Expropriation Law

Issues related to provision of compensation for land and assets (or restrictions on land use) acquired in the public interest, i.e. which cannot be refused by affected people/entities, and can lead to physical and/or economic displacement are regulated mainly by the Law no. 8561 on Expropriation and Temporary Acquisition of Private Property for Public Interest (1999), amended by Law No.20/2016, dated 10.3.2016 "*For the compensation and assumption for temporary operation of the private properties for public interest, amended by law no. 11/2020*" "For some amendments and additions to law no. 8561, dated 22.12.1999, "On expropriations and temporary use of property, private property, for public interest"; Law no. 20/2020 "On The Completion of Transitional Property Processes In The Republic Of Albania article 18".

The Albanian Expropriation Law focuses on properties and assets which may be expropriated permanently and/or temporarily, when public interest prevails over the private interest of affected people as defined by the law and in line with general principles of international law. The Expropriation Law provides a list of projects for which public interest is determined, such as those in connection to international treaties, multilateral conventions, international agreements and power, transportation, telecommunication, water and irrigation, environment, health, education, etc. projects of national or local interest, as well as for the realisation of strategic investments (Article 8).

For structures under legalization, the new Law 20/2020 requires ACA to perform the qualification procedures for legalization of illegal construction, based on the criteria of non-infringement of main works of public infrastructure; national road axes; the territory or functionality of public buildings; the integrity of material cultural assets, according to the legislation on cultural heritage and museums; territories intended for strategic investments, according to the legislation in force for strategic investments in the Republic of Albania; coastline, in the sense of public interest in the development of tourism. Unauthorized constructions that violate the above criteria are not legalized. They are registered in the database only for the purpose of recognizing the value of the construction investment, according to the provisions of article 33 of this law.

DCM 409, dated 15.06.2022 "On the procedures, methodology and deadlines for compensating the owners of unauthorized constructions that are not legalized", provides the procedures that must be followed by all entities for the beneficiaries that own non-legalized structures.

Referring to articles 1 and 2 of chapter II of this decision, it is foreseen that the beneficiary, who has been notified of the exemption from the legalization of construction without a permit, will be treated with one of the forms of compensation or special treatment provided for in this decision, as below follows:

- Treatment through the housing fund, pursuant to the agreement that is concluded between the responsible body, in this case the local government unit, and the beneficiary.
- Treatment in alternative forms, in implementation of the agreement that is reached between the responsible body, in this case the beneficiary entity of the development which is different from the local government unit.

In addition to the above-mentioned treatments, the beneficiaries, who do not own any other residence in the local government unit, legal or without a permit, but legalizable, except for the construction exempted from legalization, also benefit from financial treatment in the form of a rent bonus for a 3-year term from the moment of signing the agreement and releasing the building or as long as needed until the replacement apartments are provided by MoT. Funds for covering this obligation are borne by the Municipality of Tirana.

3.1.1.2 Expropriation Procedure

3.1.1.2.1 Process

Expropriation is initiated by the applicant for expropriation (i.e. the state, public or private, local or foreign legal entity) who applies for expropriation to the relevant ministry (Article 5). The application is prepared with information about ownership and other rights recorded in the Albanian Cadastre Agency (ACA). In areas where first registration has not been completed⁴, the expropriation applicant cooperates with local authorities to collect ownership data from other sources at the local level (e.g. local property owners, village elders, notaries) and in cooperation with the ACA seeks to complete first registration of properties.

The application for expropriation also has to be accompanied by preliminary estimates of the value of affected properties/assets only for owners with property titles received by ACA, as well as documentation related to the source of funding and guarantee that funds are available (unless the applicant is the state or state institution, in which case such proof is not needed).

If the documentation is in order, the Ministry AEA accepts the application for expropriation, signs an agreement with the applicant for expropriation and forms a Land Expropriation Committee consisting of at least 5 employees or independent experts (legal, economic and engineering field). Within ten days of entering into agreement with the expropriation applicant, property owners and affected third parties are notified by the Ministry that an expropriation process has been initiated. The expropriation application is also published in the Official Journal, in a newspaper with national circulation and in a local newspaper for a one-week period.

The Land Expropriation Committee performs final valuations of properties under legalization and with title deeds. The affected owners and third parties can accept the compensation offer provided to them, after which compensation is paid and ownership over the affected property/asset is transferred to the state, thereby completing the expropriation procedure.

Where agreements are not made, AEA prepares and submits an expropriation proposal to the Council of Ministers, which passes a Decision on Expropriation, if documentation is in order. This proposal is accompanied by the same documents as the application for expropriation previously described. The Expropriation Decision of the Council of Ministers is published in the Official Journal and communicated directly to affected people.

The Expropriation Law does not specify remedies for disputing expropriation, however, under Law No. 49/2012 on the Organization and Functioning of Administrative Courts and Adjudication of Administrative Disputes, affected people can submit appeals against the Decision on Expropriation to the administrative court of first instance and after that, the Administrative Court of Appeal. The Expropriation Decision enters into force immediately, which means that appeals against it do not delay its implementation. The Expropriation Law specifies that registration of properties is carried out by the relevant Ministry within 30 days of when the Decision on Expropriation has been passed.

The Expropriation Law states that the affected owner and/or affected third party have the right to appeal to the courts with regard to the amount of compensation offered to them, within 30 days from receiving notice that the Decision on Expropriation has been passed.

The Expropriation Decision specifies the timing when the affected property will be accessed by the expropriation applicant, as well as when compensation will be paid to affected people, as decided by the Council of Ministers. Payment has to be executed no later than three months from the date specified in the Expropriation Decision, or from the date when the court decision has become legally binding (cannot be appealed against).

⁴ First registration is the process of initial registration of the properties where there are no available data from any previous registration. This process is led by ACA

3.1.1.2.2 Documentation

The body/entity that applies for expropriation should prepare a detailed expropriation file with the documents as specified in the Table 3-1 E

Table 3-1 Expropriation Documents

(to be submitted to Albanian Expropriation Agency as part of the expropriation file)

#	Document
1	The request for expropriation from the subject, in whose favour the expropriation is done.
2	Legal documentations that verify the registration of subject as judicial body that requires the expropriation
3	<ul style="list-style-type: none"> - The project design approved by the competent bodies according to the law, signed and stamped by the project designer. - The expropriation area and borders must be reflected in the approved project
4	Relevant permits and approvals from the competent bodies according to the law, in line with the nature and type of the project to be developed
5	Documentation regarding the source and guarantee of financial funds necessary for the implementation of the project, including those of expropriation. (Payment of owners with property titles, as well as payment on behalf of Albanian Expropriation Agency)
6	Documents certifying the project implementation by the expropriation applicant or through a third party, including project timelines.
7	Documents proving the reasons for expropriation, (Article 8 of Law 8561; some relevant reasons are "For the implementation of projects and investments that represent national or local territorial interest; or extension in the field of transport of any kind, energy, telecommunications, water works of any kind, in the service and interest of the public ")
8	Relevant legal arguments for the public interest of the project.
9	A report on the preparation of the expropriation request
10	Preliminary assessment of the affected assets subject of expropriation and the amount of compensation provided for each private owner.
11	<p>Land</p> <ul style="list-style-type: none"> - Price per unit (m²), of land by type is established referring to DCM no. 89, dated 03.02.2016 "On the approval of the matrix of land value in the Republic of Albania, defined in point "b" of DCM no. 872, dated 12.12.2007. - In cases where the approved prices for the respective cadastral areas are missing, the valuation for the land by type is determined as the average of sales and purchases per unit (m²) that ACA has of the last 3 (three) months for the cadastral zone where the residential structure subject to expropriation is located. - In cases where there are no indicators of sales, declared in writing by ACA, entities interested in expropriation request from the structures of the Ministry of Agriculture and Rural Development, technical assessment and calculations of compensation of private property, which is required to be expropriated, defined in point "1", of the DCM no. 622, dated 18.12.2002.
12	<p>Residential units</p> <ul style="list-style-type: none"> - Confirmations of ACA for average prices per unit (m²) of residential units based on transactions recorded in the last 3 months for the cadastral zone where the property subject to expropriation is located. In case ACA confirms that it does not have the average prices per unit (m²) of residential units based on transactions recorded in the last 3 months for the cadastral zone where the property subject to expropriation is located, the calculation of the value is established by licensed engineers through calculation of bill of quantities and the price per units are received by Albanian Entity of Housing - Documentation that accompanies the evaluation of Residential Units - Legal documentation of ownership certificate of ownership (Property documents + cadaster map) or Legalization permit granted by ACA. - Confirmation of the legal status of ownership by ACA - Confirmation from ACA on the average price per unit (m²) of residential units based on sales recorded in the last 3 months.

#	Document
	<ul style="list-style-type: none"> - Confirmation from Albanian Entity of Housing for the prices in force as per items of bill of quantities in case no transactions are recorded Non-Residential Structures - Legal documentation of ownership certificate of ownership (Property documents + cadaster map) or Legalization permit granted by ACA. - Building permit - Blueprint of the construction site - Approved project - Post Construction permit - Measurements and evaluations performed by relevant experts (mapping of the building, floor plans, longitudinal and transverse cuts, technical details (for excavations, plinths, foundations, layers, beams, columns, slabs, roof, etc.), bill of quantities, photos of the four views of the facility, photos of the interiors, official confirmations of the prices in force used by relevant experts or technical analyzes performed by them. - Confirmation from Albanian Entity of Housing for the prices in force as per items of bill of quantities - Price analysis for items in bill of quantities that are not listed by Albanian Entity of Housing with the structure according to the price manual where the total cost and profit confirmed with Albanian Entity of Housing
13	<ul style="list-style-type: none"> - List of owners with property title of private property for which expropriation is requested (reference number in the list must be the same as the reference number on the map). - List of owners whose private assets are depreciated due to expropriation (in case of partial expropriation and/or structures next to the expropriated area) - List of third parties to be compensated for their rights over private property assets that are required to be expropriated (e.g., easement rights, inscriptions from financial institutions or other entities). - Explanations and necessary data for each of them, with the relevant provisions for the valuation of these assets and rights. - The latest known addresses and place of residence of the owners and relevant third parties.
14	Confirmations from ACA for the legal status of the expropriated assets (accompanied by the relevant property cartel and property map of the last three months).
15	Document of the subject that requires the expropriation for the appointment of the team of experts for the assessment of expropriated private properties.
16	Maps confirmed by ACA for the project area
17	<ul style="list-style-type: none"> - Expropriation blueprint layered over the maps received by ACA that indicates expropriation borders and affected area that will be expropriated - Expropriation blueprint layered over the maps received by ACA and orthophoto that indicates expropriation borders and affected area that will be expropriated.
18	Bill of quantities for non-residential structures as indicated in item 13 and adjusted with the depreciation value as indicated by the legal requirements in force
19	Minutes of the field evaluation team appointed by the subject that requires expropriation.
20	<ul style="list-style-type: none"> - Expropriation plan. - Expropriation list. - Floor plans, longitudinal and transverse cuts, technical details (for excavations, plinths, foundations, layers, beams, columns, tiles, roof, etc.) for constructions subject to expropriation. - The above material should be brought in digital form, in AutoCAD (dwg) and Excel formats on two CDs.
21	<p>Documentation to be submitted for agricultural for annuals and perennials and procedures to be followed for determining their values</p> <ul style="list-style-type: none"> - Complete documentation based on DCM. no. 138, dated 23.03.2000 as well as the Instruction no.1 dated 05.10.2000 for the agricultural crops that are expropriated. - Calculation of the value of fruit-bearing plants based on the instruction no. 1 dated 05.10.2000. - Total photo of the plot with agricultural crops accompanied by photos for each tree that is expropriated.

#	Document
	- Plan of expropriation with agricultural crops, with orthophoto or Google earth of the year that will be expropriated in the coordinate system U.T.M. Zone 34
22	Expropriation file summary (each page of documentation must have a serial number and should be signed and stamped by the subject that requires expropriation).

3.1.1.2.3 Compensation

The Albanian law takes under the consideration for expropriation land, properties with title deeds, and those under legalization. The Table 3-2 provides the compensation foreseen for each type of asset affected by a project on national interest.

Table 3-2 Compensation foreseen by the expropriation law

Type of asset affected eligible for compensation	Expropriation Law Compensation	Type of Compensation according to the expropriation law
Urban Land	ACA provides relevant transaction on the same area and similar land of the last 3-months, but for expropriation reasons, DCM 89 that sets a matrix of compensation values that prevails for establishing the compensation amount per ha or m ² of the affected urban land. In case the matrix does not provide a value for a particular area, ACA data on past transactions are considered	Cash Compensation as indicated by DCM 89/2016
Agriculture Land	ACA provides relevant transaction on the same area and similar land of the last 3-months, but for expropriation reasons, DCM 89 that sets a matrix of compensation values that prevails for establishing the compensation amount per ha or m ² of the affected agriculture land. In case the matrix does not provide a value for a particular area, ACA data on past transactions are considered	Cash Compensation as indicated by DCM 89/2016
Residential Structures	According to DCM 138 the Cadastre Office provides relevant transactions on the same area and similar structures of the last 3 months. These transactions set the compensation value per m ² for these structures. The compensation of Structures covers only the owners with property title	- Cash compensation as per DCM 138 - According to the provisions of Expropriation law, the compensation can be made in kind when possible and according to the rules that are determined by a decision of the Council of Ministers. Although up to date no DCMs that regulate the in-kind compensation is in place
Residential Structures in process of Legalization	No expropriation procedure	Cost of Construction (investment)
Informal Residential Structures	No expropriation procedure	None
Non-Residential Structures	The compensation amount for such structures is set on the DCM 138. The compensation is based on a bill of quantities established by a licensed engineer based on cost per units. The total amount of bill of quantities is	- Cash compensation as per DCM 138 - According to the provisions of Expropriation law, the compensation can be made in kind when possible and according to the rules that are determined by a decision of the Council of Ministers. Although up to date no

Type of asset affected eligible for compensation	Expropriation Law Compensation	Type of Compensation according to the expropriation law
	adjusted taking into consideration the amortization of the structure.	DCMs that regulate the in-kind compensation is in place
Non-Residential Structures in process of Legalization	No expropriation procedure	None
Informal Non-Residential Structures	No expropriation procedure	None
Agriculture annual and perennials in ownership of landowner	The process of affected annual and perennials for expropriation is set in DCM 138 and it covers only the landowners with a property title	Cash compensation as per DCM 138
Agriculture annual and perennials in ownership of an authorized user	No expropriation procedure	None
Income generated by businesses/individuals that need to reallocate	No expropriation procedure	None
Assets depreciated due to expropriation (e.g. partly demolished or next to the expropriated area)	Explanations and necessary data for each of them, with the relevant provisions for the valuation of these assets and rights	Cash compensation on case-by-case evaluation
Assets where third parties have rights over private property (e.g. easement rights, legal inscription rights such as mortgages etc.)	Explanations and necessary data for each of them, with the relevant provisions for the valuation of these assets and rights	Cash compensation on case-by-case evaluation

3.1.2 Informal land and structures

The Albanian Cadastre Agency (ACA) remains largely unreliable, with disputed claims to land and inaccuracies. The Expropriation Applicant seeks to complete the process of registration wherever possible in cooperation with the IPRS before applying for expropriation (e.g. inheritance procedures are initiated by the relevant Ministry where necessary), even if the lawful heirs have not previously done so.

The recently adopted Law No. 20/2020 “On the Finalisation of Transitional Ownership Processes in the Republic of Albania” allows for the legalisation of informal structures under certain circumstances. This applies to illegal structures identified by ACA in the orthophoto taken for the entire territory of the Republic of Albania by the authority responsible of geospatial information prior to the entry of this law into force. The law also lists exclusion criteria, i.e. which structures cannot be legalised (Article 18) and these include those, which violate, among other things, main public infrastructure works, and territories intended for strategic investments. However, the construction value of such buildings is to be recorded and according to the same law, the state may compensate them through financial compensation, social housing programs, or other alternative methods (Article 33).

The expropriation law takes into consideration only the following categories:

- Owners with title deeds
- Quasi owners that have applied for legalization of structures that are not in conflict with any public planning and/or infrastructure works, and territories intended for strategic investments, and they have passed the evaluation process with ACA

Social apartments are provided in accordance with the Law No. 22/2018 on Social Housing. The objective of the law is the establishment of administrative rules, procedures and modalities for planning, provision, allocation and management of housing for social groups. The law establishes the criteria for the selection of beneficiaries from the state supported housing programmes and they are grouped into 4 categories that specify: (a) housing conditions (such as overcrowding, housing in risk of demolition, etc.); (b) family conditions (such as divorced, female headed family, family with many children, etc.); (c) social conditions (such as disabled, elderly, orphans, migrant workers, etc.); and (d) economic conditions.

The Decision of Government No. 361 date 29.05.2019 “On defining the displacement procedure of individuals/ families from their residence or housing in the cases foreseen by the law and of institutional cooperation” stipulates that all individuals / families affected by resettlement enjoy the same legal protection, whether or not they enjoy title to the apartment or property

from which they are displaced. The individual/family that is not entitled to property enjoys the right to resettlement by prioritizing the provision of housing in accordance with the following eligibility criteria:

- i. Accessibility.
- ii. Affordable price.
- iii. Housing conditions.
- iv. Security of tenure.
- v. Cultural eligibility and accessibility towards essential services such as health care and education.

Social assistance departments in municipalities can provide assistance under the Law no. 9355 on Social Assistance and Services (2005), with amendments: 9602, 10252, 10399, 25/2013, 47/2014. This law enables provision of social welfare payments and services to vulnerable Albanian residents, as defined by the law. Assistance from social workers can be used to address the needs of Roma, persons with disabilities, single headed households, households with low incomes, etc.

In relation to livelihood restoration, assistance for employment and training could be provided in partnership with the Albanian National Employment Service, in accordance with Law No. 7995 on the Promotion of Employment (1995), with amendments: 8444, 8862, 9570. The National Employment Service is an autonomous public agency that provides services and financially supports job-searching efforts, implements and administers state employment programs and projects (including public works programmes), and develops the labour force through skill investment, self-employment initiatives, flexibility, labour mobility, and competitive skills. NES also implements adult education. Vocational training is provided through the National Employment Service and the National Agency for Vocational Education, Training and Qualifications in accordance with Law No.8872 for Vocational Educational and Training in Albania (2002). There are also governmental programmes for microfinance, such as the Fund Supporting Women Entrepreneurs run by the Albanian Investment Development Agency.

