



Resettlement Plan for the Rehabilitation of Vore – Hani i Hotit Railway Line

Final version

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REPORT SUMMARY

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FINAL PURPOSE OF ISSUE

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LIST OF ABBREVIATIONS

Abbreviation	Description
AF/AH	Affected Family/Affected Household
AITPP	Agency for Inventory and Transfer of Public Property
ALT	Additional Land Take
ALUIIAC/ALUIZNI	Agency for Legalization Urbanization and Integration of Informal Areas/ Constructions
AMTP	Land Take Ownership Act
AREB	Regional Agency of Agricultural Extension
ATTC	Agriculture Technology Transfer Center
AU	Administrative Unit
CAI	Census and Asset Inventory
CM	Council of Ministers
CSO	Civil Society Organizations
CTC	Centralized Traffic Control
DCM	Decision of Council of Ministers
DD	Detailed Design
EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESM	Environment and Social Management
ESMP	Environmental and Social Management Plan
ESP	Environmental and Social Policy
ESS	Environmental and Social Standard
EU	European Union
EUR	Euro (rate used in this document: 1 EUR = 98 ALL)
GLPs	General Local Plans
GM	Grievance Mechanism
h	Hour
HH	Household
HSH/AR	Hekurudha Shqiptare/Albanian Railway
IFI	International Financial Institution
INSTAT	Institute of Statistics
IPRO	Immovable Property Registration Office
Km	Kilometres
KPI	Key Performance Indicator
LALRP	Land Acquisition and Livelihood Restoration Plan
LARF	Land Acquisition and Resettlement Framework

Employer: European Bank for Reconstruction and Development
 Beneficiary: Albania Railway (Hekurudha Shqiptare)
 Project: Rehabilitation of Vore-Hani i Hotit Railway Line

Abbreviation	Description
LGU	Local Government Unit
m	Meters
MFE	Ministry of Finance and Economy
MIE	Ministry of Infrastructure and Energy
NE	Economic Aid / Ndihma e ekonomike
NGO	Non-Government Organization
PAP	Project Affected Person
PIU	Project Implementation Unit
Q&A	Question and Answer
RP	Resettlement Plan
SCA	State Cadastre Agency
SEA	State Expropriation Agency
SEP	Stakeholder Engagement Plan
TEN-T	Trans-European Transport Network
UN	United Nations
VAT	Value-Added Tax
WBIF	Western Balkans Investment Framework

GLOSSARY

Term	Definitions
Allowance	Cash paid in respect of losses or resettlement related expenses other than losses of immoveable assets. For example, tenants can be provided with a cash “allowance” to support their effort to secure alternative housing. A moving “allowance” can be paid to people who have to relocate as a result of Project land access. An “allowance” should be distinguished from compensation, which is intended to cater for the loss of an immoveable asset.
Application file	Set of documents prepared to support the request for expropriation submitted to the respective authority
Case file	Set of documents that the Expropriation Commission finalizes in support of proposal for expropriation to the Council of Ministers
Census survey	A process carried out through a field survey to identify, determine and compile a 100% sample individuals, households and business (formal and informal) which will be physically and economically displaced by the project. The meaning of the word shall also embrace the criteria for eligibility for compensation, resettlement and other measures emanating from consultations with affected communities.
Compensation	Payment in cash or in kind for loss of an immoveable asset or a resource that is acquired or affected by the project. This is typically understood to include all forms of compensation, including the provision of replacement land and housing, also sometimes referred to as “resettlement” <i>stricto sensu</i> . In some jurisdictions, compensation in cash is referred to as “indemnification” to distinguish it from other forms of compensation. For better clarity, compensation should be used only in the context of the loss of an immoveable asset. It does not include allowances paid or provided in respect of various inconveniences not directly related to the loss of an immoveable asset or vulnerability, nor should it include livelihood restoration allowances or activities.
Cut-off date	Date of completion of the census and assets inventory of persons affected by the project. Persons occupying the project area after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the date of completion of the assets inventory, or an alternative mutually agreed on date, will not be compensated.
Easement	An easement is a right held by one person to use the land of another for a specific purpose, such as driving through someone else’s property (positive easement) or restrict the owner from using it for a specific purpose (negative easement or servitude).
Economic displacement	Loss of assets (including land) or access to assets that leads to loss of income sources or means of livelihood as a result of project-related land acquisition or restriction of access to natural resources. People or enterprises may be economically displaced with or without experiencing physical displacement. Usually the term “economic displacement” is used when affected people are not also physically displaced (see above “physical displacement”).
Expropriation Commission	Special Ministerial Commission for application of the expropriation procedure.
Expropriation	The action by the state or an authority of taking property from its owner for public use or benefit.
Expropriation Law	Law No.8561, dated 22.12.1999 “On Expropriation and Taking on Temporary Use of Private Property for Public Interest”, as amended by law no. 20/2016 date 10.03.2016 and law no. 11/2020, date 12.02.2022.
Household	A household is a small group of persons who share the same living accommodation, who pool some, or all, of their income and wealth and who consume certain types of goods and services collectively, mainly housing and food.

Term	Definitions
Involuntary resettlement	<i>Stricto sensu</i>, “resettlement” refers to a form of compensation whereby affected people are offered replacement housing and “resettle” to that housing. However, “involuntary resettlement” has taken a broader signification and is used as an overarching term covering both impacts (“involuntary resettlement impacts”) and compensation measures associated to land acquisition and/or restricted access. “Involuntary resettlement” understood as an <u>impact</u> is caused either by project-related land acquisition or by restriction of access to land or natural resources. Impacts covered by “involuntary resettlement” include both “physical displacement” (relocation or loss of shelter) and “economic displacement” (loss of assets or access to assets that leads to loss of income sources or means of livelihood). Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition that results in displacement. This occurs in cases of expropriation or restrictions on land use based on eminent domain and negotiated settlements in which the buyer can resort to expropriation. “Resettlement” understood as a <u>compensation measure</u> is generally used in a broad sense that covers all forms of compensation, not only those entailing physical relocation to replacement housing.
Land	It refers to agricultural and/or non-agricultural land and any structures thereon whether temporary or permanent and which may be required for the project.
Land acquisition	“Land acquisition” refers to all methods of obtaining land for project purposes, which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include: (a) acquisition of unoccupied or unutilized land whether or not the landholder relies upon such land for income or livelihood purposes; (b) repossession of public land that is used or occupied by individuals or households; and (c) project impacts that result in land being submerged or otherwise rendered unusable or inaccessible. “Land” includes anything growing on or permanently affixed to land, such as crops, buildings and other improvements, and appurtenant water bodies.
Land Acquisition and Resettlement Framework	A project document prepared when the exact nature and magnitude of the land acquisition or restrictions on land use related to the project with potential to cause physical and /or economic displacement is unknown due to the project development stage. The purpose of the framework is to describe the likely impacts of the associated with land acquisition and outline the principles which will be followed to address these impacts. Once the individual project components are defined and the required information becomes available, the framework serves as a basis for the development of a detailed plan (see item below)
Resettlement Plan	The document that outlines the procedures and measures to be implemented when a project necessitates the acquisition of land, leading to the displacement of individuals or communities.
Livelihood	A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base. (Chambers & Conway, 1991, quoted by UNDP – Guidance Note on Livelihoods, 2010)
Livelihood restoration	Specific allowances or activities intended at supporting displaced peoples’ efforts to restore their livelihoods to pre-project levels. Livelihood restoration should preferably be distinguished from compensation. Livelihood restoration measures typically include a combination of cash or other allowances and support activities such as training, agricultural assistance or business enhancement.
Local Government Unit	The LGUs include Municipalities and Administrative Units as per the new territorial division in force since June 2015.
Physical displacement	Loss of dwelling or shelter as a result of project-related land access, which requires the affected person(s) to move to another location. Physical displacement typically entails economic displacement too, as physically displaced people usually lose

Term	Definitions
	access to land, employment, or business opportunities associated to their former location, and most specialists use “physical displacement” to cover both physical and economic impacts.
Project	Refers to the Rehabilitation of Vore-Hani i Hotit Railway Line
Project Affected Person (s) (PAPs)	PAPs are persons affected by land use or acquisition needs in the framework of the project. These people are affected because they may lose, be denied, or be restricted access to economic assets; lose shelter, income sources, or means of livelihood. These persons are affected, whether or not they must move to another location.
Replacement cost	It means replacement of assets with an amount sufficient to cover full cost of lost assets and related transaction costs. In terms of land, this may be categorized as follows: (a) “Replacement cost for agriculture land” means the pre-project market value of land of equal productive potential or use located in the vicinity of the affected land, plus the costs of: (b) preparing the land to levels similar to those of the affected land; and (c) any registration and transfer taxes. With regard to land and structures, replacement costs are defined as follows: Agricultural land—the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, and transaction costs such as registration and transfer taxes. Land in urban areas—the market value of land of equivalent area and use, with similar or improved infrastructure and services preferably located in the vicinity of the affected land, plus transaction costs such as registration and transfer taxes. Houses and other structures—the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labour and contractors’ fees and transaction costs such as registration and transfer taxes
Socio-economic survey	The socio-economic survey is an assessment conducted to collect baseline information and analyze the socio-economic conditions of individuals, households, and businesses (both formal and informal) that will be physically or economically displaced by the project. This survey serves as the foundation for designing fair compensation, livelihood restoration, and social support programs to ensure the well-being of affected stakeholders. The objective is to interview all affected individuals who may face economic or physical displacement, aiming for a full sampling rate for physically displaced households and a sampling rate of at least 40% for economically displaced households. Given the linear nature of the project, this percentage is considered sufficient to provide an adequate profile of the affected households.
Unviable/Orphaned land	Orphan land refers to small or irregularly shaped land parcels that are left over after land acquisition for a project and are no longer economically viable or usable for their original purpose. These parcels are often created when the remaining land is fragmented or isolated due to the acquisition process, making them insufficient to sustain agricultural, residential, or commercial activities
Vulnerable groups	Refers to people who are exposed to higher risks of poverty and can include people living below the poverty line, the landless, the elderly, women and children, and those who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by resettlement than others or who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

EXECUTIVE SUMMARY

I. Project Overview and Background

The Rehabilitation of the Railway Line Vore – Hani i Hotit is a critical infrastructure project aimed at enhancing Albania's connectivity to regional and European railway networks. This project is part of the Trans-European Transport Network (TEN-T) Core Network extension in the Western Balkans, specifically aligning with the pan-European Corridor X. The project will significantly improve Albania's international rail links, facilitating both freight and passenger transport. The project involves the rehabilitation and electrification of the 120.2 km railway line from Vore to Hani i Hotit on the Montenegrin border. This is Albania's only railway connection with neighboring countries, making it a strategic asset for regional transport.

The project is funded through a grant from the Western Balkans Investment Framework (WBIF) for the preparation of the Detailed Design (DD) and Environmental Impact Assessment (EIA). The European Bank for Reconstruction and Development (EBRD) is providing a loan of up to EUR 98.75 million to the Republic of Albania, which will be on-lent to Hekurudha Shqiptare (HSH), the state-owned railway operator. The Ministry of Infrastructure and Energy (MIE) is the project promoter, while HSH is the implementation agency. HSH has undertaken an 8-10 year investment program to ensure full interoperability with the European railway network and to raise operational standards.

Given the project's land acquisition and resettlement needs, the consultant Abkons sh.p.k has been engaged by the EBRD and HSH to prepare and support the implementation of this Resettlement Plan (RP). The RP has been developed in accordance with the EBRD's 2019 Environmental and Social Policy (ESP) and Performance Requirement 5 (PR5). Building on the Land Acquisition and Resettlement Framework (LARF) approved in 2022, the plan ensures compliance with national regulations and EBRD standards, defining compensation mechanisms and safeguards for affected communities.

II. Brief Project Description and Key Components

The project aims to rehabilitate the Vore-Hani i Hotit railway line in Albania to enhance transport services, improve safety, and increase speed to meet EU standards. The rehabilitation will also ensure compliance with EU acquis and International Financial Institution (IFI) requirements. The railway line spans approximately 120 kilometers, traversing seven municipalities in the Western Lowland of Albania, including Vore, Kruje, Kurbin, Lezhe, Vau Dejes, Shkoder, and Malesia e Madhe.

The railway line crosses flat terrain dominated by agricultural lands, dense road networks, commercial facilities, and suburban residential areas. It passes through seven rivers and several streams, with some areas prone to flooding during heavy rainfall. The project area is also affected by uncontrolled urbanization, leading to informal constructions near the railway, which pose safety risks.

Main Construction Activities:

The railway line has been divided into four sections for detailed design and construction purposes:

- Vore - Gjorm (27.80 km): Improvements include horizontal alignment adjustments, construction of retaining walls, and enhanced flood protection measures.
- Gjorm - Lezhe (20.36 km): Focuses on maintaining existing curves, rehabilitating stations, and improving drainage systems.
- Lezhe - Shkoder (35.56 km): Involves constructing new bridges and improving vertical alignment for better drainage.
- Shkoder - Hani i Hotit (35.74 km): Minor horizontal alignment adjustments and maintaining existing gradients.

Key Interventions:

- **Horizontal and Vertical Alignment:** Improvements to the railway's alignment to achieve higher design speeds (up to 120 km/h) and better flood resilience.
- **Road Crossings and Local Roads:** The project includes the construction of new bridges, underpasses, and level crossings to improve connectivity and safety. A total of 52 level crossings and 137 local service roads (approx. 112 km in total) are planned.
- **Stations:** A new station will be constructed in Lezhe, and twelve existing stations will be rehabilitated. The upgrades will include longer tracks, new parking areas, and improved accessibility for persons with disabilities.
- **Bridges and Culverts:** Most existing bridges will be demolished and replaced with new structures that comply with TEN-T standards. A total of 74 minor bridges and 304 culverts will be constructed.
- **Retaining Walls and Fencing:** 58 retaining walls will be built to prevent erosion, and the entire railway line will be fenced to enhance safety.
- **Noise Barriers:** Noise protection barriers will be installed in 14 sensitive areas near schools, hospitals, and residential zones.
- **Signaling and Telecommunication:** A modern signaling and telecommunication system will be installed, including optical cables, radio antennas, and surveillance cameras.

The project includes measures to mitigate environmental impacts, such as improved drainage systems to prevent agricultural flooding and noise barriers to protect nearby communities. The fencing design incorporates openings to allow wildlife to cross safely. Stakeholder engagement has been a key part of the planning process, with consultations held with local residents and communities.

A comprehensive description of the project area, key components, and main construction activities is provided in the RP document through Sections 1.2, 1.3, and 1.4. Figure ES-1 below shows the railway line location on a topographical map at a 1:100,000 scale.

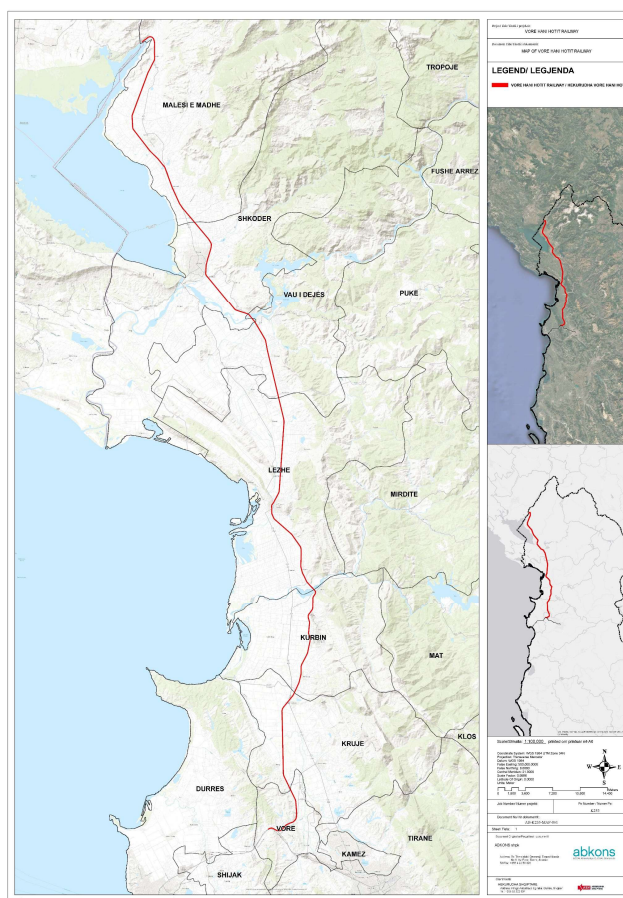


Figure ES-1: General location of the railway line

III. Project Land Acquisition Impacts

The implementation of the Rehabilitation of the Railway Line Vore – Hani i Hotit project will result in both permanent and temporary land acquisition, affecting approximately 270 hectares of land, of which 34 hectares (12%) is privately owned, according to available cadastral data. The project will also impact crops, structures, and access to properties, leading to physical and economic displacement of affected individuals.