Legal assistance can be provided to vulnerable people under the Law No. 10039 on Legal Aid (2008), with amendments: 142/2013, 77/2014 by licensed lawyers and specialised non-profit organisations (contracted by the State Commission for Legal Aid), who provide both legal advice as well as court representation services.

3.2 EIB Standards

As the Project is being financed by the EIB, land acquisition must be planned and implemented in compliance with the EIB Environmental and Social Handbook (2018), particularly Standard No. 6 on Involuntary Resettlement.

The EIB standards and principles, applicable for this project, are⁵:

- to avoid or, at least minimise permanent or temporary physical or economic displacement caused by project related land acquisition, whenever feasible, by exploring alternative project designs; where displacement is unavoidable, appropriate compensation, resettlement and livelihood restoration action plans should be developed and implemented.
- to mitigate adverse social and economic impacts from land acquisition or restrictions on all affected persons' use of and access to land, physical assets or natural resources regardless of the character of existing land tenure arrangements (including title holders and those without title) by:
 - (i) providing compensation for loss of assets at full replacement cost⁶, prior to taking possession of acquired assets; and
 - (ii) ensuring that compensation, resettlement and livelihood restoration activities are planned and implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- to improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of all displaced persons, including those who have no legally recognisable rights or claims to the land (present in the project affected area at the time of the cut-off date), to levels existing prior to the project.
- to make special provisions for assisting disadvantaged or vulnerable individuals or groups (present in the project affected area at the time of the cut-off date) that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood assistance and related development benefits.

⁵ The above list is only a summary of the main requirements and is qualified by reference to the full text of the applicable EIB policy - Environmental and Social Handbook:

(http://www.eib.org/attachments/strategies/environmental_and_social_practices_handbook_en.pdf).

⁶ This is usually calculated as the market value of the assets plus the transaction costs related to restoring such assets.

- to establish a grievance mechanism to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons, including a recourse mechanism designed to resolve disputes in an impartial manner.
- to monitor the land acquisition, resettlement and livelihood restoration process.

3.3 Gaps Between Albanian Legislation and EIB Requirements

The main gaps between national legislation of Albania and EIB requirements, relevant to this project, are as follows:

- Persons who have no recognizable legal right or claim to the land they occupy are not recorded by a census; consequently, there is no cut-off date for determining eligibility for compensation and assistance for this affected group.
- Persons who have no recognizable legal right or claim to the land they occupy are not entitled to compensation/assistance under national laws, including resettlement to adequate housing⁷ and livelihood restoration assistance.
- In cases of economic displacement, affected people, including those with informal incomes/livelihoods, are not entitled to livelihood restoration assistance.
- Informal residential and business structures are not subject to compensation.
- The Beneficiary of expropriation can acquire the right of accessing land/property prior to payment of compensation, particularly in cases when urgent access is granted by the Real Estate Directorate.
- Development of a Resettlement/Livelihood Restoration Framework and Plan, based on the results of a socio-economic baseline assessment, is not requested by national legislation; consequently, there is no requirement to publicly disclose these documents.
- Consultations with affected people regarding proposed compensation principles and processes are not required by national legislation.
- Provision of special support to vulnerable groups is not foreseen by the Expropriation Law, however it can be provided in the framework of other national laws.
- The establishment of an independent and free project grievance mechanism to address land acquisition complaints and grievances is not foreseen by national legislation. There are no requirements for monitoring and evaluation of the resettlement / livelihood restoration process and outcomes.

Table 3-3 GAP Analysis

Issue	EIB requirements	Provisions of national law	Gap / Comment	Proposed response
Cut-off date for eligibility	The Promoter will establish a cut-off date for eligibility, which will be well-documented and disseminated throughout the project area.	The Expropriation Law defines a cut-off date for the affected properties on the day of the publication of the list of expropriated people in the national media.	The Expropriation law does not consider persons who have no legal rights to the land they occupy and therefore there is no cut-off date for their eligibility.	The cut-off date for persons who have no legal rights to the land they occupy will be the date when the census was carried out. Affected people have been informed about the cut-off date in a transparent and timely manner.
Grievance Mechanism	A grievance mechanism is set up to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons and/or members of communities. The grievance mechanism, process should be open and	Expropriation Law provides for the right of the affected persons to raise concerns up to 15 days prior to publication to the official gazette. After the process is approved, Expropriation law gives the right to bring actions before the courts for seeking higher compensation from that defined in the decision on expropriation enacted by the Council of Ministers but affected people cannot challenge the expropriation process per se. Claims do not cause suspension of the expropriation process, though they may result in a higher compensation	There is no requirement in Albanian law to establish a grievance mechanism outside the ones provided by the law through the courts, the grievance mechanism does not contradict the process outlined in Albanian law as part of public right of information.	Grievance mechanism is used during the Census phase. The grievance mechanism is to be amended and build for RAP.

⁷Adequate housing, according to human rights laws, must at minimum meet the following criteria: (1) Security of tenure provides occupants with legal protection against forced evictions, harassment and other threats. People living in informal settlement sand communities usually lack security of tenure; (2) Affordability: the cost of housing must not threaten occupants' ability to satisfy other basic needs, nor must it compromise their security of tenure etc. because high rent exposes them to lawful eviction for non-payment; and (3) Habitability: adequate housing must guarantee occupants' physical safety and provide adequate space and protection against the cold, damp, heat, rain, wind, and other threats to health and structural hazards;

Issue	EIB requirements	Provisions of national law	Gap / Comment	Proposed response
	transparent and should address concerns of the PAPs effectively.	to be paid if decided as such by the competent court.		
Assets affected	<p>The affected assets registered by the promoter will be:</p> <ul style="list-style-type: none"> - Properties with title deeds - Properties under legalization but the legalization was interrupted due to conflicts with national planning - Informal buildings not under the process of legalization - Annual and perennial crops - Animals and poultry 	<p>The expropriation law considers only the following:</p> <ul style="list-style-type: none"> - Properties with title deeds - Annual and perennial crops only for the registered owners - Animals and poultry only for the registered owners 	<p>The law recognizes affected persons who have formal legal rights only. Restrictions that result in people experiencing loss of access to physical assets or natural resources are not addressed explicitly by Albanian legislation.</p>	<p>The promoter will consider all the affected assets as per international standards.</p> <p>This RAP will be approved by the Tirana Municipal Council and ratified through DCM.</p>
Eligibility for compensation resettlement and entitlements	<p>According to EIB standards the following are the main categories of affected people:</p> <ul style="list-style-type: none"> - owners that have property deeds to affected assets are eligible to full compensation at replacement cost for land and structures as applicable. - quasi owners under the process of legalization to affected assets for the time of the census, are eligible to similar compensation as those in Category 1; - informal owners with no recognizable legal right are not necessarily eligible to compensation for land but should receive: (i) compensation for structures that they own and occupy and for any other improvements to land at full replacement cost; and (ii) in case of physical displacement, a choice of options 	<p>The Expropriation Law addresses people in Category 1. The Legalisation Law addresses people in Category 2 but only for those structures that do not conflict with national approved plans.</p> <p>The law no. 9232, dated 13.05.2004 "On social programs for the housing of inhabitants of urban areas" establishes a legal framework for the development of social housing programs in Albanian municipalities, which may apply to people in Category 3. 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>The promoter will consider owners, quasi owners and informal owners per international standards.</p> <p>This RAP will be approved by the Tirana Municipality Council and ratified through DCM.</p>

Issue	EIB requirements	Provisions of national law	Gap / Comment	Proposed response
	for adequate housing with security of tenure and resettlement assistance.			
Compensation	<p>Compensation for lost assets to be provided at replacement cost, usually calculated as the market value of the assets plus transaction costs related to restoring such assets (registration and transfer taxes). Depreciation of structures and assets should not be considered. Compensation (alternative housing and/or cash compensation) must be provided prior to relocation.</p>	<p>For Residential Structures according to DCM 138 the ACA provides relevant transactions on the same area and similar structures of the last 3 months. These transactions set the compensation value per m² for these structures. The compensation of structures covers only the owners with property title.</p> <p>For non-residential structures the compensation amount for such structures is set on the DCM 138. The compensation is based on a bill of quantities established by a licensed engineer based on cost per units. The total amount of bill of quantities is adjusted taking into consideration the amortization of the structure.</p>	<p>Albanian legislation does not take account of transaction costs and states that depreciation is to be considered for non-residential building, which does not meet the “replacement value” requirement. It also does not check if the transaction of the last 3 months represents the market value of the residential structures.</p>	<p>The Promoter will make a market survey through the social department to assess if the values used for compensation are replacement values.</p> <p>This RAP will be approved by the Tirana Municipal Council and ratified through DCM.</p>
Planning	<p>The Promoter is preparing the Resettlement Action Plan. The RAP includes a census for the affected area. Affected persons are to be informed and consulted during the planning process. Special provisions must be made with respect to consultation with vulnerable groups.</p>	<p>The application for expropriation in the public interest should include a detailed list of properties to be expropriated, based on the ACA register. Affected owners are to be notified of the application for expropriation.</p>	<p>Albanian legislation does not set out any requirements for the preparation of resettlement or livelihood restoration plans. In addition, there are no requirements with respect to consultation with persons affected or for special attention to vulnerable groups.</p>	<p>Preparation of this RAP by the promoter.</p>
Negotiated settlements	<p>Negotiated settlements are encouraged to help avoid expropriation and eliminate the need to use governmental authority to remove people forcibly.</p>	<p>Negotiated settlements are encouraged by the Expropriation Law. Art. 6 of the Expropriation Law provides 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 must inform the competent ministry within 15 days from being notified (publication) whether accepts the offer (art.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 to appeal to the court regarding the amount of compensation (art.24).</p>	<p>No negotiations outside the DCMs approved for Expropriation Law.</p>	<p>The RAP will describe the negotiation process.</p> <p>This RAP will be approved by Tirana Municipal Council and ratified through DCM.</p>

Issue	EIB requirements	Provisions of national law	Gap / Comment	Proposed response
Vulnerable groups	Assistance for vulnerable groups	According to law no. 9355, dated 10.03.2005 “On social assistance and services”, vulnerable persons are entitled to various forms of social welfare payments or a range of community-based services.	Provision of special support to vulnerable groups is not foreseen by the Expropriation Law, however it can be provided in the framework of other national laws.	Identify the vulnerable groups during the negotiation phase.
Public disclosure and information	The promoter will summarize the information contained in the Resettlement Action Plan for public disclosure to ensure that affected people understand the compensation procedures and know what to expect at the various stages of the project Consultations will continue during the implementation, monitoring and evaluation of compensation payment and resettlement	The Expropriation Law obliges the relevant entity to notify persons affected directly (either by registered mail or other means of notification having confirmation that notice is received by the addressee; in case the addressee resides abroad, the notification will be made through publication in the municipality where the land subject to expropriation is located) and to publish during an entire week the application for expropriation in the Official Journal as well as in national and local newspapers. Within fifteen days after the last date of the publication, the persons subject to expropriation should inform the ministry on their claims related to the properties affected by the expropriation.	Albanian law does not require any public information and disclosure other than the one provided by the law.	Promoter will prepare a stakeholder engagement plan for the disclosure and consultation of RAP.

4 Socioeconomic Context Summary

4.1 Census and Socioeconomic Survey Methodology

A census and socio-economic survey of people regardless of their ownership status, residing and/or carrying out economic (business) activities in the affected area and their affected assets (preliminary assets inventory) was completed from May 1st, 2018, to October 11th, 2018, by the City of Tirana. Due to a delay in resettlement planning caused by numerous factors, the census and socio-economic survey were updated in the summer of 2020, to collect data on any changes in the status of affected people, household compositions and structures. During this second census, an updated assets inventory was carried out and the final areas of affected structures recorded by MoT representatives. During the census, 314 affected HH were interviewed with at least one representative from each HH. After the approval of this RAP, an update of the information will be carried out and each directorate will undertake the necessary measures in the framework of the implementation of this document according to the area of responsibility.

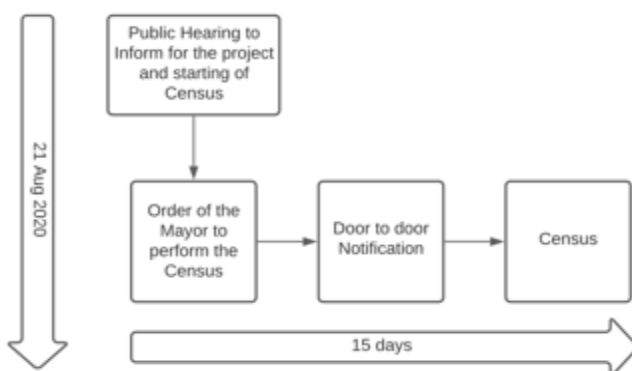
The following institutions participated in the activity:

1. General Directorate of Social Services, through:
 - Social Housing Directorate; and
 - Department of Social Services.
2. General Directorate of Services.
3. Local Defense Inspectorate of Territory.
4. Administrative Unit 6.
5. Administrative Unit 7.

Six working groups were mobilized with representatives from the above listed institutions, comprising more than 40 employees. A team of 6 enumerators was sourced from the MoT Social Housing Department (Resettlement Unit), who were supervised by an experienced socio-economist.

The affected people were notified door-to-door by the member of the Social Team based on a letter issued by the Mayor to conduct the Census and Asset Inventory (see Figure 4-1).

Figure 4-1 Chart of Public Notification for Census field activities



The project has been announced in the media as part of the Master Plan approval process dated on 30.10.2019 and also as part of the announcements of Ministry of Finance and Economy in October 2019 related to the approval of two draft laws

- Law No. 63/2019 on Ratification of the Grant Agreement between the Council of Ministers of the Republic of Albania and the European Investment Bank, for the Project "Lana River Bed - Urban Development"
- Law No. 64/2019 on Ratification of the Financial Contract between the Council of Ministers of the Republic of Albania and the European Investment Bank, for the Project "Lana River Bed - Urban Development"

The database that was used for the performance of the Census and Asset Inventory was:

- ACA data on legal owners of land and structures as per cadaster registration.
- ACA data on structures under legalization as applied by the structure owners themselves, with relevant measurements and application forms submitted to ACA as per the legalization process. These structures are registered in a temporary registry by ACA.
- Data collected by ACA for informal structures that have not gone through the process of legalization.

4.2 Socioeconomic Profile of Affected People

This section of the RAP provides household-level socio-economic data, which has been collected during the census while the inventory of the assets is made as part of the process of legalization under the legalisation law. Each owner of a structure built without any permit had the opportunity under this law to submit applications for legalization of these structures. This RAP will consider not only legalized structures, but also the ones that under the process of legalisation for structures that PAPs have submitted the application to ACA, which has accepted the application but has not issued the legal documents (title deeds) for the reason specified by LAW no. 20/2020 “On the Completion of Transitional Property Processes In the Republic Of Albania”. Any building that is not at least under the process of legalization, is not part of compensation given that it has not followed the law of legalization, which has provided several opportunities to legalize the structures or start the process of legalization. At the time of preparing this RAP all identified residential structures are legalized or under legalization.

4.2.1 Households Structure

The ratio of men and women affected by the Project is close to equal (51% men, 49% women). Out of 314 households, 262 (83%) declared that the head of the household is a male.

The average size of household is 3.63 individuals, which, according to the Institute of Statistics of the Republic of Albania (INSTAT)⁸, is above the average size of a household in Tirana, counting 3 individuals. Close to 20% of the affected population are minors, under the age of 18. The entire affected population is of Albanian nationality.

4.2.2 Livelihoods and Income

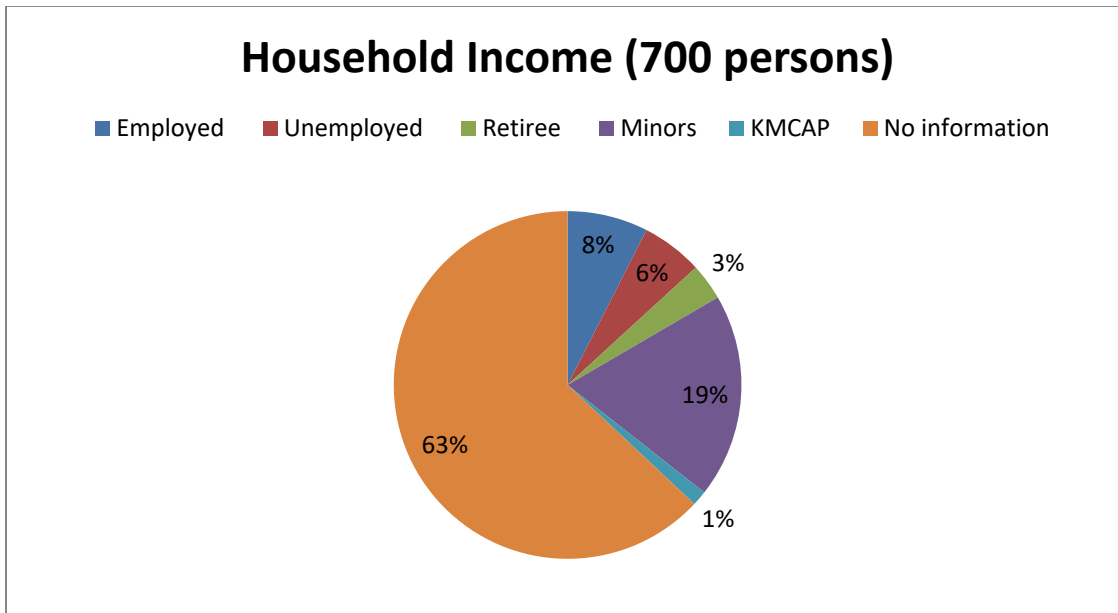
The main primary sources of income of affected individuals over 18 years old are employment (45%), pensions (23%) and remittances (18%), while an additional 5% reported social welfare / disability assistance as their primary source of income. A total of 8% of individuals refused to provide information on incomes. The average annual income of a person is ALL 55,000.00 (approx. 445 EUR). 160 persons reported that they are unemployed.