Key Impacts:

Loss of Land: Approximately 34 hectares of private land will be permanently acquired for the project (see [section 6.1](#) of the RP document).

Loss of Crops: The project will result in the permanent loss of annual and perennial crops (see [section 6.2](#) of the RP document).

Loss of Structures: Houses, businesses, auxiliary buildings, and perimeter structures/assets will be affected (see [section 6.3](#) of the RP document).

Temporary Losses: While a temporary loss of private land is not anticipated, contractors may require additional land for construction activities. Publicly owned land will be prioritized, but if private land is needed, it will be obtained through voluntary lease agreements. Temporary losses of assets, such as perimeter walls or fences, will be compensated in-kind, with the contractor responsible for rebuilding them.

Loss of Access to Properties: New access roads will be constructed to prevent permanent access loss. However, some cases of access loss were identified during field surveys (see [section 6.4](#) of the RP document) and will be addressed on a case-by-case basis. During construction, the contractor will ensure uninterrupted access to all properties.

“Orphan” Lands: Small strips of land between the railway line and access roads may remain unaffected. These cases will be assessed individually (according to the criteria provided in [section 3.4](#) of the RP document), and if deemed non-viable, the land can be expropriated and compensated at replacement cost upon request by Project-Affected Persons (PAPs).

Other Impacts: Temporary environmental and social impacts, such as vibrations, air and noise pollution, increased traffic, and disturbances, are expected during construction and operation. These will be mitigated through measures outlined in the Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), and compliance with Albanian environmental permits.

The table below presents a summary of key impacts at both quantitative and percentage levels.

Table ES-1: Summary of key impacts

#	Topic	Quantity	
		Area (ha)	%
1	Total affected area	270	100%
1.1	Privately owned properties	34	12%
1.2	State-owned properties	183	68%
1.3	Properties with no information provided so far by SCA	53	20%
		Number	%
2	Total number of affected properties	3024	100%
2.1	Privately owned properties	993	33%
2.2	State-owned properties with users claiming land ownership	372	12%
2.3	State-owned properties with users not claiming land ownership	197	7%
2.4	State-owned properties without users or private land ownership claims	1,005	33%
2.5	Properties with no information provided so far by SCA	457	15%

#	Topic	Quantity	
		Area (ha)	%
3	Agricultural land (arable land, orchards, vineyards, etc.)	69	26%
4	Urban land (construction land)	15	6%
5	Natural Land (forest, pastures, meadows, rivers, streams, etc)	38	14%
6	Infrastructure (railway track, roads, canals, sidewalks, etc)	148	54%
		Number	
7	Affected residential structures (houses)	19 houses	
8	Affected businesses	21 businesses	
9	Affected auxiliary/secondary structures (barn, shed, well, greenhouse, warehouse, garage, etc.)	159 auxiliary structures	
10	Affected outer structures (walls/fences/gates)	373 outer structures/asset	

IV. Limitations in RP preparation due to land and cadastral issues

The Vore-Hani i Hotit Railway Line Project faces significant cadastral challenges that may impact land acquisition and compensation processes. The project spans 77 cadastral zones across several municipalities, where discrepancies between legal and natural property boundaries have been identified, along with incomplete ownership records. Key issues include:

- **Missing Property Numbers:** About 15% of properties lack identification numbers, complicating ownership verification and management.
- **Duplicated Property Numbers:** Approximately 5% of properties share duplicate numbers within the same cadastral zone, causing tracking errors.
- **State-Owned Land with Private Claims:** Around 20% of state-owned agricultural land is informally occupied by private parties, creating potential ownership disputes.
- **Deceased Landowners:** About 15% of cases involve landowners who have passed away, with heirs yet to follow procedures and formalize inheritance.

These inaccuracies risk misidentifying affected areas, compensating the wrong individuals, and creating future grievances. To address these challenges, comprehensive cadastral updates and collaboration between Albanian Railway and the State Cadastre Agency are crucial. Establishing accurate records will streamline land acquisition, compensation, and grievance resolution, ensuring smoother project implementation.

The preparation of the Resettlement Plan (RP) faced several challenges, including:

- **Lack of Cadastral Data:** Absence of property records and legal status from the State Cadastre Agency (SCA).
- **Missing Transaction Costs:** Incomplete data on land transaction costs, particularly in the Kurbin area.
- **Data Discrepancies:** Inconsistencies between initial registration records and field survey findings.

Due to ongoing land and cadastral issues, including unresolved ownership claims and state-registered properties, the Resettlement Plan (RP) includes an indicative budget to address potential compensation for affected landowners or users. This applies to individuals currently claiming ownership, undergoing title registration, or required to submit proof of ownership. Once cadastral data is verified, HSH should request additional expropriation through the State Agency of Expropriation (SAE), which will propose amendments to the Project Expropriation Decision in line with legal procedures.

Construction cannot begin in areas with unknown ownership without documented land entry and exit procedures. These measures aim to minimize delays and ensure fair compensation.

V. Stakeholder Engagement

A. Stakeholder Identification

A comprehensive stakeholder identification process was conducted during the preparation of the Resettlement Plan (RP) to address project-related environmental and social impacts, particularly land acquisition, asset loss, livelihood disruptions, and compensation. Stakeholders were identified based on the project's area of impact, potential effects, and the applicable legal framework for addressing these impacts. Stakeholders are categorized into three groups:

- 1) **Primary Affected Parties:** Individuals, households, and communities directly impacted by land acquisition and asset loss, including landowners, tenants, asset owners, and vulnerable groups (e.g., women-headed households, elderly, disabled, and indigenous populations).
- 2) **Secondary Affected Parties:** Stakeholders indirectly affected, such as neighboring communities experiencing infrastructure disruptions and local businesses/employees facing economic shifts. Their engagement ensures effective mitigation and community trust.
- 3) **External and Institutional Stakeholders:** Includes local and national government authorities, civil society organizations (CSOs), NGOs, project beneficiaries, financial institutions, and media. These stakeholders provide regulatory oversight, advocacy, funding, and transparency, ensuring a fair and informed resettlement process.

Section 5.2 provides a full list of identified stakeholders and their role and potential interest in the Project is outlined, including the engagement methods and stages of consultation and engagement.

B. Consultations

As part of RP development, extensive communication and fieldwork were conducted with municipalities, the State Cadastre Agency, and agricultural agencies to gather data for field surveys. Since 2020, HSH has engaged directly and indirectly affected people to raise awareness, gather feedback, and align with EBRD standards, aiming to minimize disruptions and ensure inclusive planning. Consultation meetings with local authorities and governmental agencies helped identify landowners, land users, and affected assets while informing stakeholders about the project's impact, grievance mechanisms and RP principles.

During the initial consultation meetings with local authorities informational materials (posters, brochures) were distributed to ensure transparency and community involvement. Project-affected people (both directly and indirectly) were informed and invited to participate in consultation meetings, share data on their socio-economic conditions, and verify affected assets. Wherever practicable, they were also asked to sign the consent form for the collection of personal data during the field survey.

C. Socio-Economic Survey and Asset Inventory Engagement

The socio-economic survey and asset inventory engagement aimed to establish a comprehensive baseline of the socio-economic conditions and assets of households and communities affected by a railway and access roads project. This data was critical for assessing the impacts of land acquisition and resettlement, informing the Resettlement Plan (RP), and ensuring compliance with international standards, such as the European Bank for Reconstruction and Development (EBRD) Performance Requirement 5 (PR5).

The consultant conducted field surveys, including a census, socio-economic surveys, and an asset inventory, to collect qualitative and quantitative data. The field surveys were conducted from August 1, 2024, to November 1, 2024, by experienced social and interface experts.

A structured questionnaire was developed to gather detailed information on:

- Demographic and socio-economic characteristics of Project-Affected Persons (PAPs);
- Family structure, land ownership, and documentation status;

- Impacts on assets, livelihoods, and community resources;
- Vulnerable groups (e.g., poor households, women, elderly);
- Perceptions of resettlement measures and income restoration;
- Awareness of the project and its impacts.

The surveys employed a mix of household-level questionnaires and qualitative methods, ensuring a thorough understanding of living standards, income levels, and socio-economic vulnerabilities. A "Grant of Consent" template was used to secure informed consent from PAPs for data collection and processing.

The survey results provided a detailed socio-economic profile of affected households, including the extent of asset losses and project-specific impacts. This data was used to:

- Assess the magnitude of land and social impacts;
- Identify vulnerable groups and tailor mitigation measures;
- Develop resettlement and rehabilitation strategies;
- Ensure compliance with EBRD PR5 requirements.

[Section 4](#) of the RP document presents a detailed socio-economic baseline for the affected people.

D. Cut-off date

The cut-off date was established as 1st November 2024, when the Census and Inventory were conducted by the RP consultant. This date was communicated through meetings with local authorities, communities, and affected people, with notifications provided by municipalities, unit administrators, and village heads. The RP consultant also individually notified affected people about cut-off date during field survey.

People moving into the project area after the cut-off date will not be entitled to compensation, unless newly identified Project-Affected Persons (PAPs) were missed or have been residing in the area for an extended period since the previous asset survey.

If there is a gap of more than two years between the approval of the RP and its implementation, HSH will update or validate the RP to reflect any new or affected assets as necessary.

E. Disclosure of information and future stakeholder engagement activities

Following approval, the RP will be disclosed on the HSH website with a non-technical summary in Albanian. Key institutional stakeholders, including the State Agency for Expropriation (SAE), relevant ministries, and municipalities, will be notified through a formal letter from HSH. If needed, HSH may organize a half-day workshop in Tirana to present the document and discuss the legal framework and details.

Following the disclosure, HSH will notify local authorities and ensure that Administrative Units post a notice. Vulnerable households will receive copies of the RP, and HSH will explain the document. Further engagement will occur once the Expropriation process begins, with HSH supporting the State Expropriation Agency (SEA) by posting notices, notifying individuals, and addressing information requests and claims.

Stakeholder engagement on land acquisition issues will continue through various activities, ensuring that key government stakeholders, local communities, NGOs, and PAPs are well informed and involved in project development. Stakeholders include national ministries, international and local institutions, NGOs, media, and local leaders. Periodic engagement with municipal departments, the Cadastre Office, community representatives, and other groups will verify land ownership and asset information, while sharing updates on project design, process, schedule, and impacts.

Future stakeholder engagement activities during RP implementation will be scheduled, reviewed, and adjusted based on project needs and development stages. For more details see [section 5.5](#) of this RP.

VI. Socio-Economic Circumstances of Affected People

The Vorë–Hani Hotit Railway project impacts 7 municipalities, 22 administrative units, and 75 settlements in Albania, with a total affected population of 199,782. The population is relatively balanced in gender (50.6% female, 49.4% male), with a significant working-age group (61.9% aged 15-64), a notable elderly population (19.2% aged 65+), and a smaller youth segment (13.6% aged 0-14). Key socio-economic findings include:

- **Economic Activity:** High unemployment and retirement rates dominate, with limited reliance on agriculture. Self-employment is low, and many households depend on pensions or external income.
- **Income Levels:** Most households earn between 5,000–25,000 ALL/month, indicating financial constraints. Agriculture is no longer a primary income source, with only 6% in Malësi e Madhe earning from land rental.
- **Health & Social Welfare:** Health and healthcare are major concerns, particularly in Vau Dejës (65%). Limited access to social support programs exacerbates vulnerabilities, especially for retirees and unemployed individuals.
- **Education:** Most respondents have completed at least 9 years of schooling, but tertiary education rates are low, particularly in rural areas.
- **Land Ownership:** The project affects diverse land types, with most land privately owned. Female-headed households face unique vulnerabilities, especially in regions with gender imbalances in land ownership.
- **Community Expectations:** Respondents anticipate infrastructure improvements, job creation, and economic growth, though many expect no significant change in their economic situation.

Overall, the affected population faces economic vulnerability, limited access to social services, and reliance on non-agricultural income sources, with mixed expectations for the project's impact. [Section 4](#) of the RP document provides a comprehensive description of the socio-economic context of the project area, as well as the circumstances of affected people and communities.

VII. Entitlement and Compensation Strategy

The Project will acquire land through expropriation per Albanian relevant legislation. However, it was found in a detailed valuation study carried out for this RP that compensation per usual expropriation values would not meet the requirement of international resettlement standards that compensation be at replacement cost. As a result, enhanced values for all affected assets (land, crops, and structures) will be paid at replacement cost as EBRD PR5 requirements.

Details on all rates payable for all types of affected assets are provided in [section 7.7](#) of the RP document.

Any compensation is payable ahead of land being actually taken for the Project. In cases where this is not initially possible (due to absentee landowners, unresolved legal issues, or missing cadastral data) HSH should, upon verification and confirmation of land ownership claims or once the necessary cadastral information is obtained, initiate a supplementary expropriation request to the State Agency of Expropriation (SAE). The SAE will then proceed to draft the necessary amendments to the Project Expropriation Decision issued by the Council of Ministers (DCM), in accordance with applicable legal procedures.

For physical displacement, no demolition will take place unless affected households and businesses have received their compensation at full replacement cost.

Table ES-2: Entitlement matrix

Type of loss	People/entities with rights	Compensation policy
LAND		
Any type of land regardless of severity of loss (whether partial or complete loss), including Orphan Land	Owner with formal title (including those that have a claim to land that is recognized or recognizable under national laws, i.e. AMTP, Form nr.6, etc.)	Cash compensation at replacement costs: market price of property + market price for land infrastructure improvements (i.e. irrigation systems, water management structures, etc.) + moving costs + registration of ownership, administrative and tax fees, if any + transitional allowance
	PAPs without formal title (in possession of land prior to cut-off date)	Compensation: market price for improvements + moving costs
PRIVATE HOUSING AND STRUCTURES		
Any type of structure/building constructed with or without a building permit on one's own plot of land, or on somebody else's land, or state-owned land.	Owners/users with or without formal title	Cash compensation at replacement costs: Structure at market price + Costs of equipment and inventory relocation and re-installation and moving costs + administrative fees needed for the transfer of ownership rights, if any + right to preserve materials without deduction from compensation <i>If immediate accommodation/storage is unavailable, housing/storage rental allowance covering rent for at least 3 months, or more if the rental requirement period is longer.</i>
Damage to farm infrastructure: e.g. irrigation systems, fencing, etc.	Owners or users of the affected infrastructure	Immediate restoration of affected infrastructure (or provision of a temporary alternative where immediate restoration is not viable). Cash compensation for losses incurred as a result of damage to infrastructure.
BUSINESSES		
Loss of profits for businesses owing to the Project activities	Owners of businesses whose access from/to is impeded due to Project activities	Cash compensation for the proportion of lost business during the period of business interruption (income loss) up to: • A maximum of 3 months for temporary loss of business activities; • Until the re-establishment of business/economic activities in another location, a maximum of 12 months for permanent loss of business activities Compensation for legal entities (registered businesses) will be calculated as per the tax declared income. The informal business operators without demonstrable accounting records, compensation will be based on the average national monthly wage for 3 months to restore livelihoods. Transitional support for vulnerable households.
Loss of wages/employment	Workers, formal and casual employees on	Indemnity for lost wages for the period of business interruption up to a maximum of 3

Type of loss	People/entities with rights	Compensation policy
	affected properties, whose incomes and livelihoods are impacted by the Project.	months for temporary loss of business/employment, and from 3-12 months for permanent loss of business (with proven records for social contribution period). Priority in employment on the Project, if possible, and on a case-by-case basis. Transitional support for vulnerable households.
FRUIT TREES AND VINEYARDS		
Fruit Trees and vineyards, being registered or unregistered	Owners/users identified with and without a formal title	Cash compensation at replacement costs.
LOSS OF ACCESS		
Loss of access to usual resources, amenities, and community-held resources	Communities or households	Renewing public services. Restoring access to conveniences or services to previous levels.
TRANSITIONAL ASSISTANCE		
Transitional Assistance, if applicable	Vulnerable Households	Support to register the titles or complete the documentation required for receiving compensation. Possibility for employment. Cash compensation on a one-time basis to net income for one year generated on the impacted land plot/property (if no data on income is available, then the calculation will be based on minimum wage for 12 months). Enrollment in the government social assistance program, if not yet enrolled and applicable.