From the 220 households who responded to the questions on incomes, the majority (56 %) earn an income between ALL 300,000.00 and 500,000.00 per year (approx. 2,400 – 4,000 EUR). Only 19 % of the households earn between ALL 150,000.00 and 250,000.00 (approx. 1,200 – 2,000 EUR) and 14 % earn between ALL 700,000.00 and 1.200,000.00 (approx. 5,600 – 9,700 EUR). This is presented in Figure 4-2 below.

Most of the households, about 65 % have annual expenditures between ALL 250,000.00 and 400,000.00 per year (approx. 2,000 – 3,200 EUR).

⁸<https://invest-in-albania.org/this-is-the-average-household-size-in-tirana/>

Figure 4-2 Annual household income



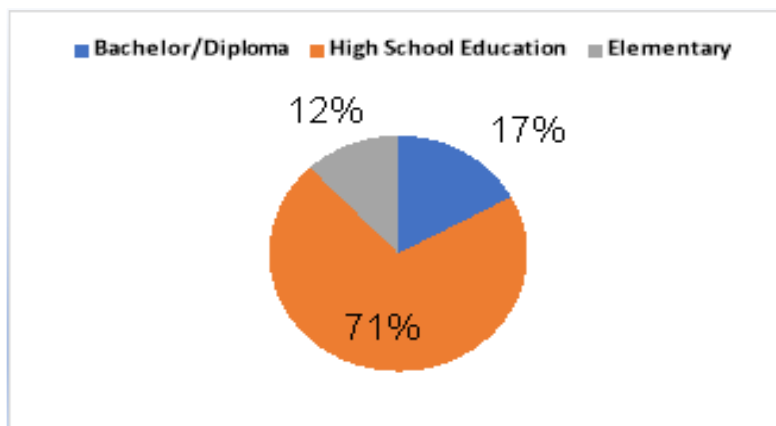
4.2.3 Disability

In a total of 25 structures, households reported having at least one disabled or chronically ill member. A total of 45 individuals were reported as being disabled or chronically ill, however only 19 reported receiving some form of assistance or benefits on account of the illness. An estimated 10 persons are likely to have mobility issues / difficulties. Most of the people with health issues are elderly individuals with heart conditions, high blood pressure, diabetes, etc.

4.2.4 Education

According to the reported educational status, the majority of persons completed secondary school (as high as 71%), as shown in **Error! Reference source not found**. A total of 12 % completed only primary school and 17% completed higher education (university and above). The overall educational status of the affected population is similar to the data for Tirana, however with more persons who completed secondary and primary education, while the number of persons with higher education is slightly lower (in Tirana municipality, 20% of persons completed higher education).

Figure 4-3 Educational status



4.2.5 Feedback on Compensation Preferences

Preferences for compensation, future plans, as well as the PAPs views of the project are presented in Table 4-1 below. It is noted that this feedback was collected prior to the announcement by the Mayor of Tirana regarding compensation entitlements.

Table 4-1 Future plans and opinions of affected people

ADDRESSED ISSUES	TOTAL SUMMARY OF ANSWERS FROM PAPs
No. of households that have declared that they own property other than the affected structure	9
Plans for the future (if required to move out of the property)	131 households will buy / build a new house, 1 household will invest in improving the quality of life, 33 households seek monetary compensation, 22 households have no other economic opportunities, 15 households do not have plans, 2 households will rent an apartment / house, 1 household will move abroad, 2 households will not move from the property, 1 household will deal with business. 46 households will return to their homes to live 3 households refuse to answer.
Preferred compensation	87 households seek financial compensation to buy / build a new home as well as relocation assistance, 4 households seek financial compensation, 40 households seek compensation with a new home (replacement home), 1 household seeks help for employment and starting a business, 3 households do not have a plan to move, 1 household is interested in soft loans, 11 households seek to benefit from social services such as: social housing, employment assistance, etc., 12 households seek help repairing the house if it is damaged by the project,
Attitude towards the project	52 households have a neutral attitude, 21 households have a negative attitude, 47 households have a positive attitude, 14 households have a positive attitude provided that their structure is not affected,

Source: Census Data 2018 – 2020

4.3 Summary of Affected People Living in Residential Structures

The total number of persons residing in affected residential structures (244) includes 1,398 people and 317 HH (see Table 4-2).

Table 4-2 People affected by the Project

Type of impact	Number of persons living in affected structures / apartments as per family certificate	Number of persons living in affected structures / apartments not part of family certificate	Number of persons in households renting apartments	Total Affected Persons
Structures fully affected by the Project (244)	852	534	12 (3 HHs)	1398
Structures with deeds	89	39	0	128
Structures under legalization	757	495	12	1264
*No Info	6	0	0	6

* Based on the information from Census, the unidentified structures might be occupied by 6 people (Please see Section 5.2.3.3)

The 1,398 people live in 317 households. Of these 241 households are the primary household owners registered according to the family certificate and 76 families belonging to a different HH but related to the HH that owns the structure. From the Census information of people residing in these structures there are cases where there is more than one household residing in the residential structure besides dependents of the owner as registered in the family certificates, which is the legal document that certifies the household (HH). These additional households are family members of the owners of the structures. Legally according to the family certificates there is a number of 852 affected people living in these structures who are not part of the ownership structure (see Table 4-3).

Table 4-3 Households affected by the Project

Type of impact	Number of HH living in affected structures / apartments as per family certificate	Number of HH living in affected structures / apartments not part of family certificate	Number of households renting apartments	Total Affected HH
Structures fully affected by the Project (244)	238	76	3	317
Structures with deeds	26	0	0	26
Structures under legalization *	211	76	3	290
No Info	1	0	0	1

4.4 Vulnerable Groups

The project will also affect a considerable number of vulnerable groups such as elderly households, households with members that need special care, households with low income, households with unemployment households with more than four children below the age of fifteen years old etc.

One of the most affected vulnerable groups in this project according to Census data are the elderly. As presented in Table 4-4 below there are 44 households with elderly people above the age of sixty-five years old.

Another vulnerable group identified in the project area are members of families that need health care and as presented in the table below. Most of the people in special care need are men (13 in total) while only 8 are women.

Another vulnerable group are the families that have more than four children under the age of fifteen according to census data. Four families fall under this vulnerable group.

The cases of female headed households are 10 HH. In most cases, they are widows. Women head of households need to work and also take care of the children.

All of the above groups are part of another bigger vulnerable group which are families that have low income, which is easily verified from the pension they receive, as well as health care assistance, unemployment, the large number of members of the HH and also the prevalence of woman as the head of the household.

Table 4-4 Vulnerable groups affected by the project

Type of vulnerable group	Total HH Affected
Elderly with dependents	44
Households with members that need special care / health care	8
Unemployed – Head of the Family	28
Families with four or more children under the age of around 15 years old	4
Households whose head of the family is a woman	10
Total	94

Annex 3 of this RAP provides a list that describes the nature of vulnerability as well as the type of assistance, which has been and will be provided to them

5 Displacement Impacts

5.1 Loss of Access to Land

The Project requires acquisition of both privately owned and public land, as presented in Table 5-1. A total of 196 land plots in three cadastral zones (urban: 8210 and 8220; rural: 3866) will be affected with a total surface of approx. 8,1 ha. This information is based on a confirmation letter No.8181, dated 28.02.2019 from the Albanian Cadaster Agency of (ACA) and from information collected through site visits.

Table 5-1 Land plots affected by the Project

Cadastral Area	Category	Nr. of plots	Total affected surface (m2)
8,210 and 8,220 (Urban Land)	Privately owned land	25	13 431
	Public land	117	33 309
	SUBTOTAL 1	142	46 740
3,866 (Rural area)	Privately owned land	46	31 785
	Public land	4	2 505
	SUBTOTAL 2	54	34 290
TOTAL	TOTAL	196	81 030

Of the affected land 29 plots are categorized as agriculture land, 1 plot as mixed agriculture and urban land, 1 plot as channel, 2 plots as road, 19 plots as urban land and 144 plots are undefined. The definition of land categories is given by the Albanian Cadastre Agency (ACA). Although the land category /land use is not specified by ACA, the project area is all under the municipality of Tirana, expected to be developed as a whole urban area, and as such the entire area land use can be categorized as urban area.

Each privately owned land plot is under the ownership of one single person. Mostly these lands are not used by them or members of their HH. Except for the 24 owners of the structures with title deeds that also own the land where the residential structure is placed, the remaining owners and their HH do not use the land as they are either empty lands or occupied by structures under legalization in ownership of different people. The owners of land currently live in other areas and will not be displaced by the project but will be compensated accordingly. Total HH that own land but also own the structure on that land will be displaced. There are 24 HH owners of the land and structures on the land that will be displaced. While 47 just privately owned landowners will have economic affect only on 47 people that own them but will not be displaced. They will be compensated by cash with replacement values.

5.2 Loss of Residential Structures

The Project requires the full demolition of a total of 244-structures which are all residential structures (detached dwellings and multi-storey buildings). The RAP will consider structures for compensation that have:

- Title deeds.
- Legalized structures by ACA.
- Applications for legalizations accepted by ACA as specified by the Legalization Law.

There are an additional eight owners, which will lose less than 1 m² of structure and or/land as a result of the land acquisition process. These owners have been removed from the list of the affected structures, as there is a possibility to manage the project area without affecting them. Details for each one of these structures are provided in Appendix 1 together with the Ortho photo of the structure and the project area.

5.2.1 Typology of structures

The 244 affected residential structures include detached dwellings and multi-story buildings of up to three heights and auxiliary structures associated to existing houses for which residential status could not be confirmed (24 in total). Most of these structures are informal, they are structures with three to four rooms per floor, and their foundation surface is between 45 and 85 m² (see Figure 5-2 Example structures in the affected (multi story buildings)). The majority of the residential

structures have been constructed within the last 10-15 years and their conditions are of poor quality. Often the water supply system does not exist, and they are supplied by well water, which may be polluted. On the other hand, all the structures are connected to the sewerage and power supply system.

Figure 5-1 Example structures in the affected area (one/two story)



Figure 5-2 Example structures in the affected (multi story buildings)



Source: Census 2018 - 2020

One of the residential structures was partly used for business activities. However, based on the latest site visit performed on January 7th, 2022, it was confirmed that the business is non-active as shown in Figure 5-3 below.

Figure 5-3 Structure used for business activity



Source: Census 2018 - 2020

5.2.2 Ownership status

This total number of structures includes structures with title deeds and structures under legalisation. The table below (Table 5-2) presents the number of structures, people and HH affected by the project based on the legal status of each structure.

Table 5-2 Residential Structures/People and HH affected by the Project

Legal status of structure	Structures fully affected by the Project	Affected Structures not identified	Number of individuals affected	Number of HH affected
Fully legal structures (title deeds)	24	0	128	26
Structures in the process of legalization*	211	0	1,264	290
No Info	9	9	6	1
TOTAL	244	9	1,398	317

*** Note:**

- for 8 of these residential structures, ownership is identified by Census field activities including the households. The data was not provided by ACA, which during the executing phase of RAP, needs to be aligned with ACA with updated information on the ownership structure and HH.
- For 4 of these affected structures, the affected area for each structure is identified, but Census or ACA has not identified the ownership structure. During the executing phase of RAP, needs to be aligned with ACA with updated information on the ownership structure and HH

(*) Only one of the 244 structures has a mix use residential and commercial.

Table 5-3 Affected structures and surfaces as per the legal status

Legal status of structure	Nr. / Surf.	Structures fully affected by the Project	Number of PAPS affected by the project	Number of HH affected by the project
Fully legal structures (title deeds)	Nr.	24	128	26
	Est. surf. (m ²)	2 668		
Structures in the process of legalization*	Nr.	211 ⁹	1264	290
	Est. surf. (m ²)	21 375		
No Info	Nr.	9	6	1
	Est. surf. (m ²)	0		
TOTAL	Nr.	244	1398	317
	Est surf. (m ²)	24043		

5.2.3 Summary of Loss of Residential Structures

5.2.3.1 Legalised Residential structures

Out of the total 244 affected residential structures, there are 24 structures with title deeds (see Table 5-4 below).

Table 5-4 Structures affected by the Project with title deeds

Legal status of structure	Structures fully affected by the Project	Affected Structures not identified*	Number of individuals affected	Number of HH affected
Fully legal structures (title deeds)	24	0	128	26

Note: Structures that are identified on site, but no available data provided by ACA and Census on owners

5.2.3.2 Residential Structures Under legalisation

A total number of 211 structures fall under the category as under legalisation and comprise structures that are not legal but have started the process of obtaining property deeds (see Table 5-5 below). For 8 of the 211 structures under legalisation no data on the respective owners were given by ACA. However, during the Census survey implemented in 2018 - 2020 4 of 211 structures, the affected areas for each structure was identified, but the Census or ACA has not identified the ownership structure. During the executing phase of the RAP, this needs to be aligned with ACA with updated information on the ownership structure and HH (see Table 5-5 below). The missing information does not provide an obstacle to the

⁹ Out of 211 structures under legalization there could be 24 structures might be auxiliary buildings to existing residential ones. All the structures will need to be classified as residential, as identified by ACA and Census that have not identified any non-residential buildings. As investigated by Google earth and maps available to MoT these structures might be part of the existing buildings, but they might as well be used as residential for the family members that are not part of the family certificate. As such, they will be identified as residential and cleared with ACA at the moment of the refreshed documentation that will be provided for each Structure

preparation of compensation packages and the impact on the budget. During the implementation of the RAP, the MoT with the RAP implementation team should make different efforts to identify the HH and people affected through the following tools:

- Visits in the affected structures periodically.
- Letters and posters in the area and the affected structures to invite the affected HH and people to participate in the process.
- Notifications in the newspapers (national and local ones) to invite the affected HH and people to participate in the process.
- Through the head of the community to identify relatives and people that might locate the affected PAPs and HH.

Table 5-5 Structures affected by the Project under legalization

Legal status of structure	Structures fully affected by the Project	Affected Structures not identified	Number of individuals affected	Number of HH affected
Structures in the process of legalization	211	0	1,264	290

- No information on the owners was made available by ACA, Census and site visits for 4 out of the 211 structures
- 24 structures out of 211 structures under legalization might be auxiliary buildings to existing residential ones. All the structures will need to be classified as residential, as identified by ACA and Census that have not identified any non-residential buildings. As investigated by Google earth and maps available to MoT these structures might be part of the existing buildings, but they might as well be used as residential for the family members that are not part of the family certificate. As such, they will be identified as residential and cleared with ACA with the updated documentation that will be provided for each structure.

5.2.3.3 Structures with no info

Out of the 244 total affected structures, there are 9 structures for which there are no data on the structures, the affected areas, the HH and the ownership. ACA does not have information on any application for legalisation for these structures and CAI did not collect information on these structures regarding the ownership and household structures.

During the implementation of the RAP, MoT with the RAP implementation team should make different efforts to identify structures if they have made any application for legalization with the support of ACA. Only the structures that are legalized or under legalization will be subject to compensation. To identify the HH and people affected through the RAP implementation team should use the following tools:

- Visits in the affected structures periodically.
- Letters and posters in the area and the affected structures to invite the affected HH and people to participate in the process.
- Notifications in the newspapers (national and local ones) to invite the affected HH and people to participate in the process
- Through the head of the community to identify relatives and people that might locate the affected PAPs and HH.

5.3 Loss of trees, crops and animals

Data on other additional affected assets, including trees, gardens, animals, etc. was collected in the 2018 census and in the 2020 census. Table 5-6 below presents a summary of affected fruit trees and animals.

Table 5-6 Other assets affected by the Project

Plants / Animals	Quantity	Description
Fruit Trees and Vegetables	3,209	Fruit trees (olives, figs, oranges, grapes, apples, lemons, oranges, etc.), decorative trees, plants, flowers
Animals	100	71 chickens, 1 cow

The affected people are not involved in agriculture activities and/or grazing. According to Census data, they do not declare to have small agriculture activity as a supplement of their HH income.

5.4 Affected Non-Residential Structures (Businesses)

The project affects 1 business held in a residential building (see Table 5-7), however, according to the site visit held on Jan 22, this is not active anymore. The confirmation that the business is inactive was given by the owner himself when contacted during the site visit. The visit was made to verify the businesses that were registered as part of the Census in 2018 and 2020 which is also the cut-off date for compensation of businesses. Based on the last visit on the registered businesses as part of Census of 2018 and 2020, no active businesses were identified from the ones registered during census.

Table 5-7 Businesses affected by the Project

Business characteristics	Total number
No. of identified businesses	1 (non-active)
Number of business employees	0 employees in total
Legal status and type of active business	1 business is informal (mechanic)

6 Eligibility and Entitlements

6.1 Introduction

This section provides an overview of the criteria for eligibility for compensation and the description of the types of entitlements available within the resettlement and livelihood restoration process. In particular, this section includes:

- A summary of the categories of eligible groups that will be subject to physical and economic displacement along with the eligibility conditions and key entitlements principles that will be considered including the cut-off date for evaluating losses.
- An overview of the principles for valuation of assets considering both national standards and international good practice; and.
- The entitlements matrix, which identifies the types of loss resulting from Project-induced physical and economic displacement, and the proposed entitlements for each type of loss.

6.2 Eligibility Criteria

As discussed in Section 3.1.1 under Albanian Expropriation Law only individuals with land titles are eligible for compensation. Other land users (formal and informal) are not entitled to any compensation.

To align with EIB S6 requirements and international best practice, the Project will also consider all land users, both formal and informal, as eligible for compensation for the loss of access to land and/or assets regardless of tenure and registration status. The Project will also consider any workers or employees engaged in waged labour who may stand to lose income due to land acquisition.

Project affected people are defined as all individuals who will be physically and/or economically displaced as a result of Project related land acquisition, who have been recorded by the census in the period from 1st May to 11th August 2018 and in the updated census from 24th August to 6th September 2020 (based on the latest update of legalized structures given by ACA as per the legalization law) and who are therefore eligible for compensation and assistance as described in this RAP.

The Promoter has established relationships with all communities within its territory. Within this framework, the Promoter has engaged with the project affected community not only on the level of the Social Department but also through the Mayor himself due to the complexity of the ownership structure of the area, which is a mix of legal owners and informal owners of the structures. To that end, the Promoter organised consultations with project-affected people (PAPs) on several occasions:

- The project "Lana River Bed - Urban Development" was approved by the Albanian Parliament on 03.10.2019 with law no. 63/2019 "On the ratification of the financial contract between the Council of Ministers of the Republic of Albania and the European Investment Bank, for the project Lana River Bed - Urban Development". This law is published in the Official Gazette no. 146, dated 30.10.2019.
- First meetings during the first Census in 2018 to inform the PAPs about the project and pre-record their data.
- Second meeting and notification during the second Census in 2020 to inform the PAPs about the project and update the records of the PAPs due to the outdated data of 2018.

- On 15 April 2021 the Mayor sent a letter to the community to ensure them that the process is going to be open and transparent. During this engagement the PAPs were provided with information on compensation for all affected people regardless of their ownership status (see Appendix 3); and
- Prior to initiating the Census process, notifications were made on individual level by door-to-door notification.

People who are eligible for compensation and resettlement and/or livelihood restoration assistance under this RAP include people who own assets in the affected area, and those who reside and/or work in the affected area. This includes the following categories of people regardless of their ownership status¹⁰:

- a) Legal owners of private land with title deeds
- b) Public land (under ownership of the Municipality or other Public Entities)
- c) Users of affected land (irrespective of their legal titles)
- d) Legal owners with property titles of affected structures
- e) Quasi-owners of the affected structures (who have initiated the process of legalization and applied for legalization but do not have a property title yet)
- f) Persons who permanently reside in any of the affected structures (who are registered during the census, whether having registered residence or not), and who are not in the HH of the owner/quasi owner/informal owner of the structure. This also includes persons who own properties elsewhere.
- g) Formal tenants (residing in rented apartments)
- h) Owners and/or operators (if different than the owners) of affected businesses
- i) Employees of affected businesses
- j) Annual/perennial crops, plants and trees on any of the project affected land (regardless of whether land is used formally or informally)
- k) Animals (owners of animals)

Among affected people, there are those who may be more vulnerable than others and in need of special assistance to ensure they are able to improve or at least restore, their standard of living and livelihoods, following physical resettlement or economic displacement.

Vulnerable individuals/households include:

- Elderly households (single headed or couples), who are over the age of 65, living alone and without family members who support them.
- Households with a member who is unable to take care of himself/herself due to debilitating chronic illness or disability.
- Single parent households with no adult children.
- Households with an income below the relative poverty line in Albania.¹¹
- Households with one or more members depending on social welfare assistance.
- Households with 4 or more children below the age of 15.

A list of persons / households who are vulnerable and in need of targeted assistance belonging to the above categories has been prepared based on the Census and information from administrative units, (see Appendix 4 as described in Section 4.4)

6.3 Cut-off Date

The purpose of the cut-off date is to avoid speculative claims within the Project area by persons seeking compensation or by land speculators seeing an opportunity to purchase land. People moving into the Project Area after the cut-off date are not entitled to any compensation or assistance. Improvement made to homes or other structures by existing residents after the cut-off date are also not eligible for compensation.

To alignment with EIB S6 requirements and international best practice, the Project established a cut-off date for eligibility for structures, the dates of applications each HH has filed for legalization as specified by legalisation law for all other assets (businesses , tress etc.) the day of last Census August 2020. All affected people were informed of the cut-off date and its purpose during the door-to-door information by the Social Team and this was again emphasised during the meeting in April

¹⁰ When referred to structures they include residential and business structures and other non-residential structures, such as garages, sheds, etc

¹¹ According to a study conducted by Albanian Ombudsman in 2016, <https://www.avokatipollit.gov.al/media/manager/website/reports/LLOGARITJA%20E%20MINIMUMIT%20JETIK%20NË%20SHQIPËRI.pdf>, it is concluded that the subsistence minimum per capita for 2015 is 16,000 ALL per month.

2021 with the Municipality Mayor. The cut-off date for the assets is set up by ACA as part of the process of the legislation process and also as part of the approved master plan on 30.10.2019 as published on the official gazette.

With the announcement of the cut-off date by ACA as part legalisation process, reinforced by the Master Plan approval in October 2019, the project area was frozen for any development other than the one approved by the Masterplan. ACA has conducted several surveys in the area analysing the applications made for legalization and based on such surveys, no other developments have been registered with ACA. The social team from MoT Social Department conducted the repetition of census in August 2020. During the repeated census they identified that affected people are arranging their assets for the potential relocation (such as removing windows and doors etc. Although, such activity will not affect their entitlements (refer to the specific reference in the entitlement matrix

Table 7-1) People will be allowed to remove any valuable materials from their homes as part of the implementation of this RAP.

The area is mostly urban, and agriculture is not a part of the economic activity of the area. For the ones that do have any crops as part of HH activities, households will be allowed to harvest their crops before construction. Any annual crops that may have been planted after cut-off but before payment of compensation and are not ready for harvest prior to the start of construction will also be eligible for compensation.

6.4 Eligible Groups

Drawing from the census, socioeconomic studies and asset surveys that were undertaken there are eight categories of individuals that will be exposed to losses as a consequence of the Project’s land acquisition process, and who will be eligible for compensation and/or other resettlement assistance. It is important to note that whereas it may be an individual asset owner that incurs a loss, in line with EIB S6 requirements the Project has considered the standard of living and livelihood of the overall household in designing compensation and livelihood restoration measures.

Table 6-1 below presents the categories of affected people that are currently present in the Project area and the eligibility conditions for each. No additional groups are expected to be identified since asset inventory and census are completed.

In some cases, one household may fall into more than one category. For instance, a household may own a structure and also land.

Table 6-1 Categories of Affected People

Ref #	Primary Category	Secondary Category	No of People	No of HH	Description
1	Landowners	Private land legal owners with property ownership	89	26	Owners of private land that hold a title deed
		Public Land (Under ownership of Municipality or other Public Entities)	0	0	Lands registered at ACA as public land under ownership of central or local government
2	Users of affected land	Users of affected land	0	0	People that may use the land for economic activities such as grazing/agriculture or other activities. They might have an agreement with the owners or are informal users
3	Residential Structure owners	Legal owners with property ownership of affected structures	89	26	Owners of structures that hold a title deed

Ref #	Primary Category	Secondary Category	No of People	No of HH	Description
		Quasi-owners of the affected structures (who are in the process of legalization and have applied for legalization but do not have a property title yet)	757	211	Owners of structures who do not hold a property deed but are in process of legalization that might lead to receiving the property deed.
		Structures with no info no info	6	1	Owners of structures with no information from ACA on the legalization process and no data gathered during Census 2018-2020. If during the implementation of RAP, ACA provides info on the legislation, these structures will be eligible for compensation
4	Tenants (with and without formal agreements)	Persons who permanently reside in any of the affected structures	534	76	People registered during the census, whether having registered residence or not, who are not in the HH structure of the owner/quasi owner/ informal owner according to the family certificate issued by Albanian Civil Registry. Usually these are family members of the head of HH
		Formal tenants (residing in rented apartments)	12	3	People who have a tenant agreement with the owner
5	Owners and/or operators (if different than the owners) of affected businesses	Owners and/or operators (if different than the owners) of affected businesses	0	0	Business activities held in premises owned by the business operator or rented by him/her
6	Employees of affected businesses	Employees of affected businesses	0	0	People employed in the affected business as per cut-off date Census of 2020
7	Owners or users of land plots that engage in agricultural activities	Households that engage in agricultural production (annual/perennial crops, plants and trees) on any of the project affected land	600	119	Households that have annual/perennial crops, plants and trees on any of the project affected land (regardless of whether land is used formally or informally)
8		Households that engage in animal husbandry on any of the project affected land	59	11	Owners of animals

6.4.1 Vulnerability Assessment

Vulnerable groups are defined by the EIB S6 as people who by virtue of their specific situation may be more adversely affected by land acquisition and resettlement than others, and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits (See Section 4.4).

Specifically, the vulnerability of Project-affected households is considered in relation to the following factors:

- Their legal status as right holders.
- Their capacity to negotiate and protect their interests (i.e., based on their level of education, access to independent legal advice, financial awareness, ability to plan, etc.).
- Level of reliance on land for livelihoods.
- Loss of housing (physical relocation); and
- The more general forms of vulnerability as defined by EIB S6, including gender, ethnicity, age, physical or mental disability, economic disadvantage or financial situation (e.g., irresponsible household head behaviors leading to increased risk of homeless despite compensation), etc.

As part of the socioeconomic household survey and asset inventory, a vulnerability assessment has been conducted for each project affected household in relation to the above-mentioned factors, which have served as basis to subsequently tailoring compensation packages to the needs of the affected households. The compensation packages, including the provision of newly built apartments, seek to address the specific needs of vulnerable Project-affected households in the process and modality of resettlement, supporting those economically and physically displaced in restoring their livelihoods and obtaining adequate housing and security of tenure, and providing specific assistance as needed. The specific measures will be discussed with the vulnerable households and may include the following:

- Provision of independent legal counsel prior and during the negotiation process to ensure that the affected people can enter the negotiations on equal terms and defend their interests.
- Assistance from social department on financial literacy on ongoing financial planning for the transactions such as opening of bank accounts and access to land/structure registration procedures.
- Assistance from social department on family decision-making and establishing conditions to ensure transparency in payment within the household through mediation services.
- Provision of a notary public to ensure correct signing of the apartment agreements.
- Assistance from Social Department to follow up on ACA apartment registration process.
- Relocation compensation and assistance to all physically displaced households as well as economically displaced ones, although they do not rely on land to as source of income. Social Department will assist the PAHs to rent apartments for the transition period until new apartments are build.
- Livelihood support packages to support those less able to take steps to restore their living conditions or to benefit from livelihood restoration measures.

These measures are described in more detail in Section and are included in the entitlement’s matrix presented in Section 6.

6.4.2 Support to Project affected people from the promoter (MoT)

The promoter (MoT) will support the affected people and HH during the presenting of the offer and the process of signing the preferred offer. Table 6-2 presents the measures of support MoT will offer to HH based on their potential needs for support.

Table 6-2 Support Measures for Affected People

Ref #	Primary Category	Secondary Category	Potential Need of Support	Measures
1	Landowners	Private land Legal owners with property ownership	<ul style="list-style-type: none"> • Capacity to negotiate • Level of reliance on land 	<ul style="list-style-type: none"> • Provision of independent legal counsel prior and during the negotiation process to ensure that the affected people can enter the negotiations on equal terms and defend their interests • Assistance from social department on financial literacy on ongoing financial planning for the transactions such as opening of bank accounts and access to land procedures • Assistance from social department on family decision-making and establishing conditions to ensure transparency in payment within the household through mediation services

Ref #	Primary Category	Secondary Category	Potential Need of Support	Measures
				<ul style="list-style-type: none"> Provision of a notary public to ensure correct signing of the apartment agreements Assistance from Social Department to follow up ACA apartment registration process
		Public Land (Under ownership of Municipality or other Public Entities)	None	None
2	Users of affected land	Users of affected land	None	None
3	Structure owners	Legal owners with property ownership of affected structures	<ul style="list-style-type: none"> Capacity to negotiate Level of reliance on structure 	<ul style="list-style-type: none"> Provision of independent legal counsel prior and during the negotiation process to ensure that the affected people can enter the negotiations on equal terms and defend their interests Assistance from social department on financial literacy on ongoing financial planning for the transactions such as opening of bank accounts and access to registration procedures Assistance from social department on family decision-making and establishing conditions to ensure transparency in payment within the household through mediation services Provision of a notary public to ensure correct signing of the apartment agreements Assistance from Social Department to follow up ACA apartment registration process Reallocation compensation and assistance to all physically displaced households as well as economically displaced ones, although they do not rely on land to as source of income. Social Department will assist the PAHs to rent apartments for the transition period until new apartments are build.
		Quasi-owners of the affected structures (in process of legalization that have applied for legalization but do not have a property title yet)		
		No Info Structures		
4	Structure tenants	Persons who permanently reside in any of the affected structures (registered during the census, whether having registered residence or not), who are not in the HH of the owner/quasi owner/ informal owner. This also includes persons who own properties elsewhere.	<ul style="list-style-type: none"> Lack of possibility participate in negotiation process Level of reliance on the head of household (owner) decision 	<ul style="list-style-type: none"> Livelihood support packages to support those less able to take steps to restore their living conditions or to benefit from livelihood restoration measures Negotiate with the head of Households to support their living conditions to the same level as prior to relocation Prepare social assistance packages for all those people who are unemployed to registered and apply for social housing and employment opportunities Temporary rental allowances
		Formal tenants (residing in rented apartments)		
5	Owners and/or operators (if	Owners and/or operators (if		

Ref #	Primary Category	Secondary Category	Potential Need of Support	Measures
	different than the owners) of affected businesses	different than the owners) of affected businesses	<ul style="list-style-type: none"> Capacity to negotiate Level of reliance on structure and area of the activity 	<ul style="list-style-type: none"> Reallocation compensation and assistance to all physically displaced businesses as well as economically displaced one. Livelihood support packages to support those less able to take steps to restore their living conditions or to benefit from livelihood restoration measures
6	Employees of affected businesses	Employees of affected businesses		

Among affected people, there are those who may be more vulnerable than others and in need of special assistance to ensure they are able to improve or at least restore, their standard of living and livelihoods, following physical resettlement.

Vulnerable individuals/households include 94 households, subject to assessment form the relevant administrative units, local bodies of MoT, as follows:

- Elderly households (single headed or couples), over the age of 65, living alone and without family members who support them.
- Households with a member who is unable to take care of himself/herself due to debilitating chronic illness or disability.
- Single parent households with no adult children.
- Households with one or more members depending on social welfare assistance.
- Households with 4 or more children below the age of 15.

A list of persons / households who are vulnerable and in need of targeted assistance belonging to the above categories is created in Appendix 4, as described in Section 0 of this RAP.

6.5 Project Asset Valuation Approach and Compensation Principles

The asset valuation approach for the Project will follow applicable Albanian standards and guidelines for the valuation of land and related assets in the context of a negotiated process, as described in Section 3.1 above.

On 15 April 2021 the Mayor has sent a letter to the community to ensure them that the process is going to be open and transparent. During this engagement the PAPs were provided with the following information:

- The Municipality of Tirana as the implementing unit of the project "Lana River Bed - Urban Development" will enable the construction of new housing facilities for the families to be affected by this project. These facilities will be transferred to the ownership of the families affected by the above project, according to the deed agreements and notarial contracts that will be signed between them and the Municipality of Tirana.
- This is a very important project for those families who own informal constructions and cannot qualify for the legalization of their structure. Because they are affected by the project, they will be offered relocation opportunity. The relevant surfaces of the apartments will be determined according to the forecasts of the per capita rate set by the National Housing Authority.
- Likewise, according to law no. 20/2020 "On the completion of transitional ownership processes in the Republic of Albania", it is provided that illegal constructions that do not qualify for legalization because they affect public infrastructure projects are registered in the database only for the purpose of recognizing the investment value of construction. The compensation price per square meter, for the purpose of compensation of these apartments, will be calculated with a value of 60 thousand ALL.
- For all those families that own their apartments and land with title deeds, they will be subject to the law on public expropriations and will receive financial compensation for these assets. According to the provisions of the General Local Plan of the Municipality of Tirana, if these owners want to enter contractual relations with private developers, the Municipality of Tirana can recognize the right to benefit from construction areas for all the land they own, but by giving up in this case the cash compensation. If they refrain from requesting alternative land, affected landowners will receive several apartments (as to be agreed between them and the developer) in exchange of their lands.
- Civil works are expected to start in the fall of 2023 or early in 2024. All families affected by this project will be given an allowance for the payment of rent by the Municipality of Tirana according to market values and will benefit from it until the transfer of ownership of the new apartments (expected within three years from the relocation time).

As a result of these commitments, the MoT has made evaluation adjustments for the affected structures with legal deeds and those under legalization and informal ones (in kind with apartments) to be provided to Project-affected households considering

the different eligible groups and households vulnerabilities. Owners of affected structures (with title deeds or under the process of legalization) are entitled to receive apartments in the same area where the current structures are located (Figure 6-1 in Section 6). This project is providing only in-kind compensation to PAPs undergoing legalization and those with title deeds that show preference for in-kind compensation instead of cash. Beneficiaries of in-kind compensation in the form of new replacement apartments will have full rights, as legal owners, to enter into sell transactions if they would prefer to do so.

The MoT has surveyed the real estate market in the area where the new replacement apartments to be provided to PAP families will be built to confirm replacement value of their properties is met. For transparency and clarity purposes, the MoT has calculated in the Annex 7 comparison of evaluation between the cash amounts each affected HH would have received based on the evaluation of the current structures' vs the selling of the new apartments. PAPs would receive more cash compensation if they would choose to sell the apartments in case they would prefer to benefit from this right.

This approach complies with EIB international standards to compensate at replacement cost for all categories of affected people.

The eligibility criteria have been discussed with affected people on two consultation meetings held in both Administrative Unit 6 and 7 on 10-15 February 22. The outcome of these meetings can be found in Appendix 5.

The valuation and compensation principles that will be followed by the Project to meet both national requirements and international standards are described below for each type of asset. The methodology for valuing assets and calculating the compensation amounts has been discussed and agreed collectively with the Project-affected individuals during a series of consultation meetings organized by the MoT in February 2022. These meetings were organized prior to entering into individual negotiations for the acquisition of the land plots and the buildings in the Project area. This is discussed further in Appendix 5.

These meetings have followed the consultations on the eligibility criteria, as preliminary consultation with the PAPs held on February 10-15, 2020. The outcome of these meetings can be found in Appendix 5.

6.5.1 Land and Assets Compensation

6.5.1.1 Land

The details of the expropriation process, which will be implemented for this Project, are provided in Section 3.1.1.2 of the RAP.