VIII. Livelihood Restoration and Assistance to Vulnerable People

The livelihood restoration activities are designed to address the specific needs of households losing shelter, businesses losing activity, and vulnerable groups. The focus is on providing compensation, transitional support, and assistance to ensure that affected individuals and businesses can recover and maintain their livelihoods during and after the project's implementation. Special attention is given to vulnerable groups to ensure they are not disadvantaged and can fully benefit from the project's opportunities.

The primary impacts are on structures, including houses and businesses, leading to physical and economic displacement.

1. **Households losing shelter (primary residences):** The project will affect 19 houses, with 5 being primary residences. These households will face physical displacement and loss of shelter.
2. **Businesses losing activity (primary sources of income):** The project will affect 21 businesses, with 9 being primary sources of livelihood. These businesses will face economic displacement and loss of income.
3. **Vulnerable households (e.g., poor, women-headed, elderly-headed, disabled-headed households):** Vulnerable groups are at higher risk of being adversely affected by the project due to pre-existing vulnerabilities or transitional hardships caused by displacement.

Livelihood restoration activities and assistance to vulnerable households will include:

For Households losing shelter:

- Compensation: Full replacement cost for the structures (including transaction costs, without depreciation).
- Housing Replacement Support: Assistance in finding or building replacement housing.
- Financial Transitional Support: Moving costs and rental expenses covered for up to 12 months.

For Businesses losing activity:

- Compensation: Full replacement cost for the structures.
- Income Loss Compensation: Financial support for lost income during business interruption (up to 3-6 months for temporary loss, up to 12 months for permanent loss).
- Wage Compensation: Indemnity for lost wages for employees during business interruption (up to 3-6 months for temporary loss, 12 months for permanent loss).
- Relocation Support: Assistance in finding a replacement location to re-establish business activities.

For Vulnerable households:

- Assistance During Land Acquisition: Individual meetings to explain project information, eligibility, entitlements, and grievance mechanisms. Transportation assistance for plot inspections.
- Support During Payment Process: Help with opening bank accounts, powers of attorney, and understanding compensation agreements.
- Access to Government Benefits: Coordination with authorities to link vulnerable individuals with existing support programs and assistance in submitting applications.
- Employment and Training Support: Assistance in accessing job opportunities created by the project or locally available jobs, as well as job training and skill development programs.
- Income Generation Support: Help in identifying and accessing other income-generating activities or local business opportunities

Implementation of activities

- House and Business Location Replacement: To be managed by a dedicated officer (Community Liaison Officer or similar) during pre-construction works.
- Financial Transitional Support: To be provided by HSH, offering lump-sum payments or monthly disbursements to eligible households and businesses.
- Support to Vulnerable Groups: To be delivered by a team of experts, including social workers and legal advisors, potentially in collaboration with an experienced NGO specializing in assisting vulnerable individuals.

IX. Grievance Management

The Grievance Mechanism (GM) for the Rehabilitation of the Vore-Hani i Hotit Railway Line Project ensures effective and transparent handling of grievances from Project-Affected Persons (PAPs) and other stakeholders, aligning with EBRD policies and Albanian legal frameworks. It aims to provide an inclusive, accessible, and efficient process, particularly addressing concerns related to land acquisition and construction activities.

Key principles include:

- Timely Acknowledgment and Registration: Grievances are logged and acknowledged within seven working days.
- Fair and Transparent Review/Appeal: An impartial reassessment process encourages amicable settlements without judicial intervention.

- **Efficient Processing and Response:** Grievances are resolved within 30 working days, with interim updates for complex cases.

The GM operates through a two-tier system:

- **Tier 1:** Internal resolution by the Albanian Railway's grievance management team.
- **Tier 2:** External review by an independent Grievance Committee, applicable only to construction-related grievances, not land acquisition issues.

This mechanism promotes open communication and collaborative problem-solving, ensuring equal access, no cost to complainants, and timely resolutions. Further details on the GM process, including the steps involved, the grievance form, and contact information, are provided in [section 9](#) of the RP document.

X. Monitoring and Reporting

This document outlines the monitoring and evaluation framework designed to ensure the effective and timely implementation of compensation and resettlement activities for the Albanian Railways (HSH) project. The monitoring process focuses on tracking project inputs and outputs, including activities, finances, documentation, and grievance redress mechanisms. The goal is to ensure compliance with both Albanian laws and international safeguards, particularly the European Bank for Reconstruction and Development (EBRD) Performance Requirement 5 (PR5).

Key Monitoring Activities

- **Internal Monitoring:** HSH will maintain a detailed database to track expropriation and compensation processes, including the status of Project-Affected Persons (PAPs), payment of compensation, and grievance resolution. A dedicated individual will oversee the resettlement process, coordinating with government agencies and municipalities.
- **External Monitoring:** Compensation procedures and payments will be monitored both internally and externally to ensure compliance with EBRD standards.
- **Temporary Land Access:** During construction, the contractor must report any temporary land occupation, with agreements subject to HSH approval to ensure compliance with the Resettlement Plan (RP).

Key Performance Indicators (KPIs)

The monitoring framework includes input and output indicators to assess progress and adjust the work program as needed. Key indicators include:

- **Input Indicators:** Number of consultation meetings, overall spending on compensation, and timing of activities compared to the RP schedule.
- **Output Indicators:** Number of compensation contracts signed, physical displacement and resettlement status, livelihood restoration measures, and resolution of grievances.

Reporting

HSH will prepare progress reports detailing grievances, compensation payments, and any deviations from the RP. Reports will also outline remedial actions, implementation procedures, and additional budgets if required.

This monitoring framework ensures transparency, compliance, and timely resolution of issues, safeguarding the rights and livelihoods of affected individuals while maintaining project integrity. [Section 10](#) of the RP document provides a detailed description of monitoring and reporting procedures.

XI. Implementation Process and Arrangements

This document outlines the institutional arrangements, schedule, and budget for the resettlement process associated with the project, ensuring compliance with the EBRD Environmental and Social Policy and Performance Requirements. The resettlement process is managed by the Project Implementation Unit (PIU) at HSH, which is responsible for coordinating land acquisition, resettlement, and grievance management. The PIU will ensure that affected persons (PAPs) are adequately compensated and that their livelihoods are restored to pre-displacement levels.

Legal Framework:

- The Albanian Constitution prioritizes international agreements ratified by the Albanian Parliament over national laws.
- The Expropriation Law (Article 17(4)) mandates that compensation for expropriated properties be calculated in accordance with the provisions of the ratified international agreement.

Key Responsibilities:

HSH PIU:

- Manages the resettlement plan (RP) implementation, including land acquisition, compensation, and monitoring.
- Coordinates with the State Cadastre Agency, State Expropriation Agency, and municipalities to ensure proper compensation disbursement.
- Strengthens capacity in social matters, including grievance management and stakeholder engagement.
- Ensures timely and full compensation payments to eligible PAPs.

PIU Environmental and Social Expert:

- Supports RP implementation and grievance coordination.
- Organizes stakeholder engagement activities and monitors RP activities.
- Acts as the primary interface for grievance management, ensuring proper investigation, corrective actions, and documentation.

Consultant (PIU Support):

- Provides construction supervisory services and supports environmental and social matters.
- Assists in interim auditing, reporting, and corrective action planning.

Construction Contractor:

- Engages with PAPs through a Community/Social Officer to address concerns related to construction.
- Assesses and compensates for temporary damages to private properties during construction.
- Maintains records of land entry, exit, and compensation agreements.
- Handles grievances related to temporary damages and reports to HSH.