The Municipality will be the responsible authority for carrying out the expropriation procedure on behalf of the Ministry of Infrastructure and Energy (MIE). General Legal Directorate of Assets and Licensing is responsible for the evaluation of the land properties and preparation of the necessary documentation for expropriation through the Sector of Expropriation in collaboration with the Real Estate Registration Office. All documents regarding the process of expropriation will be provided to the Expropriation Committee in the MIE for approval.

The prices for the evaluation of privately owned land depend on the cadastral zones and sub-zones specified in the land evaluation map for Tirana city. The prices which will be applied for project-affected land are based on the decision of the Council Ministers No. 139 from March 2, 2008 and are presented in Table 6-3 below.

Orphan land, i.e., land that is severed or bisected such that a non-acquired portion of the land plot is made inaccessible, uneconomic and/or unviable, will be compensated based on the application of each HH requiring such compensation.

There will be cases, where the remaining part of the land will be too small to be economically worthwhile. Compensation for Orphan land, once recognized as such, will be based on the same entitlements as the main affected piece of land with same entitlements as permanently acquired land if the piece of land is orphaned permanently.

Table 6-3 Prices of affected land according to cadastral areas

Cadastral area	Category	Unit cost (All/m ²)	Unit cost as per land per current use (All/m ²)
8210 (Urban area)	Construction land	38,614 (approx. 315 EUR)	38,614 (approx. 321 EUR)
8220 (Urban area)	Construction land	30,783 (approx. 250 EUR)	30,783 (approx. 256 EUR)
3866 (Rural area)	Construction land	4,242 (approx. 35 EUR)	4,242 (approx. 35 EUR)

	Private Agriculture Land*	448 (approx. 3,73 EUR)	4,242 (approx. 35 EUR)
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*This is the land use as described by the ACA and the current land use is construction land.

The prices have been updated with the information from ACA as per the DCM as described in Table 3-2 C.

Compensation for private land will also include transaction costs of acquiring and registering alternative land elsewhere, which is estimated at 2% of property value.

Compensation for apartments will also include transaction costs of agreements, support of notary, property ACA registration to final owner etc. (see An allocation of an additional approximate 5 Million Euros for the construction of the replacement apartments should be considered in the scenarios where the PAPs might choose replacement apartments. Funds for the construction of the replacement apartments will be provided by the Municipality of Tirana with the approval of this RAP by the Council of Municipality. Funds are already available from the municipal budget for 2022-2023.

).

The Project will not provide compensation of Public Land as the project is of public nature and will benefit the city of Tirana.

The Albanian Government and Municipality of Tirana will provide funds for the construction of replacement apartments. The funds for the construction of replacement apartments will be provided by the Municipality of Tirana once the RAP is approved by the Municipality Council.

6.5.1.2 Residential and Non-Residential Structures

1. As described above the project will provide all affected people with affected land and structures with the opportunity to own a replacement apartment. In case they would need cash compensation they will have the right to sell the apartment at market value.

This is also in line with the Law ... Article 13 “Request acceptance” paragraph 2 and 3 :

2. Within 10 days from the date of the notification of the acceptance of the request for expropriation between the requesting subject who requests the expropriation and the State Agency for Expropriation, an agreement is signed on mutual rights and obligations related to the expropriation procedure. In the case of the private subject applicant, this agreement is made by notarial deed.
3. In the agreement, the parties undertake to fulfil certain obligations or those defined in this law in the relevant terms. The agreement is an executive title.
4. Households who own informal houses will be entitled to a replacement apartment under their ownership and in case they would prefer to sell it, they will have the right to sell the apartment at market value This includes all informal residential structures recorded as being on the Project footprint, regardless of whether a legalization request has been filed earlier or not, whether any legalization taxes have been paid or if legalization was already refused.
5. To determine the value of each affected residential structure, the MoT has received the transaction of the past 3-months¹² in the area (confirmation received by ACA on January 2022) stating the weighted average cost per apartment (of all transactions declared at ACA) is 499.88 EUR per m2 or average 60,000 LEK per m2. MoT will cover all the necessary transaction costs associated with asset replacement.
6. The MoT through the expropriation department, has calculated the cash compensations each PAP would have received under the expropriation methodology vs cash received if the new replacement apartment is sold, and apartment replacements for each affected structure and land. All HH owning structures affected by the project will be replaced by new apartments with title deeds. In case of a dispute between residents on ownership and the distribution of compensation, the residents will have to initiate court proceedings to come to a final judgement. MoT will execute compensation following the resolution of the dispute by the relevant court.

Each affected owner of a structure will receive the compensation offer for his/her house with the proposed surface of the replacing apartment.

6.5.1.2.1 Replacement Apartments

The size of the replacement apartment will correspond to the accepted size of the apartment as per Decision no. 409, dated 15.06.22 “On the regulations, methods and deadlines of compensating the owners of buildings that are not legalized” for the

¹² Period of transactions are from October – December 2022

structures under legalization and informal ones, while for the properties with the title deed it will be according to the size of the affected structures if this is larger than what is considered acceptable by the DCM No. 409.

Based on the Decision no. 409, 15.06.22 “On the regulations, methods and deadlines of compensating the owners of buildings that are not legalized” the matrix of apartment size as per the composition of HH are established as follows (**Error! Reference source not found.**):

Table 6-4 Apartment surfaces according to DCM 409

Household (HH) Composition	Surface per m2
Up to 2 HH members	60 – 70
2 – 4 HH members	70 – 80
5 or more HH members	Not less than 90; and an addition of 10 m2 for each additional member

The size of the replacement apartment will correspond to the acceptable size of the apartment as per Decision no. 409 for the structures under legalization and informal ones; while for the properties with the title deed the size of the apartment will be chosen the highest surface between a same size of the affected structures and the one assessed by the DCM No. 409.

The size of the HH is determined by the family certificate as per the civil status service, which determines the head of the HH and his/her dependents. This RAP has identified all the structure owners of those with title deeds, structures under legalization and informal structures, and their dependents according to the family certificate. Other members that are not under the family certificate of the owner/s are considered persons who permanently reside in any of the affected structures (registered during the census, whether having registered residence or not), who are not in the HH of the owner/quasi owner/ informal owner.

Households who are residing in informal houses but are not the owners of these houses (extended families of the owners), who have no properties of their own, will be provided with social housing assistance, through programs available in Tirana, in case they decide not to live in the same residence as they currently are. Owners cannot be legally forced into taking these family members into the new place of residence.

These households will also become beneficiaries of rent allowance as previously described and following that, the Directorate for Social Services will begin working with them to identify a more permanent solution. Having in mind the difficulties of these households, who are losing a permanent place of residence, the MoT hereby commits to providing them with access to permanent solution within period of the rental bonus that will be until the apartments will be ready (expected maximum 3 years). Although their rent will be paid until the new apartments are ready in case, they will decide to continue to live with their family members who are the owners of the structures.

Household members living in structures not owned by them, legalized or under legalization procedure are entitled to receive the rental allowance for a period of three years.

The following more permanent programmes are available:

- Loan Subsidy Program – 25 years of repayment period, 3% interest loan
- Social Housing Program – use of apartment free of charge, with obligation to pay utilities

Low-cost housing is a programme by which affected people purchase an apartment constructed (or purchased) by the municipality, with a mortgage loan with mitigating conditions, from a financial institution that has signed a contract with the Municipality of Tirana for credit management. State aid is provided in the form of subsidizing credit interests for low-income households that meet certain economic criteria. The cost of the apartment is equivalent to the construction cost (lower than the market cost). During 2017, the Municipality of Tirana has provided this program through the loan subsidy for 999 families. The same program is being implemented during 2018 for 450 new families.

Social apartments are owned by the Municipality of Tirana or private entities and rented to affected people (in case of private entities, with their consent). The Municipality of Tirana owns 385 social apartments. Over the last two years, 418 families have been beneficiaries of this programme¹³.

¹³The difference has occurred because some families have decided to move to other settlements or have found other housing solutions.

The municipality of Tirana constructed a complex of apartment buildings approx. 10 years ago with their funds and a loan from the Council of Europe Development Bank. Some of the apartments are being bought by households (as low-cost housing), while others are being used as social apartments. The location is approx. a 15-minute drive by car from the City centre and it is situated in a wider residential area, with access to public transport, schools, kindergartens, health facilities and all other necessary infrastructure.

The MoT has been implementing housing programs for over 20 years. In the past two years the municipality has assisted 116 families that have been displaced by public investments. Overall, in the period from 2016 to 2018, 2,104 families have benefited from MOT programs, of which 281 from the Social Housing Program and 999 from the Loan Subsidy Program.

The criteria, aligned with the UN recommendations, which is foreseen by DCM 409 used in the allocation of apartments, are as follows:

- Single-member household studio or one-bedroom apartment, net 22 m² to 30 m².
- Two-member household – one-bedroom apartment or two-bedroom apartment, net 30 m² to 45 m².
- Three-member household – one-bedroom apartment or two-bedroom apartment, net 40 m² to 55 m².
- Four-member household – two-bedroom apartment or three-bedroom apartment, net 60 m² to 100 m².

For households residing in structures who will receive a replacement apartment, resettlement will be carried out in two stages, due to the need to acquire land and begin construction activities, before replacement apartments can be provided by the municipality. With that in mind, a two-stage resettlement process will be implemented, as described in the following.

First Stage- Rent Allowance

In the first stage, affected households living in structures will be provided with a 100% rental bonus (lease bonus not more than 25,000 LEK per HH per month) to rent an apartment in which they will reside until they are able to move to their replacement apartments. Rental bonus is an instrument of the Social Housing Program under the MoT that has been used by the municipality for years.

This measure will be implemented for a period of up to 3 years, or until the replacement apartments will be ready by the MoT. The PAPs that will choose an apartment will sign a property agreement with the MoT as part of the compensation package. The Directorate for Social Services will determine the size of the apartment and the rent amount, which the household is entitled to, based on the number of household members (the standard is 12 m² per person). The amount is paid to the affected household each month, however, the Directorate monitors whether payments has been made to the owner of the rented apartment. The households are encouraged to find apartments, which suit their needs and preferences, however, if they are unable to do so, the Directorate for Social Services will assist them. If the household consist of several generations (multi-family households), each family is treated as a separate beneficiary of the rent allowance, if this is their preference.

Rent allowance is a measure normally implemented for residents of Tirana, i.e. persons who have registered residence in Tirana. However, due to the importance of the Lana River project, the City has already decided that the measure will apply to all people living in the affected area, regardless of whether they are registered in Tirana or other municipalities in Albania. In this way, they will be automatically registered as Tirana residents and will also have a right to benefit from the more permanent programmes described further in this RAP. The only obligation for all affected households is to regularly pay the rent (with funds received from the Social Directorate), the utilities and for their children to attend schools. Based on preliminary analyses of the census and socio-economic data, school attendance is not an issue in the affected area and children are enrolled in and attend schools regularly.

Second Stage- Allocation of Replacement Apartments

Owners of legal properties, as well as owners of affected informal properties and their household members will, as described above, receive a replacement apartment. The apartment size is determined in the following section, and they will be built along the footprint of the Lana River project near the project area. In case of multiple owners, smaller apartments corresponding to the size owned by a household will be provided and any disputes between them will be resolved by the courts.

The MoT is planning to construct 300 apartments in five locations as shown in Figure 6-1:

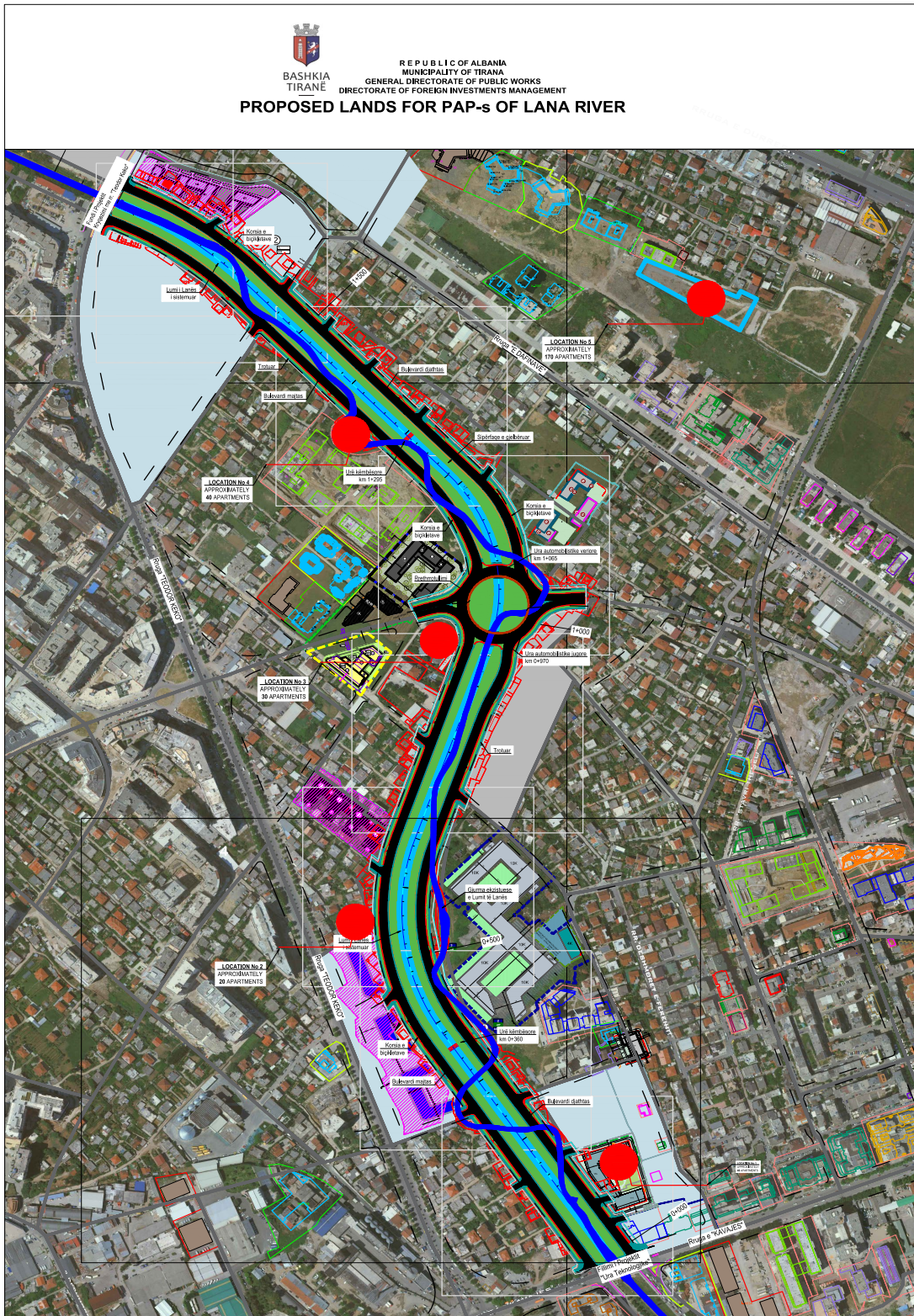
- Location 1 approx. 40 apartments
- Location 2 approx. 20 apartments
- Location 3 approx. 30 apartments
- Location 4 approx. 40 apartments

- Location 5 approx. 170 apartments

Although the expectation is that replacement apartments will be available within three years from start of construction, the exact date for construction of these buildings will be confirmed by MoT before October 2023 or at least three months before demolition works are started. The approval of these sites is subject to a decision by the Municipal Council. With the approval of this RAP, the Council will approve the proposed locations to be used only for the replacement apartments of Lana River.

It should be noted that the MoT is planning to implement an additional housing programme which may provide even more apartments and may be available as compensation to persons affected by the Lana River project. New legislation has recently been passed obliging investors who wish to increase the size of their developments (i.e. building more floors than permitted or increasing the footprints of buildings), to allocate 3% of their total residential area to the City, free of charge. In case such projects are realised in the vicinity of the Project footprint, the municipality will allocate adequate apartments as compensation to affected households.

Figure 6-1 Proposed locations for construction of replacement apartment buildings



Note: Red dots represent locations as designated by MoT for the construction of the new replacement apartments

6.5.1.3 Compensation to Extended Families of Owners

Households who are residing in informal houses but are not the owners of these houses (extended families of the owners), who have no properties of their own, will be provided with social housing assistance, through programs available in Tirana, in case they decide not to live any longer with the extended family members (not part of their HH).

These households will also become beneficiaries of rent allowance as previously described and following that, the Directorate for Social Services will begin working with them to identify a more permanent solution. Having in mind the difficulties of these households, who are losing a permanent place of residence, the MoT hereby commits to providing them with a permanent solution within one year of moving into a rented apartment.

The following more permanent programmes are available:

- Low-cost housing – 25 years of repayment period, 0% interest loan¹⁴
- Social apartments – use of apartment free of charge, with obligation to pay utilities

Low-cost housing is a programme by which affected people purchase an apartment constructed (or purchased) by the municipality, with a mortgage loan with mitigating conditions, from a financial institution that has signed a contract with the Municipality of Tirana for credit management. State aid is provided in the form of subsidizing credit interests for low-income households that meet certain economic criteria. The cost of the apartment is equivalent to the construction cost (lower than the market cost). During 2017, the Municipality of Tirana has provided this program through the loan subsidy for 999 families. The same program is being implemented during 2018 for 450 new families.

Social apartments are owned by the Municipality of Tirana or private entities and rented to affected people (in case of private entities, with their consent). The Municipality of Tirana owns 385 social apartments. Over the last two years, 418 families have been beneficiaries of this programme¹⁵.

The municipality of Tirana constructed a complex of apartment buildings approx. 10 years ago with their funds and a loan from the Council of Europe Development Bank. Some of the apartments are being bought by households (as low-cost housing), while others are being used as social apartments. The location is approx. a 15-minute drive by car from the City centre and it is situated in a wider residential area, with access to public transport, schools, kindergartens, health facilities and all other necessary infrastructure.

The MoT has been implementing housing programs for over 20 years. In the past two years the municipality has assisted 116 families that have been displaced by public investments. Overall, in the period from 2016 to 2018, 2,104 families have benefited from MOT programs, of which 281 from the Social Housing Program and 999 from the Loan Subsidy Program.

The criteria, aligned with the UN recommendations, which is foreseen by DCM 409 used in the allocation of apartments, are as follows:

- Single-member household studio or one-bedroom apartment, net 22 m² to 30 m².
- Two-member household – one-bedroom apartment or two-bedroom apartment, net 30 m² to 45 m².
- Three-member household – one-bedroom apartment or two-bedroom apartment, net 40 m² to 55 m².
- Four-member household – two-bedroom apartment or three-bedroom apartment, net 60 m² to 100 m².

6.5.1.4 Business

6.5.1.4.1 Compensation Approach

The replacement cost of a business structure, formal or informal, will be determined by independent valuers hired by MoT, under the same approach as for residential structures.

In addition, for operating businesses (0 active businesses as per latest census data), the loss that will be considered when determining compensation, is the lost net income of the business for a period of six months following relocation, to provide the business enough time to re-establish its activities in a new location. The lost net income will be calculated by subtracting the running costs of the business, such as cost of materials, electricity, etc. (expenses) from the total income that would be received from serving customers, in the 6 months preceding the valuation, increased by 15%, as the predicted increase in

¹⁴Currently the interest rate is 3%, however the municipality will try to provide 0% for Lana River resettlement

¹⁵The difference has occurred because some families have decided to move to other settlements or have found other housing solutions.

revenue. Employee salaries will also be calculated in the expenses, while compensation for affected employees will be provided separately, directly by the MoT to each affected employee. The source of information for calculating lost net income for affected businesses will be official records, where available, as well as estimates provided by the business owners themselves, and the general knowledge about similar business activities in the area and their potential monthly turnover.

Each business will also be eligible for a one-off transitional allowance payment, to cover moving costs or any other expenses related to the relocation of the business activity, as determined by independent valuers.

As mentioned above, each employee, formally registered, or registered during the census / survey, will be entitled to a one-off cash payment in the amount of 6 official minimum salaries in Tirana municipality. This amount is seen as a minimal measure to assist the employee until the business has been re-established in another location or until he/she can find other employment. In cases where affected business with employees has not been re-established elsewhere, the MoT will assist the affected employees to register with the National Employment Service, to access the unemployment benefits available under national legislation and find appropriate employment.

The business activity in the area is very small and volatile. In 2018 there were register 9 businesses while in 2020, there were recorded only 3 and by January 2022 there are 0 registered businesses. Due to the no number of business and employees, no compensation is foreseen for this segment.

6.5.1.4.2 Relocation Assistance and Re-Establishment Allowance

In case the owners of affected active businesses who have received compensated for loss of commercial and non-residential structures and compensation for loss of income, have not re-established their income generating activities, the owners of such businesses and their employees will be entitled to livelihood restoration assistance. The need to provide such assistance, as well as the type of assistance to be provided, will be assessed during monitoring and reported on the RAP implementation to EIB. A list of persons entitled to livelihood restoration measures will be developed by the Promoter, with individual assistance plans based on the skills and interests of the affected persons. In performing these tasks, as well as in providing the actual assistance, the Promoter will closely cooperate with local (municipal) authorities who are well acquainted with locally affected businesses, as well as with any locally available service providers (local employment agencies, training facilities, credit facilities, etc.).

Livelihood restoration measures may include:

- access to employment opportunities created by the Project.
- access to other locally available employment opportunities (e.g., public works, employment in municipal enterprises, etc.).
- assistance to identify and access other income/livelihood generation activities (opportunities with other local businesses).
- assistance to access job training, skill development, etc.
- assistance to access credit facilities.

No active businesses are identified in the area since January 2022, meaning that the relocation assistance and Re-Establishing Allowance is part of the compensation budget.

6.5.1.5 Crops and trees

During the 2018 census, a number of trees, plants and vegetable gardens were recorded in the Project affected area. As the data collected at that time is out-dated, in order to be able to compensate all losses to affected households, MoT will organise an update of the inventory and a valuation of all losses during the implementation of RAP. The area is not agriculture land, but an urban zone, meaning the crops and trees are not a source of income, and the PAHs have the possibility to harvest, or use the woods. The Census has already identified the total stock of crops and trees and such data can be used by independent valuers that will be hired to record and value affected trees, plants and vegetables, which will be compensated in cash to their owners at full replacement value during the RAP Implementation. Stock of trees and crops are identified in Section 5.3, they are budgeted as described in Section 13.

Losses that will be taken into account in relation to unproductive trees includes the loss of the timber and firewood (although people will be allowed to collect timber/firewood from any trees cut down by the Project and in reality will have no losses), the cost of buying seedlings for planting new, replacement trees and the inputs they would have to invest in the following number of years, to grow the trees to the age at which they were cut down.

Losses that will be considered in relation to productive trees (e.g. fruit trees such as apricot trees, olive trees, fig trees, apples, pears, cherries, etc.) include the same losses as for unproductive trees described above (timber/firewood and cost of seedlings). In addition, the calculation of losses includes the difference between the fruit harvest (yield) on the lost land and

newly planted trees in the following number of years (10 years for fruit trees), until the trees reach the level of maturity and productivity of lost trees.

6.5.2 Contract Signing

Individual compensation and assistance contracts will be signed by legal owners of affected assets, or, if no legal documentation proving ownership is provided by the affected owner, contracts will be signed by both the head of the household and her/his spouse/partner. Compensation will be paid accordingly, i.e. into the account of the legal owner or, if no legal documentation is available, into joint accounts or into two separate accounts held by each person, as decided by both of them.

MoT will aim to encourage sharing of compensation between spouses wherever possible and will favour solutions in which women will benefit from compensation at least equally to men. Although, this is a process dictated by the local laws on the rights of ownership and not based on gender only.

Where none of the household members are physically present in the affected area (working and living abroad), the MoT will contact them and make appropriate arrangements to execute the compensation, as agreed with the households.

All household members recorded by the census and present in the affected area, will be included in contracts for bonus rent and any provision of social apartments, to provide them with security of tenure. In case of separation of households while they are still under the rent bonus programme or in a social apartment, members of both households will still be entitled to assistance, corresponding to their new household size.

6.6 Livelihood Restoration and Vulnerable Group Support

A list of vulnerable individuals and households has been developed by the Promoter with assistance from municipal authorities who have been in contact with affected people for the purpose of land acquisition and are well acquainted with their circumstances. The list describes the nature of vulnerability as well as the type of assistance, which has been and will be provided to them and is available as Annex 3 of this RAP.

Categories of vulnerable persons have been identified based on the results of the census and are presented in Section 6 of this RAP (Eligibility). Types of possible assistance measures include but are not limited to:

- Moving allowance or organized transport of household belongings, furniture and other movable assets including animals, for PAPs who reside in the house for less than 5 years.
- Assistance to prepare documents for land acquisition.
- Legal assistance in relation to land acquisition issues.

7 Entitlements Matrix

Table 7-1 below presents the entitlement matrix, which will be used as a basis for compensation and other entitlements that will be provided to affected households for physical and economic displacement impacts. The table brings together the information detailed above regarding eligibility criteria, categories of eligible groups and vulnerabilities, the valuation principles that have been followed, and entitlements for compensation and other support.

The census and socio-economic survey for people residing and/or carrying out economic (business) activities in the affected area and their affected assets, has been completed during the summer of 2018, by the City of Tirana Directorate for Social Services. The census data was partially updated in the summer of 2020.

The numbers of project affected people and their entitlements for compensation and assistance is presented in the entitlement's matrix below.

Table 7-1 Entitlement Matrix

Ref.	Type of Loss	Eligible Group/persons	Number of Assets	No of Affected PAPs/HH	Entitlements
Land					
1	Permanent loss of privately owned agricultural or residential land with property ownership	Legal owners of private land	71 privately owned land plots	26 HH (89 PAPs)	<ul style="list-style-type: none"> • Cash compensation at market value of land of equal productive use or potential, located near the affected land, plus transaction costs. • Cash compensation at market value of any identified economically unviable— orphan land. If requested by the owner and approved by external evaluator which will confirm it as orphaned land (if applicable).
2	Permanent loss of illegally occupied public owned land (municipal, state)	Those without recognizable claims to land (squatters)	222 state owned land plots /	222 HH	<ul style="list-style-type: none"> • No compensation for public owned land.
Residential Structures					
3	Permanent loss of legally owned residential structures	Legal owners with property ownership of affected structures	24 structures with title deed	26 HH (89 PAPs)	<p>Replacement apartment provided by MoT to be delivered in two stages:</p> <ul style="list-style-type: none"> • <u>Stage 1:</u> <ul style="list-style-type: none"> ○ 100 % rent allowance over a period of until the replacement apartment is ready for permanent relocation ○ Moving allowance ○ Vulnerability assistance, where applicable. • <u>Stage 2:</u> <ul style="list-style-type: none"> ○ Replacement apartment with surface equal to the surface of the lost structure (based on the property title certificate issued by ACA) or apartments equal to required surface per capita in a HH. The highest surface between the two methods will constitute the compensation for residential owners ○ Moving allowance ○ Secure, co-titled ownership ○ Livelihood restoration and vulnerability assistance, where applicable.
4	Permanent loss of quasi owned residential structures	Quasi-owners of the affected structures (in the process of legalization and who have applied for legalization)	211	211 HH (757 PAPs)	<p>Replacement apartment provided by MoT to be delivered in two stages:</p> <ul style="list-style-type: none"> • <u>Stage 1:</u> <ul style="list-style-type: none"> ○ 100 % rent allowance to be provided by MoT over a period of up to 3 years or until the replacement apartment is ready for permanent relocation ○ Moving allowance ○ Vulnerability assistance, where applicable. • <u>Stage 2:</u> <ul style="list-style-type: none"> ○ Replacement apartment equal to required surface per capita in a HH. (See Error! Reference source not found.)

Ref.	Type of Loss	Eligible Group/persons	Number of Assets	No of Affected PAPs/HH	Entitlements
					<ul style="list-style-type: none"> ○ Moving allowance ○ Secure, co-titled ownership between spouses ○ Vulnerability assistance, where applicable.
5	Extended Family households residing in privately owned residential structures (with title deed or under legalization)	Persons who permanently reside in any of the affected structures (registered during the census, whether having registered residence or not), who are not in the HH of the owner/quasi owner/ informal owner. This also includes persons who own properties elsewhere.	76	76 HH (534 PAPs)	<p>If the household has no other place of residence in Tirana or other municipality:</p> <ul style="list-style-type: none"> ● 100 % rent allowance to be provided by MoT over a period of up to 3 years/months or until alternative accommodation is identified ● Moving allowance ● Livelihood restoration and vulnerability assistance, where applicable ● Assistance in identifying permanent accommodation solutions through MoT Social housing programs.
6	Tenants	Formal tenants (residing in rented apartments)	9	2 HH (12 PAPs)	<ul style="list-style-type: none"> ● 100% rent allowance to be provided by MoT over a period of 3 months ● Assistance in identifying permanent accommodation solutions through Social Housing Programs available from the MoT (refer to Section 6.5.1.2.1). ● Three months' notice period
Crops, Trees and Animal Husbandry (<i>self-consumption</i>)					
7	Permanent loss of annual/perennial crops, plants and trees on any of the project affected land (regardless of whether land is used formally or informally)	Owner of plants, trees (can be the owner of the land or the formal or informal user of the land)	3,209 trees, plants, vegetables, flowers. (Preliminary information from 2018 census, to be verified)	119 HH (600 PAPs)	<ul style="list-style-type: none"> ● Compensation for plants and trees that cannot be harvested prior to displacement, at full replacement cost, as determined by independent valutors (accounting for production lost during the time it will take for replacement of crops and trees to reach the same maturity/productivity levels as the plants being lost) ● Right to harvest crops, plants and salvage wood from cut trees

8 Organisational Arrangements and RAP Process

8.1 Roles and Responsibilities

The Municipality of Tirana (MoT) has overall responsibility for project implementation, which includes the coordination of all project tasks, including the implementation of the RAP. Specifically in the MoT, responsibility for the Project has been assigned to the Project Implementation Unit (PIU) established for the duration of the project until the affected people are compensated and are placed in the new apartments.

The overall coordination of the implementation of the RAP will be provided by MoT which will oversee the resettlement planning and coordinate all issues related to compensation. MoT will do this in close collaboration with local authorities responsible for the project area.

The key institutions that have been and continue to be involved in the resettlement planning and implementation are as described in Table 8-1 :

Table 8-1 Roles and Responsibilities

Name of entity / institution	Roles and responsibilities
Municipality of Tirana	Project Promoter Beneficiary of compensation/expropriation Implementation of the RAP process Jurisdiction and mitigation of disputes
Ministry of Energy and Infrastructure	Expropriation issues and approval
Government of Albania	Act of public interest
Ministry of Finance of Albania	Funding of expropriation
General Directorate of Social Service, through: Social Housing Department (Resettlement Unit) and Social Services Department	Census and survey, compensation policy for affected people and households, preparation of compensation schedules and grievance redress
General Legal Directorate of Assets and Licensing	Identification of affected land tenure and compensation rates of land with private properties, responsible for the preparation of the necessary documentation for expropriation
"Tirana DC" sh.a.	Joint stock company, established by MoT which will be in charge of the design and construction of municipal apartments that will be provided as compensation
General Directory of Territory Planning	Information on the plans approved by the MoT that affect the project area
General Directory of Public Works	Public Works performed by MoT
RAP Implementation team	RAP implementation team located in the administrative unit close to the project area (see Figure 8-1). This team includes the following positions: <ul style="list-style-type: none"> • Resettlement Coordinator • Community Liaison Coordinator (and Grievance manager) • Livelihood Restoration Lead • Data Manager and Monitoring

The development of this RAP is under the full responsibility of MoT (the Promoter) under the direct leadership of the Project Implementation Unit. In this regard, A RAP Implementation Team will be established under the leadership of the PIU. The roles and responsibilities of this team are described below.

The PIU has overall responsibility for addressing social issues (including land acquisition) on projects financed by IFIs (in this case EIB), through the development and implementation of appropriate management plans (such as this RAP). The PIU is also in charge of monitoring land acquisition impacts and ensuring that they are being addressed in accordance with IFI standards to achieve the aim of improved, or at least restored standards of living and/or livelihoods of affected people to pre-displacement levels. The PIU also reports to IFIs with respect to implementation of the RAP. The PIU cooperates with other relevant Promoter departments, most importantly the Expropriation Department and the Social Department, as well as with relevant external stakeholders, including consultants and IFI representatives.

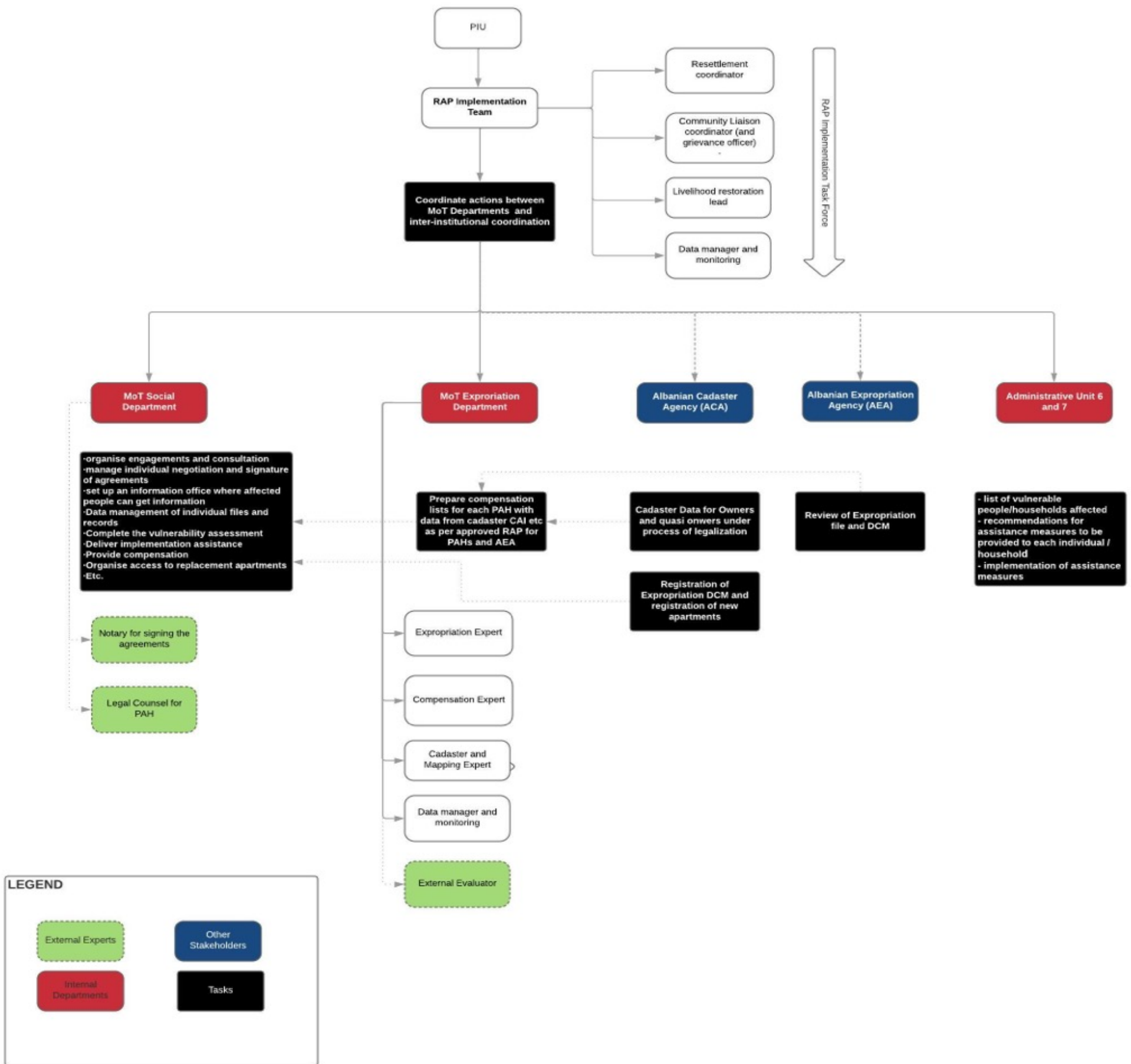
The Land Acquisition Department in MoT is in charge of the planning and implementation of land acquisition in accordance with national legislation, as well as interagency cooperation. The main tasks comprise preparing all documents in relation to

land acquisition and expropriation. This includes compiling the census registry based on official registries and field investigations (carried out in coordination with representatives of local administrative units 6 and 7), as well as all other relevant information such as the results of valuations of properties. The Land Acquisition Department also participate in preparing land acquisition agreements and executing compensation for affected people. As part of the implementation of this RAP, the Social Department will cooperate with local authorities to identify and assist any vulnerable individuals and/or households. If it is determined during monitoring, that affected business owners and/or employees have not re-established their incomes in their new locations with the compensation they received, the Resettlement Implementation Team will cooperate with local authorities to determine what livelihood support measures can be provided to them and who will be responsible for their delivery.