Key Activities:

- Consultations and Disclosure: Ensuring PAPs are well-informed about resettlement and compensation processes.
- Grievance Management: Establishing a transparent and accessible grievance mechanism to address concerns raised by PAPs.
- Monitoring and Reporting: Regular monitoring of RP implementation and reporting to EBRD.

This structured approach ensures that the resettlement process is transparent, equitable, and in line with international standards, minimizing social and environmental impacts while safeguarding the rights and livelihoods of affected individuals.

XII. RP Implementation Budget

The total cost of the RP implementation is estimated at approximately EUR 14.93 million, distributed as follows:

Table ES-3: Summary of RP Implementation budget and its distribution by category

#	Topic/Item	Estimated cost	
		ALL	EUR ¹
1	Compensation for land privately owned (status confirmed by State Cadastre Agency data)	348,275,408	3,553,831
2	Compensation for crops (all PAPs categories, regardless of land ownership status)	224,611,325	2,291,952
3	Compensation for the structures (all houses, businesses, and auxiliary buildings, regardless of their legal status)	376,986,823	3,846,804
TOTAL EXPROPRIATION COST (SUM 1)		949,873,556	9,692,587
4	Transaction costs	44,100,000	450,000
5	Transitional support costs	30,870,000	315,000
TOTAL ADDITIONAL SUPPORT COST (SUM 2)		74,970,000	765,000
6	Compensation for state land with private claims and privately owned/claimed properties that remain unaffected due to cadastral issues.	438,064,417	4,470,045
TOTAL AMOUNT FOR DCM AMENDMENTS (SUM 3)		438,064,417	4,470,045
TOTAL RP IMPLEMENTATION BUDGET (SUM 1+2+3)		1,462,907,973	14,927,632

The RP document's [sections 11.2](#) and [11.3](#) contain more information on the budget distribution and the RP implementation schedule, respectively.

¹ Exchange rate: 1 EUR = 98 ALL (the average rate for the 4th quarter of 2024)

1. Introduction

1.1. Project overview and context / Project background

The Rehabilitation of the railway line Vore – Hani i Hotit (the “Project”) is part of the indicative extension of the TEN-T Core Network in the Western Balkans. This is Albania’s international rail link to the regional and European railway networks through the pan-European Corridor X.

The project aims to expand Albania’s freight and passenger railway network by integrating it into the Trans-European Transport Network (TEN-T) core network. This will enhance connectivity from Albania’s port of Durrës to neighboring countries. Specifically, it will establish a railway link from Albania to Montenegro, connecting onward to Serbia (via Tuz/Podgorica and Belgrade) and integrating with Corridor X/Orient East-Med Corridor. Future connections are planned with North Macedonia, Greece, and the Eastern Balkans, facilitating transit freight movement between Italy, Western Europe, and the Balkans.

The Government of Albania received from WBIF a grant for the preparation of the “Detailed Design” (DD) and the Environmental Impact Assessment study” for the Project. The promoter is the Ministry of Infrastructure and Energy (MIE). The beneficiary is the whole country, as the project will improve the railway traffic for about 1,000,000 inhabitants. The implementation agency is the state-owned company Albanian Railways (“Hekurudha Shqiptare” or “HSH”), which has undertaken an investment program over eight to ten years to ensure full interoperability with the European network and to raise the general operative standards.

The lead International Financial Institution (IFI) is the European Bank for Reconstruction and Development (the “EBRD” or the “Bank”), which is providing a financing for up to EUR 98.75 million to the Republic of Albania (the “Borrower”), which will be on-lent to Hekurudha Shqiptare (“Albanian Railways”, “HSH”, the “Company” or the “Client”), the railway operator of the Albanian railway system which is fully owned by the state via the Ministry of Finance and Economy (“MFE”).

The Loan will be used to fund the rehabilitation and electrification of Albania’s only railway connection with neighbouring countries, the 120.2 km railway line from Vore to Hani i Hotit on the Montenegrin border (the “Project”)².

As the Project will require land acquisition and involve physical/economic displacement a Resettlement Plan shall be prepared. Therefore, the Bank/Client has engaged Abkons sh.p.k (the “Consultant”) to prepare and support implementation of a Resettlement Plan (RP or “Plan”) in compliance with EBRD’s 2019 Environment and Social Policy (“ESP”) and its Performance Requirement (“PR”) number 5 covering Land Acquisition, Restrictions on Land Use and Involuntary Resettlement (the “Assignment”). The ultimate goal of such a Plan is to identify all affected people and assets and to detail the eligibility criteria and compensation process along with other key requirements in compliance with national legislation and EBRD’s standards.

In 2021, HSH, with the assistance of an external consultant (ESIA consultant), prepared the Land Acquisition and Resettlement Framework (LARF), as part of Environmental and Social Impact Assessment (ESIA) package for the project. The ESIA³ package, including LARF⁴, was subsequently revised by another external consultant and approved by the EBRD in July 2022. The approved LARF will serve as the basis for developing this Project’s Resettlement Plan.

² <https://www.ebrd.com/work-with-us/projects/psd/53468.html>

³ [ESIA report \(revised July 2022\)](#)

⁴ [LARF report \(revised July 2022\)](#)

1.2. Project description

The overall objective of the Project is the rehabilitation of the Railway Line Vorë - Hani Hotit, to enable the provision of transport services and increased safety and speed to EU standards, as well as implement the EU acquis and meet IFI requirements.

The project area extends in the Western Lowland of Albania. The railway crosses a flat terrain dominated by agricultural lands and of a dense network of roads, commercial facilities, and suburban residential areas. As per the Albanian administrative division⁵, the railway line traverses the territories of seven municipalities (Vore, Kruje, Kurbin, Lezhe, Vau Dejes, Shkoder, and Malesia e Madhe).

The planned railway track generally follows the existing line. The improved realignment affects only some short sections, which are located almost joint to the existing track and therefore they do not affect the extent of the geographical location of the project area.

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

The railway line crosses seven rivers (Ishmi, Droja, Mati, Drini of Lezhe, Gjader, Drini, and Kiri) and several streams. Some agricultural plots on both sides of the existing railway line are often inundated during heavy rainfalls (e.g. left side of Ishmi River, and north of Lezhe town).

The crossed area is often affected by uncontrolled urbanization that has led also to informal constructions near the railway (e.g. Shkoder and Malesia e Madhe municipalities). Numerous unauthorized local roads and pedestrian paths constitute a risk to cars, humans, and farm animals that cross the railway line.

Figure 1 below shows the railway line location in the topographical map at 1:100.000 scale.

⁵ Law no 115/2014, dated 31.07.2014 "On the administrative-territorial division of local government units in the Republic of Albania. The administrative reform, the ongoing implementation of which began in 2015, was associated with shifts of power from the national level to the local level. Reorganization of LGUs addressed the unnecessary fragmentation of development efforts, experienced before with 373 municipalities and communes. Territorial division is available under the <https://akpt.maps.arcgis.com/apps/webappviewer/index>.



1.3. Key project components

The project aims to achieve significant improvements in transportation speed and safety by implementing a comprehensive set of project components and technical upgrades:

A. Speed Improvements, achieved by:

- Upgrading track alignment (horizontal and vertical) to support speeds of 100-120 km/h and prevent inundation.
- Replacing and rehabilitating superstructure components (ballast, sleepers, tracks) and substructure components (sub-ballast, subgrade).
- Improving structural elements (culverts, retaining walls, underpasses, overpasses, bridges, Lezhe tunnel).
- Securing level crossings through reduction, rehabilitation, or interlocking.
- Constructing service roads alongside the railway for local access and to prevent unauthorized crossings.
- Enhancing interlocking and telecommunications to incorporate into a centralized traffic control (CTC) system.
- Installing fencing along the line where applicable and exploring alternatives to physical fencing.
- Rehabilitating/reconstructing railway stations.

B. Safety Enhancements, delivered by:

- Installing a new signalling and telecommunications system.
- Fencing the entire railway line.
- Protecting all level crossings with automatic barriers and signals.
- Providing appropriate facilities for persons with disabilities.

C. Safety Management during operation, in accordance with the EU Directive for Railway Safety:

- A comprehensive safety management system will be established.
- Regular vehicle maintenance inspections will be conducted throughout the railway's operation.
- Common Safety Indicators (CSI) related to infrastructure safety will be implemented and monitored to ensure ongoing compliance and technical safety.