Representatives of MoT have an important role to play in both resettlement planning and implementation. Representatives of the Administrative Unit in coordination with the Social Department to facilitate all contacts with affected people. They deliver notices, organise local consultation meetings, organise valuations, and monitoring visits etc. The MoT has developed a list of vulnerable people/households affected by the project in coordination with local administrative units. It is based on earlier contacts with affected households and have provided recommendations for assistance measures to be provided to each individual / household. This list has been submitted to and approved by the Promoter (see Annex 3). The implementation of assistance measures will be carried out by local authorities, with support from the Promoter where necessary.

The following organogram shows the different roles and responsibilities of the different institutions:

Figure 8-1 Organization Structure for RAP implementation

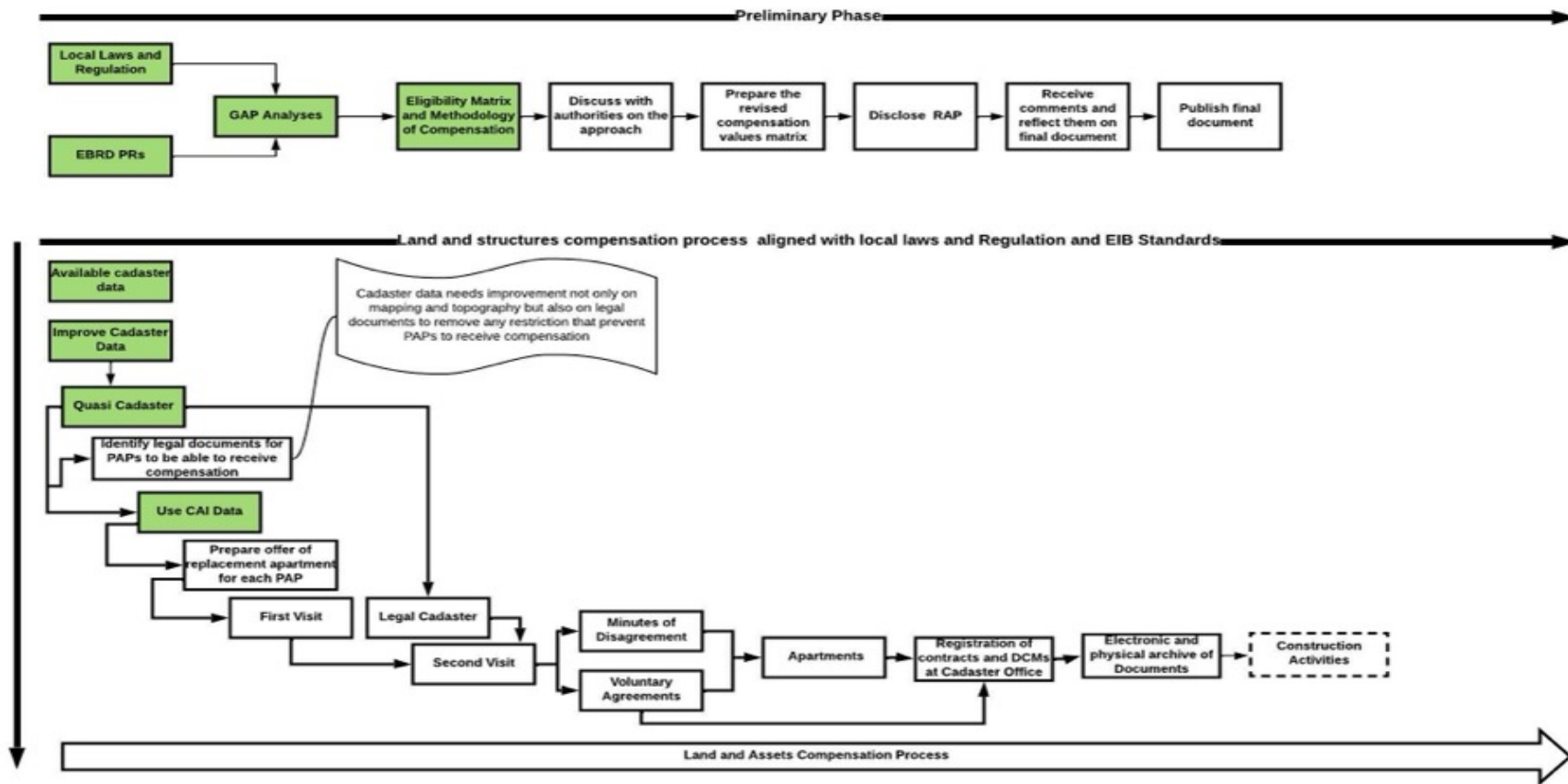


8.2 RAP Implementation Process

RAP implementation will follow the activities as shown in the chart in Figure 8-2 below. The main steps that are foreseen during implementation process are also summarized below

- MoT has prepared the RAP. The RAP will be disclosed and after the disclose phase is completed it will receive approval from the Council of Municipality of Tirana. The final document will be ratified by the Council of Ministers.
- Establishment of the RAP Team (expected to be in place after RAP ratification by Council of Ministers)
- Compensation process in line with the ratified RAP
- Land Acquisition Department in MoT will prepare the individual files for each affected household for affected that will contain:
 - Assets affected
 - Offers with two options (cash or apartment)
 - Legal documents needed to receive the compensation
 - Maps and Cadaster documents for the asset affected
 - Agreement between the affected HH and MoT
 - Other relevant documents
- RAP Implementation team in the MoT will notify the affected people on the dates and venue that the offers will be presented to each affected HH. During the first visit, the affected households will be presented with the individual offers per affected assets. For the affected structures, PAHs will be presented the surface of the apartment in exchange for the affected asset. The affected members of the HH will have 5-10 days to consider the offer and give the final answer. The Social Department will explain the offers to affected HH and respond to their questions and comments and record them in a specific section of the offer presented. They may refuse and voice their concerns during the visit and/or through the grievance mechanism (see section 11).
- After the first visit, the RAP Implementation team in the MoT will notify the affected people on the dates and venue for holding the second and final visit. During this visit, the affected people will have the option to either accept the offered options or refuse the offer altogether. The ones that agree with the offer will follow up with the signing of the Compensation Agreement. The ones that refuse will go into the expropriation mechanism. No matter if the agreement is voluntary or involuntary (through expropriation agreement) the compensation will be the same. All agreements and refusals will be filed with the expropriation agency to follow the legal steps, up to the finalization through the publication of the Decision of Council of Ministers.
- With the publication of the expropriation DCM, the construction work can initiate as the access is considered granted.

Figure 8-2 RAP Implementation Activities



9 Timeframe

The implementation of the RAP will be extended up to the day when the affected people who have chosen replacement apartments as compensation, have received them along with the property title of the apartments. This entire process will be assisted by MoT that will also bare the transaction fees.

RAP timeframe activities are presented in Table 9.1 below. The timeframe may be amended to reflect implementation progress.

Table 9-1 RAP Implementation Timeframe

Activity	Responsibility	Year 2022	Year 2023												Year 2024				Year 2025			
		M12	M1	M2	M3	M4	M5	M6	M7	M8	M1-3	M4-3	M6-8	M9-12	M1-M3	M3-M6	M7-M9	M10-M12	M1-M3	M3-M6	M7-M9	M10-M12
Finalization of the RAP	PIU	X																				
Public Consultation	PIU	X																				
Approval and Ratification of the RAP	MoT CM	X																				
Implementation of the RAP	PIU RIT	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Signing of compensation agreements with affected people included in the RAP	PIU RIT			X																		
Expropriation File and Approval	PIU			X																		
Payment of compensation for Cash Compensations to eligible PAH (titleholders only)*	PIU			X	X	X	X	X	X	X	X	X	X									
Development of individual assistance plans and implementation of assistance measures	PIU			X	X	X	X	X	X	X	X	X	X	X								
Rental Allowances for the PAHs choosing/entitled apartments	PIU																					
Signing Ownership Agreements for individual apartments for PAHs	PIU RIT															X	X					
Handover of the new Apartments and registration of ownership title	PIU RIT																				X	X
Construction of Section I of the Project	PIU				X																	
Construction of Section II of the Project	PIU																					
Internal monitoring	PIU		X	X	X			X				X		X			X		X			X
External monitoring	PIU				X									X								X
Completion audit for the RAP	PIU																					

*Compensation is complete when funds are allocated in the relevant escrow for payment to PAHs. The payment to each PAH might take time due to the documents they need to submit for receiving the payments. MoT will assist the PAHs throughout the process.

10 Disclosure of Information and Consultations

10.1 General Consultations

Generally, the proposed project is known to people affected by land acquisition, as well as the general public. The Tirana 2030 General Local Plan was adopted in early 2017, following a wide stakeholder engagement process, as per Albanian legislation. The implementation of the proposed Project is being carried out in accordance with conditions stipulated by this General Local Plan.

To date, the MoT has also publicly disclosed the Detailed Project Design and Preliminary Environmental Impact Assessment Report, as required under national legislation. The Preliminary EIA, in Albanian and English, was announced and published on MoT's website on October 3, 2018, and on EIB's website November 6, 2018, for a period of 20 days. Upon completion of the disclosure period of the Preliminary EIA, on March 19, 2019, the NEA disclosed its decision (on the website) that the Project is not required to carry out the full EIA procedure.

10.2 RAP Consultations to date

Activities aimed at disclosure of relevant Project information and public consultations have been set out in the Stakeholder Engagement Plan (SEP) prepared and published by MOT in October 2018, on the MOT website (www.tirana.gov.al) in both English and Albanian.

To date, two public hearings in relation to the project were organized in line with local legal requirements. The first public hearing was held in October 2018 during the preparation of the EIA. At the meeting there were requests for answers and clarifications in regard to land acquisition, but no complaints or comments were received. The second public hearing was organized by the MOT in January 2019 prior to the issuance of the environmental permit in accordance with the Law on Environmental Protection of Albania, in order to consult relevant stakeholders on the contents and measures foreseen by the EIA document.

Specifically for the development of the Resettlement Action Plan a census and socio-economic survey with people affected by physical and/or economic displacement were carried out from 1st May to 11th August 2018 and from 24th August to 6th September 2020.

The First Public Consultation Meeting took place at the open courtyard of the "Dhora Leka" school, near the Project area on 20.06.2020, at 10:00 am. The Municipality printed several views and the project layout map, for the attendees to have a better understanding of the project.

The Municipality took the necessary anti-Covid measures, providing masks, gloves and hand disinfectants at the entrance of the school courtyard, as well as setting out the chairs at 2m from each other. To further control the safety measures and advise people during the meeting, several municipal police staff attended the meeting as well.

The meeting was attended by approximately 100 people (20 of whom were women) who showed interest in the project, some of them participated actively in the meeting.

The Technical Assistance team was present at the meeting and monitored the activity. In situ notes were recorded by TA staff and supported by notes from the RAP experts, for drafting the Minutes of Meeting (see Annex 6).

10.3 Disclosure for RAP Finalization (December 2022)

The MoT has organized another consultation meeting to present the provisions of the draft RAP to all households affected by land and residences. After this meeting, this draft RAP will be revised with feedback received from affected people and a description of the disclosure and consultation process. The draft and final RAP will be published on the MoT website, on the Project page: <https://www.tirana.al/en/page/lana-river>

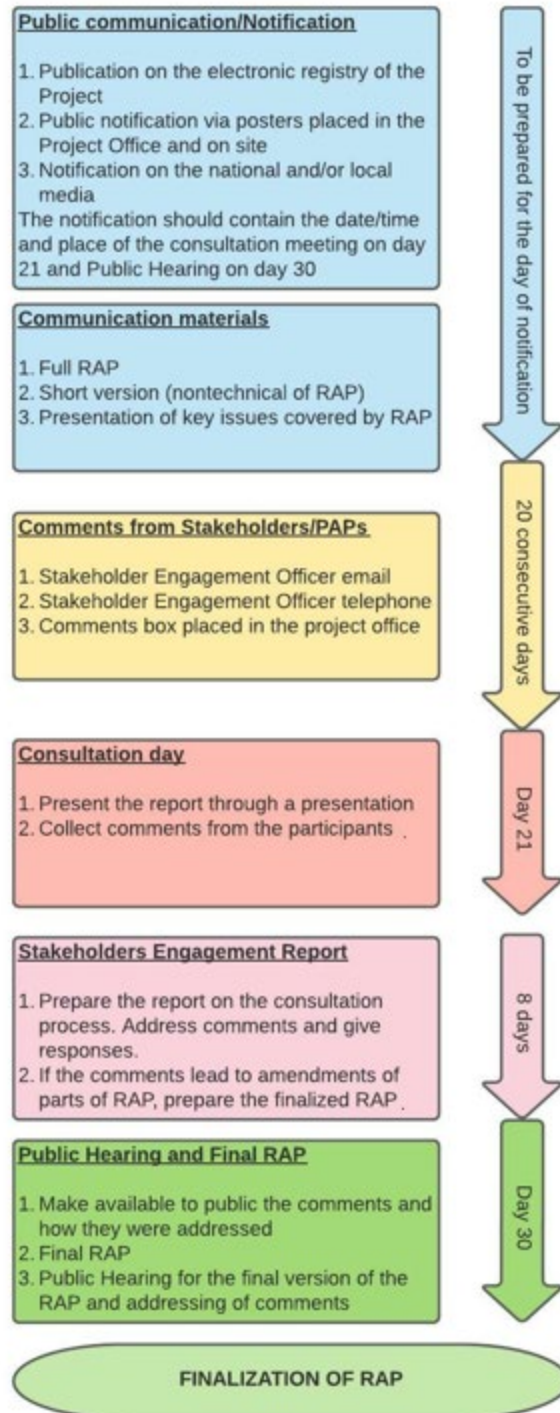
Before approval by the Tirana Municipal Council, this RAP will need to be consulted with the public according to the law no. 146/2014 On Notification and Public Consultation Pursuant to Articles 78 and 83, point 1, of the Constitution, on the proposal of the Council of Ministers. The RAP public disclosure will be organised in December 2022 by the MoT.

This law aims to:

- regulate the process of notification and public consultation of draft laws, draft national and local strategic documents, as well as policies of high public interest.
- determine the procedural rules that must be implemented to guarantee transparency and public participation in policy-making and decision-making processes by public bodies.
- promote transparency, accountability and integrity of public authorities.

Based on this law and best practices in Albania, the consultation process of the RAP should follow the steps as shown in Figure 10-1 below:

Figure 10-1 Public Disclosure of RAP



10.4 RAP Implementation Engagement

The Municipality of Tirana (MoT) is fully committed to keep the PAPs updated on the next steps in relation to implementation of compensation agreements, progress of the construction works and in relation to the relocation process. In order to ensure a robust and effective communication during implementation phase, the MoT will the setup a representative committee specifically devoted to keep an open dialog with all PAPs. This committee will include representatives of the PAPs as well as other key government stakeholders. The Committee is to be established one week after approval of the RAP by the Municipal Council.

Individual engagement with PAPs to discuss compensation and assistance for each affected household, as required under Albanian legislation as part of the expropriation process and as required by EIB under the RAP will continue until relocation is completed.

11 Grievance Mechanism

The Grievance Mechanism has been developed to receive, respond to and manage all land acquisition, resettlement, compensation and assistance related information requests, suggestions and grievances from affected people (and external stakeholders) in a timely, transparent, accessible, culturally appropriate and respectful manner, at no cost and without retribution.

Persons responsible for grievance management are:

1. Henrik Hysenbegasi, Director
Directorate of Management of Foreign Investments (PIU),
2. Anisa Subashi, General Director
General Directory of Social Services,
3. Alban Dokushi, General Director
General Legal Directorate of Assets and Licensing,
4. Frida Pashako, General Director
General Directory of Territory Planning

Grievances in relation to land acquisition and resettlement can be submitted to the City of Tirana, using the following contact details:

Municipality of Tirana,
Directory of Implementation of Foreign Investments (PIU)
Mr. Henrik Hysenbegasi, Director
Address: Rruga e Durrësit, No 4, second floor, office 1, Tirana, Albania
Telephone: +355 4 2266340
E-mail: henrik.hysenbegasi@tirana.al

Receipt of received grievances will be acknowledged in writing by the Promoter within 10 days, while the proposed resolution or corrective action will be provided within 30 days of the date of acknowledgement. During this time, the MoT employee processing the submission may contact the person who submitted it for any necessary clarifications or for additionally needed information.

Complaints can be submitted anonymously through the grievance boxes located in Administrative Unit 6 and 7, however it should be noted that this may limit the City's possibility of investigating and responding to grievances.

Received grievances will be channelled either to the General Directory of Social Services, if they are in relation to resettlement of persons who live in informal houses or in relation to businesses or channelled to the General Legal Directorate of Assets and Licensing, if they are in relation to the expropriation of legal assets. Grievances may also be channelled to other relevant MoT departments if they fall within their area of responsibility. The PIU will follow up on whether grievances have been addressed and ensure the recording of grievances and how they were addressed.

Contractors will also be responsible for managing grievances in relation to any disturbance of land not permanently acquired for the Project, during construction. Contractors' responsibilities for grievance management in line with the described mechanism will be included in contractor management plans and their performance will be monitored by the Promoter.

Contact details for submission of grievances to construction contractors will be made available on the Promoter website, in the Project SEP and in local authority offices, when they become available.

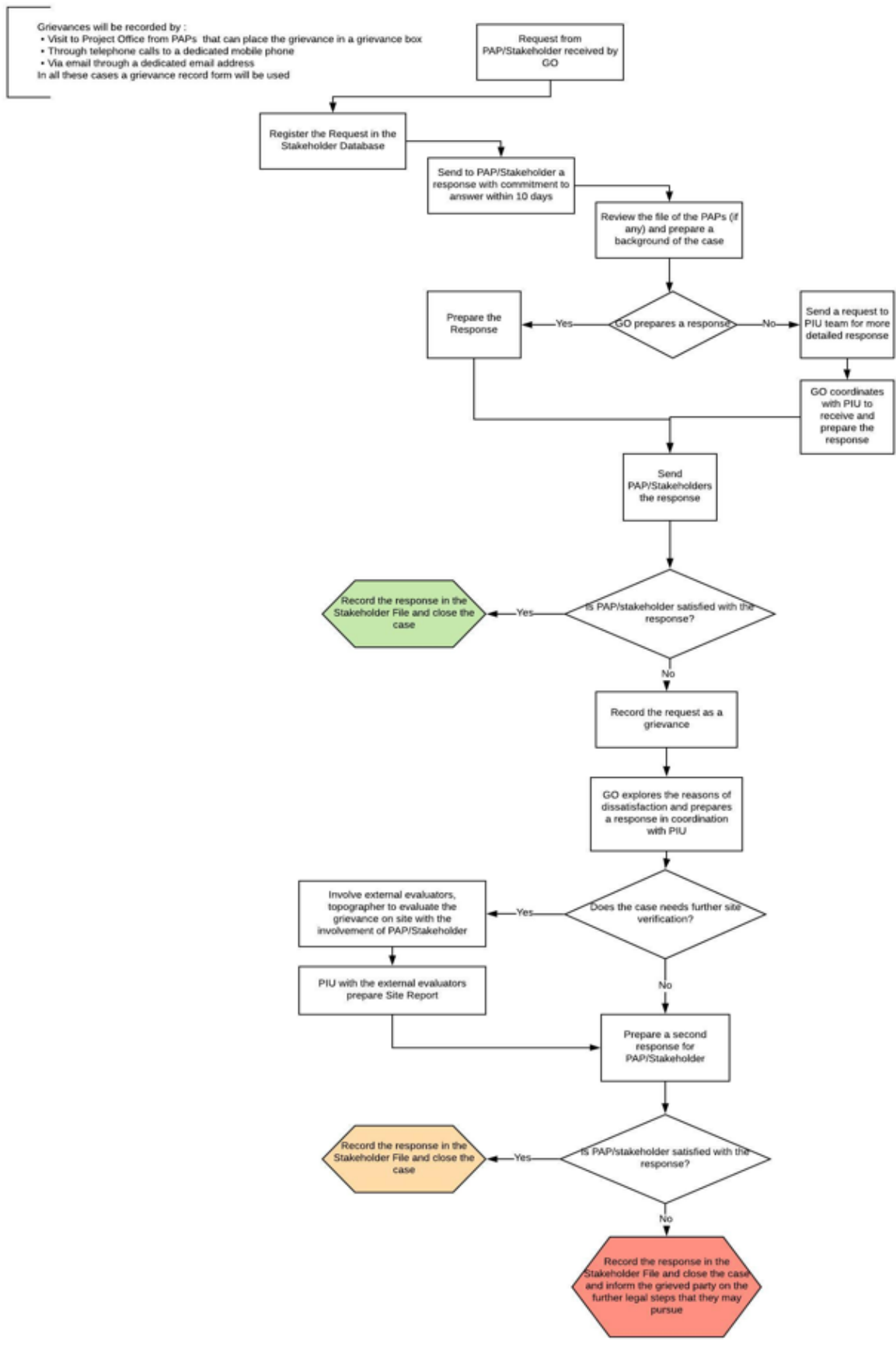
At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of the Republic of Albania.

The objective of the grievance mechanism is to provide timely and amicable solutions to requests for information and complaints in order to have an open and transparent relationship with the PAPs and avoid any misinformation and/or litigation. The mechanism is open to every PAP or any other stakeholder.

The PIU will appoint a Grievance Officer (GO) that will record all grievances in the stakeholder's engagement database. The database serves to control the grievance response process. This mechanism will facilitate swift responses to the stakeholders and PAPs but does not restrict their right to use legal mechanism to address their complaints and cases.

The mechanism will be as shown in Figure 11-1 below.

Figure 11-1 Grievance Mechanism



12 Monitoring and Reporting

12.1 Monitoring

The MoT will monitor the implementation of the RAP, until all displacement impacts have been mitigated (internal monitoring) in accordance with the RAP objectives and EIB requirements. The MoT will be assisted in monitoring implementation by experts engaged as technical assistance.

This section introduces the key elements of the monitoring plan that will be required. A detailed plan will be developed by MoT before the start of implementation phase of the resettlement . The RAP Monitoring Plan will outline in detail the organizational responsibilities, the methodology, and the schedule for monitoring and reporting.

The objectives of monitoring the land acquisition, compensation and resettlement process by MoT will be to:

- to provide feedback on land acquisition, compensation and resettlement implementation to allow the timely adjustment of implementation arrangements; and
- to demonstrate that the land acquisition, compensation and resettlement process is being managed in line with objectives and desired outcomes.

The resettlement process will be monitored by MoT through:

- an internal monitoring system undertaken by the RAP Implementation Team in MoT (Project affected Administrative Unit) and reported to the chairman on quarterly basis.
- an external monitoring system operated by an independent third party consisting of external audits.

The Monitoring Plan should consider the following in relation to the different monitoring components (internal monitoring and external evaluation of monitoring data and compliance reviews):

- Responsible parties.
- Activities to be undertaken.
- Frequency and timeline of activities.
- Indicators or criteria to be used to demonstrate progress, effectiveness and/or compliance; and
- Reporting requirements.

Additionally, an independent social or resettlement specialists will also be hired to undertake an independent evaluation of RAP implementation and report to the EIB, in the form of an accountability report. The accountability report will include a review of the mitigation measures implemented by the MoT, a comparison of implementation outcomes against agreed objectives, and a conclusion as to whether any follow-up actions and further monitoring are needed.

12.1.1 Internal Monitoring

An internal monitoring system will be established by the MoT for this RAP and will be implemented, as follows:

- Progress monitoring of inputs and outputs, which measures whether inputs are delivered on schedule and as defined in the RAP.
- Periodic measurement of outcome indicators against baseline conditions, obtained through the socio-economic survey.

Table 12-1 provides an indicative list of indicators, which will be used for monitoring.

Table 12-1 Indicators for RAP monitoring

Indicator	Source of Information	Frequency of Measurement
Input indicators		
Number of individual and group consultation meetings, results of consultation activities	Meeting minutes Consultation reports	Monthly
Number of affected people/households / businesses, by category (owners or users, formal or informal) and types of impacts (physical displacement, loss of land, loss of business structures, loss of income, loss of non-residential structures)	Census registry and grievance management records Valuation data	Monthly
Number and type of affected assets (land, non-residential structures, crops / plants, trees, etc.)	Census registry Valuation data	Monthly
Overall spending on compensation and resettlement	The MoT's financial records	Monthly
Output indicators		

Indicator	Source of Information	Frequency of Measurement
Number of compensation / resettlement contracts signed	Registry of compensation / resettlement contracts	Monthly
Number and % of compensation payments executed	The MoT's financial records	Monthly
Number of plots registered as being owned by the MoT	General Legal Directorate of Assets and Licensing	Monthly
Physical displacement – number of people/households resettled; type of resettlement assistance provided	Census registry Resettlement contracts	Quarterly
Outcome indicators		
Number and type of outstanding or unresolved grievances submitted through the Grievance Mechanism and trends in addressing grievances	Grievance management records	Monthly, during land acquisition Quarterly during construction
Average time for payment of compensation	Measure time between compensation agreement and payment	Monthly
Does compensation represent full replacement cost?	Investigate whether cash compensation was adequate to ensure no reduction of standard of living, loss of income or livelihood	Biannually
Use of compensation	Surveys with affected people	Biannually
Physical displacement – satisfaction with new homes, access to infrastructure and/or services compared to pre-project situation, investments into new furniture, etc.)	Individual meetings with people/households database	Biannually following resettlement and after the first year annually until displacement impacts have been mitigated.
Economic displacement – have businesses re-established their activities in new locations; income level compared to pre-project situation; number of employees compared to pre-project situation. Have employees continued to work for the same businesses in new locations, have their salaries changed since before displacement and how, are they negatively impacted by the move (e.g. longer commute time), etc. Are livelihood restoration measures needed and if so, what kind of measures.	Individual meetings with business owners Individual meetings with affected employees	Quarterly following relocation of the business and after the first year annually until displacement impacts have been mitigated.

Monitoring missions will be carried out by a team of external consultants quarterly, to assess the outcome of all previously completed land acquisition.

The external experts will:

- Determine whether implemented activities conform with this RAP.
- Analyze and verify the results of internal monitoring and explore any notable declines in livelihoods and standard of living. Verification will include interviews with project affected people and other relevant stakeholders.
- Based on their findings, make recommendations for any changes of the RAP required to improve implementation.

12.1.2 RAP Completion Audit

An accountability audit will be undertaken once all RAP measures have been implemented and, in terms of resettlement, once a sufficient amount of time has passed to establish final outcomes. The audit will be undertaken 12 months after completion of all physical relocation of households and/or businesses, at a minimum. The audit will be carried out by independent resettlement experts and as agreed with the EIB.

The audit will determine whether measures to restore standard of living of affected people were well conceived and properly implemented. In the event that an audit determines that the measures were inadequate, the auditors will recommend time-bound corrective actions, including an implementation schedule and budget.

The audit will include a review of all related documentation, results of internal monitoring and external monitoring/evaluation reports. The auditors will also conduct evaluation surveys of and consultation with a sample group of affected people and other relevant stakeholders.

12.2 Reporting

The MoT PIU will monitor land acquisition and provision of compensation and assistance on a day-to-day basis and will prepare weekly and monthly reports for the Mayor’s cabinet and MoT’s relevant heads of departments. Data on all affected households / individuals / businesses will be kept in an excel database and regularly updated.

Using the monitoring framework described in the previous section of this document, the MoT, with assistance from external consultants, will produce quarterly reports during the implementation of the RAP. These reports will consolidate the information on compensation and resettlement assistance measures, consultations, information on negotiations and results, grievance management, etc. The MoT will document all meetings and consultations with minutes and photographs, and will submit these to EIB, together with quarterly reports.

The external accountability report of independent social or resettlement specialists will be submitted both to the MoT and the EIB, specifying any shortcomings in the implementation of the RAP and any emerging negative impacts in relation to land acquisition and resettlement, as well as suggestions as to how these can be overcome/mitigated.

A reporting schedule is provided in

Table 12-2 **RAP Reporting Schedule** below.

Table 12-2 RAP Reporting Schedule

Reporting activity	Responsibility	2022				2023			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monthly reports on all land acquisition issues and activities for MoT management	MoT PIU					X	X	X	X
MoT quarterly progress reports, submitted to EIB	MoT PIU		X	X	X	X	X	x	X
Accountability audit report	External consultants							X	X

Reporting activity	Responsibility	2024				2025			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monthly reports on all land acquisition issues and activities for MoT management	MoT PIU	X	X	X	X	X	X	X	X
MoT quarterly progress reports, submitted to EIB	MoT PIU		X	X	X	X	X	x	X
Accountability audit report ¹⁶	External consultants		X		X		X		X

13 Implementation Costs

The EIB has supported the project with a loan of EUR 8,000,000 and a grant EUR 2,400,000 which will serve as co-financing with the Government of Albania. In addition, technical assistance during the implementation period of the Project has been provided by EIB via a grant in the amount of EUR 500,000.00 for the Municipality of Tirana as the Promotor of the Project.

¹⁶ Accountability audit report to be carried out as requested by EIB

The Government of Albania and MoT will make budgetary allocations for the next fiscal year (2022-2023) to facilitate the implementation of the RAP including an allocation of approximate 5 million Euros for the construction of the replacement apartments. This is in case people choose to have cash compensation instead of replacement apartments. The MoT has a flexible budget that can allocate the budget any time.

The costs of expropriation for the land acquisition process and costs of residential plots and structures will be financed exclusively from the Ministry of Infrastructure and Energy (MIE) budget.

Scheduled visits with the PAHs will be organized as part of RAP implementation to present them with the following:

- a) Private land owners with cash compensation
- b) Residential owners regardless of their ownership that receive apartments that will be built by MoT to accommodate the affected people.

These visits are yet to be organized as part of the RAP implementation. Thus, this budget foresees the case of cash compensation only. The final budget will consider the PAHs that will choose the alternative compensation with replacement apartments and revise the cash compensation accordingly.

The MoT has taken into consideration the following scenario for the RAP Budget:

100% of the affected people who are losing their residence choose municipal apartments in exchange of the loss residence instead of cash (Table 13-1)

An allocation of an additional approximate 5 Million Euros for the construction of the replacement apartments should be considered in the scenarios where the PAPs might choose replacement apartments. Funds for the construction of the replacement apartments will be provided by the Municipality of Tirana with the approval of this RAP by the Council of Municipality. Funds are already available from the municipal budget for 2022-2023.

Table 13-1 Preliminary RAP budget

100% of the affected people choose replacement apartments

Nº	Item	Unit	Unit Cost ALL	Quantity	Total Cost All	Notes
A. COMPENSATION AND ASSISTANCE						
1	STRUCTURE COMPENSATION (buildings and land)					
1.1	Residential structure with legal Deeds (Cadastré area 3876)	m²	60 000	-	-	0% of the surface buildings will be compensated CASH
1.2	Residential structure with legal Deeds (Cadastré area 8220)	m²	69 320	-	-	0% of the surface buildings will be compensated CASH
1.3	Structures under legalization and Informal ones	m²	60 000	-	-	0% of the surface buildings will be compensated CASH
	Sub-total 1				-	
2	LAND COMPENSATION (URBAN LAND)					
2.1	Rural Land (Cadastré area 3866)	m²	4 242	31 785	134 833 243	Cash Compensation only
2.2	Urban Land (Cadastré area 8220)		38 614	460	17 771 321	Cash Compensation only
2.3	Urban Land (Cadastré area 8210)		30 783	12 974	399 383 523	Cash Compensation only
	Sub-total 2				551 988 087	
3	CROP/ANIMAL COMPENSATION (In cash)					
3.1	Trees & Vegetables / Animals					
3.1 .1	Fruit trees & vegetables - average value	unit	1 231,29	3 209	3 951 200	Cash Compensation only
3.1 .2	Animals	unit	3 710	100	371 000	Cash Compensation only
	Sub-total 3				4 322 200	
4	RESETTLEMENT ASSISTANCE & LIVELIHOOD RESTORATION					
4.1	Registration Fees					

4.1 1	Legalization fees (220 units)	unit	6 000	220	1 320 000	211 are the structures under legalization + 9 unidentified
4.1 2	Notary (380 compensation agreements + 244 Apartments agreements)	No of Contracts	50 000	624	31 200 000	290 HH that own only buildings, 26 that own building and land, 63 private owners that own only land, and 1 HH that there is no info. 244 apartments (100% of 244 units will be compensated in apartments)
4.1 3	ACA Cost of Registrations of new apartments	No of apartments	9 000	244	2 196 000	244 apartments (100% of 244 units will be compensated in apartments)
Sub-total 4.1					34 716 000	
4.2	Registration Fees and rental allowance					
4.2 2	Tenant relocation allowance	Rent/ 3 months	25 000	3	75 000	3 HH that are tenants
4.2 3	PAPs rental allowance (76 HH + 244 Building Owners)	Rent/ 36 months	25 000	320	288 000 000	only 76 HH that are relatives of the owners will benefit rental allowance and 244 rental apartments (100% of 244 units that will be compensated in apartments)
4.2 4	Moving fees (317 HH registered + 238 HH that will be moving to new apartments)	unit	10 000	555	5 550 000	317 HH for the first move, 238 HH that will move once in rental apartments and once in the new apartments (100% of 238 HH that will be compensated in apartments)
Sub-total 4.2					293 625 000	
4.3	Vulnerable people					
4.3 .1	Assistance to vulnerable people (94 defined; 3 years support, i.e. 36 months)	Unit/months	12 000	94 (x36)	40 608 000	94 vulnerable people have been identified and they are subject of evaluation and approval from the relevant Administrative Unit
Sub-total 4.3					40 608 000	
4.4	Businesses					
4.4 .1	Assistance with relocation (0 defined)	unit	-	-	-	No active businesses registered in census 2020 are still active today

	Sub-total 4.4					-		
	Sub-total 4					368 949 000		
B. RAP IMPLEMENTATION								
5	IMPLEMENTATION							
4.1	Implementation							
5.1 1	RAP Implementation Team (2 staff / 24-months)	Person / month	65 000	2(x24)		6 240 000	Resettlement and Grievance experts	
5.1 2	Support staff (2 staff / 12-months)	Person / month	45000	2(x12)		1 080 000	LR in field and Data manager	
5.1 3	External Evaluator (1 expert / 3 months)	No of Days	40 000	90		3 600 000	This is the external evaluator in case of claims	
5.1 4	Vehicle (24 months)	month	7500	1 (x24)		180 000		
	Sub-total 5.1					11 100 000		
5.2	Compliance Monitoring and Evaluation							
5.2 1	Mid Term Audit	lump sum				3 690 000		
5.2 2	Close out audit	lump sum				7 380 000		
5.2 3	Yearly monitoring after completion of physical resettlement (3 missions)	unit	615 000	1 (x3)		1 845 000		
	Sub-total 5.2					12 915 000		
	Sub-total 5					24 015 000		
5	CONTINGENCIES (15 %)						142 391 143	
	GRAND TOTAL						1 091 665 430	