1.4. Main construction activities

Due to the considerable length of the Vore-Hani i Hotit railway line, the entire line has been divided into four sections for study purposes in the preparation of the detailed design, as follows:

Table 1: Sections of Vore-Hani i Hotit railway line

No	Section	Length (km)	Start (km)	End (km)
1	Vore - Gjorm	27.80	20+620	48+420
2	Gjorm - Lezhe	20.36	48+420	68+780
3	Lezhe – Shkoder	35.56	68+780	104+340
4	Shkoder – Hani i Hotit	35.74	104+340	140+080

The main construction activities for each section are described in the following sections, organized by project components and types of intervention.

1.4.1. Railway line horizontal alignment

The existing railway line horizontal alignment will be improved to allow the required design speed. The horizontal curve improvements and the required design speed are shown in the table below.

Table 2: Railway line horizontal alignment

No	Section (from km to km)		Length (m)	Existing Curve Radius	New Curve Radius	Minimum Design Speed (km/h)
1	22+915	23+600	685	300	850	120
				300	600	
2	54+400	55+700	1300	480	600	100
				300	300	
3	66+800	67+300	500	480	500	105
4	69+200	69+500	300	550	750	120

Section 1: Vore – Gjorm

In this section, the proposed railway alignment improvements include the construction of three retaining walls to protect existing installations and nearby houses. These horizontal adjustments also facilitate a secured level crossing at km 23+408, which connects the northern area of the rehabilitated railway to national road SH52, providing access to Budull, Fushe-Kruje, and Tirana International Airport Mother Teresa.

Section 2: Gjorm – Lezhe

Between Milot station and the Mati River bridge, the existing alignment includes a 300 m horizontal curve, corresponding to a design speed of 80 km/h. This alignment meets operational requirements, given its proximity to Milot station, and aligns with plans to rehabilitate the station's existing buildings rather than demolishing them.

On both sides of the Lezhe tunnel, the alignment has a horizontal curve of R=350 m, supporting a minimum design speed of 80 km/h. The proposed alignment respects this existing curve due to the nearby station. Additionally, following Lezhe 1 station, the existing 199 m-long tunnel (constructed around 1985) includes a curve with a 340 m radius.

Section 3: Lezhe – Shkoder

Currently, the Drini and Kiri River bridge foundations support both rail and road transport. These bridges will not be demolished; instead, new bridges will be constructed downstream, parallel and within 10 m of the existing structures. This construction will require minor adjustments to the horizontal alignment.

Section 4: Shkoder – Hani i Hotit

A minor horizontal alignment adjustment is planned near the existing Kiri River bridge. Overall, the existing rail line features appropriate longitudinal gradients and characteristics for a design speed of 120 km/h, with a maximum longitudinal gradient of 0.9%. The proposed railway line includes localized corrections to support efficient area drainage and address settlement issues, without affecting existing level crossings and overpasses.

1.4.2. Railway line vertical alignment

The proposed vertical alignment follows, in general, the existing railway alignment and improves the existing conditions, as confirmed through the ground elevation measurements.

Section 1: Vore – Gjorm

In the Ishmi Bridge (B01) area, the railway's vertical alignment will be raised by approximately 0.60 m to enhance flood protection and provide adequate freeboard for a new bridge replacing the earthquake-damaged structure over the Gjola River. Between km 41+053 and km 42+023, the alignment will also be raised for improved flood resilience, including up to 1.85 m near the Droja Bridge, which will be replaced to meet structural standards.

A profile correction near Mamurras station will raise the alignment by up to 0.85 m from km 43+667 to km 44+400. Culverts will be replaced to address settlement issues and accommodate the increased

rail line width. Enhancements to bridge conveyance capacity, drainage channels, and culvert diameters will prevent agricultural flooding, ensuring only temporary inundation during heavy, prolonged rains. Additionally, larger culverts will reduce sedimentation and provide safe passage for local farmers across the railway line.

Section 2: Gjorm – Lezhe

In this section, the railway line generally follows flat terrain, allowing the existing rail line to support a design speed of 120 km/h with suitable gradients. Near stations, the gradient remains below 0.25%. Service roads from km 70 to km 80 meet the C2 National Standard, permitting temporary inundation during heavy rain.

Section 3: Lezhe – Shkoder

In this section, the design includes local adjustments to improve area drainage and address settlements, with no impact on level crossings or overpasses. From km 72+000 to km 84+000, the vertical alignment is raised to prevent flooding during heavy rains, supported by box culverts (2x20m, 3x2m and 4x2.5m) to enhance flood protection, drainage, and ease of cleaning. The box culverts, including two additional ones at km 73+658 and km 74+076, also allow safe passage for farmers and livestock across the line. Additionally, improvements to drainage channels on both sides of the railway reduce the risk and duration of agricultural flooding during flash floods.

Section 4: Shkoder – Hani i Hotit

There is no planned any vertical alignment improvement within this section.

1.4.3. Road crossings and local roads network

The project has made the best use of all grade-separated existing crossings and identified the preferred solution for restoring network connectivity in each area separated by the rehabilitated railway line (which will be fenced).

Section 1: Vore – Gjorm

The intervention for road crossings and the local road network in Section 1 covers:

- Vore - Budull: Km 20+200 to Km 28+500 (eastern side of railway)
- Budull - Ishmi Bridge B01: Km 28+500 to Km 35+100 (eastern side of railway)
- Ishmi Bridge B01 - Thumane Bridge: Km 35+100 to Km 38+350 (both sides of railway)
- Thumane Bridge - Droje Bridge: Km 38+300 to Km 41+800 (both sides of railway)
- Droje Bridge B02: Km 41+800 to Km 44+800 (eastern side of railway)
- Bridge Br15 - Gjorm Station: Km 44+800 to Km 48+000 (eastern side of railway)

Four bridges in this section will be demolished and rebuilt at the same locations. Existing bridges, although designed to support loads equivalent to 22.5 ton/axel, are severely deteriorated and their width does not comply with the typical 6.0 m required by the TEN-T standards. Moreover, they do not support the future electrification of the railway line.

A total of 14 level crossings⁶ and 42 local service roads⁷ are proposed for the Vore – Gjorm railway line.

All service roads will be Type 2 (non-paved), except for the segment between km 20+778 and km 22+247, which will be paved. Road widths will be 4.0 m with 0.75 m wide shoulders.

An overpass at km 20+771 will allow grade-separated crossings for adjacent railway lines (Durrës–Tirana–Airport and Vore–Hani Hotit) and the important road branch Rruga Hekurudha serving station

⁶ Table 2.1 in Appendix 2.1.1 of the ESIA Report presents the complete list of the proposed secured level crossings and type of the crossed roads for Section 1: Vore to Gjorm.

⁷ Table 2.2 in Appendix 2.1.1 of the ESIA Report presents the complete list of the proposed new local and service roads for Section 1: Vore to Gjorm.

traffic. The road underpass at km 22+240 will serve as the only link between Marqinet and Sharge Villages and the national road; however, its limited height will restrict access for high trucks.

The railway line will cross the Ionian-Adriatic highway near the Gjola River Bridge at km 40+343, using the existing overpass with national road E-762. It will also intersect the Ionian-Adriatic pipeline at km 38+800.

Section 2: Gjorm – Lezhe

The intervention for road crossings and the local road network in Section 2 covers:

- Gjorm Station - Mati - Miloti Bridge: km 48+400 to km 55+700 (both sides of railway)
- Mati - Miloti Bridge - Bridge after Lezhe Tunnel: km 55+700 to km 69+700 (both sides of railway)

In total, 9 level crossings⁸ and 11 local service roads⁹ are proposed for the Gjorm–Lezhe railway section. All service roads are Type 2 (non-paved), with a width of 4.0 m and 0.75 m wide shoulders.

Section 3: Lezhe – Shkoder

The road crossing and local road network interventions in Section 3 include:

- Converting three bridge crossings into underpasses to facilitate traffic,
- Building a new underpass at km 95+691,
- Maintaining two existing overpasses, unaffected by the project,
- Securing the selected level crossing.

These changes will improve railway and road traffic flow and enhance safety for vehicles and pedestrians, adding positive value to the project. Any potential land acquisition related to the new underpass at km 95+691 should be considered.

In total, 12 level crossings¹⁰ and 43 local service roads¹¹ are proposed for the Lezhe–Shkoder railway section. All proposed service roads are Type 2 (non-paved), with a width of 4.0 m and 0.75 m wide shoulders.

Section 4: Shkoder – Hani i Hotit

In total, 17 level crossings¹² and 41 local service roads¹³ are proposed for the Shkoder – Hani i Hotit railway section. All proposed service roads are Type 2 (non-paved), with a width of 4.0 m and 0.75 m wide shoulders.

1.4.4. Stations

Based on the design results of the proposed railway stations, the characteristics of each station are presented in the table below. There are a total of 13 stations consider in the design, of which only one (Lezhe 2) is a new addition, requiring both a new location and a new building. The remaining stations already exist; they will either be reconstructed in their current locations or demolished and rebuilt, with possible slight shifts in position within the station area boundaries owned by HSH.

⁸ Table 2.3 in Appendix 2.1.2 of the ESIA Report presents the complete list of the proposed secured level crossings and type of the crossed roads for Section 2: Gjorm – Lezhe.

⁹ Table 2.4 in Appendix 2.1.2 of the ESIA Report presents the complete list of the proposed new local and service roads for Section 2: Gjorm – Lezhe.

¹⁰ Table 2.5 in Appendix 2.1.3 of the ESIA Report presents the complete list of the proposed secured level crossings and type of the crossed roads for Section 3: Lezhe – Shkoder.

¹¹ Table 2.6 in Appendix 2.1.3 of the ESIA Report presents the complete list of the proposed new local and service roads for Section 3: Lezhe – Shkoder.

¹² Table 2.7 in Appendix 2.1.4 of the ESIA Report presents the complete list of the proposed secured level crossings and type of the crossed roads for Section 4: Shkoder – Hani i Hotit.

¹³ Table 2.8 in Appendix 2.1.4 of the ESIA Report presents the complete list of the proposed new local and service roads for Section 4: Shkoder – Hani i Hotit.

Table 3: Stations and their proposed characteristics

No.	Station Name	Characteristics
1	Budull	Budull station will be relocated approximately 160 meters south, positioned just beyond km 28+488. This shift enables the existing level crossing, which will be secured, to operate outside the station's rail boundaries, improving both safety and traffic flow. The new station layout includes a 450-meter-long passenger track and a 700-meter-long cargo track, accommodating various transit needs. Additionally, a new parking area and a platform measuring 150 x 4 meters are planned, with partial covering for passenger convenience. These enhancements are designed to optimize station functionality and accessibility.
2	Ishmi	Ishmi station will be relocated approximately 250 meters north, allowing the existing road level crossing, which will be secured, to operate outside the station's fenced area. The updated station layout will feature a 480-meter passenger track and a buffer track. The station perimeter will be fenced, with provisions for adding an additional cargo track in the future. Plans also include a new parking area, a partially covered 150 x 4-meter platform, and a new station building, all designed to enhance passenger experience and prepare for future expansion.
3	Mamurras	Mamurras station will be relocated approximately 60 meters north, allowing the existing road level crossing at km 43+667, which will be secured, to remain outside the station's fenced area. The updated station will include a 480-meter passenger track and a buffer track, along with plans for a new parking area, a partially covered 150 x 4-meter platform, and a new station building. The station will be fenced, with provisions for a future additional cargo track, enhancing both functionality and future expansion potential.
4	Gjorm	Gjorm station is a dedicated freight station which will be equipped with three 750-meter cargo tracks and a 100 x 4-meter platform designed for cargo operations. The station's fencing layout allows for the addition of three more cargo tracks in the future, ensuring scalability to meet growing demand.
5	Lac	Lac station will remain at its existing location, featuring a 400-meter passenger track. Plans include a new parking area and a partially covered platform measuring 150 x 4 meters. The station's fencing design will also accommodate a future cargo track, allowing for potential expansion.
6	Milot	Milot main station will remain at its current location, featuring a 650-meter passenger track, two 750-meter cargo tracks, and a buffer track designated for a future connection to the industrial area. The existing building of Milot station will not be demolished; instead, it will be reconstructed to enhance its functionality and appearance. The station will be fenced with space allocated for additional cargo tracks and future development. Plans also include a new parking area and a partially covered platform measuring 150 x 4 meters, enhancing passenger and cargo operations while allowing room for expansion.
7	Lezhe 1	Lezhe 1 station will remain at its current location, featuring a 650-meter passenger track and a 750-meter cargo track. Plans include a new parking area, a partially covered 170 x 4-meter platform, and the reconstruction of the existing building to enhance station facilities. The existing building of Lezhe 1 station will not be demolished; instead, it will be reconstructed to enhance its functionality and appearance.
8	Lezhe 2	A new station, Lezha 2, will be constructed within the future Lezhe Industrial Area, featuring a 450–800-meter combined passenger/cargo track for local use and cargo operations, a 950-meter cargo track, and provisions for a future connection to

No.	Station Name	Characteristics
		Shengjin Port. Lezhe 2 is designed only as a freight station. The station will be fenced to secure HSH land and allow for an additional cargo track in the future. The design includes a new parking area, a partially covered 150 x 4-meter platform, and a new station building. The existing road crossing will initially be used, with an option to replace it with an overpass at the same location if needed.
9	Baqel	Baqel station will be constructed at the existing location, featuring a 460-meter passenger track and a buffer track. The station will be fenced to secure HSH land and accommodate an additional cargo track in the future. Plans include a new parking area and a partially covered 150 x 4-meter platform. The existing road crossing will remain in use, with an option to replace it with an overpass at the same location if needed.
10	Mjede	Mjede station will remain at its current location, featuring a 570-meter passenger track, three cargo tracks with a useful length of 900 meters, and a buffer track, along with provisions for a future railway connection to Kosovo. To protect the existing HSH land, the station will be fenced to accommodate additional cargo tracks and facilities in the future. Plans include a new parking area, a partially covered platform measuring 200 x 4 meters, and the reconstruction of the existing building to enhance overall functionality.
11	Shkoder	Shkoder station will remain at its existing location, featuring two 500-meter passenger tracks, one 700-meter cargo track, and a buffer track. Plans include a new parking area and two partially covered platforms measuring 200 x 4 meters, connected by an underpass. Ramps will be incorporated to ensure accessibility for individuals with disabilities. Additionally, the existing building will be reconstructed, with options for various services to be administered by HSH. The station will be fenced to protect the current HSH land property and accommodate future developments.
12	Koplik	The existing building of Koplik station will be demolished, and a completely new station will be constructed, incorporating enhanced features for improved functionality and appearance. Koplik station will be relocated approximately 400 meters north, towards Bajze station, to allow for the existing road level crossing to be secured. The new station will feature a 450-meter passenger track, a 750-meter cargo track, and a buffer track, providing a connection to the existing railway quarry yard. Additionally, plans include a new parking area, a partially covered platform measuring 150 x 4 meters, and a new station building.
13	Bajze	Bajze station will be constructed at its existing location, featuring a 550-meter passenger track, four cargo tracks with a useful length of 750 meters, and a buffer track. The existing building of Bajze station will not be demolished; instead, it will be reconstructed to enhance its functionality and appearance. To protect the current HSH land property, the station will be fenced to allow for the future addition of more cargo tracks and facilities. Plans also include a new parking area and a partially covered platform measuring 200 x 4 meters, along with the reconstruction of the existing building. The existing road crossing will remain in place, with the option to convert it into a road overpass at the same location in the future. Additionally, a customs presence is anticipated at this station.

All the railway stations that have differences in the elevation between the platform and the parking areas are designed with ramps and/or elevators for disabled persons. Besides, there are designed dedicated

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parking areas for this category of persons. Additionally, inside the station buildings there are designed dedicated spaces and other facilities for this category of persons and women with young children.

The figures below illustrate the general layout and 3D view of the stations. The layout and design typology for the single-floor buildings of the smaller railway stations are consistent. Stations such as Budull, Gjorm, Bagel, and Koplik share a similar design to Ishim Station (Figures 2-3).

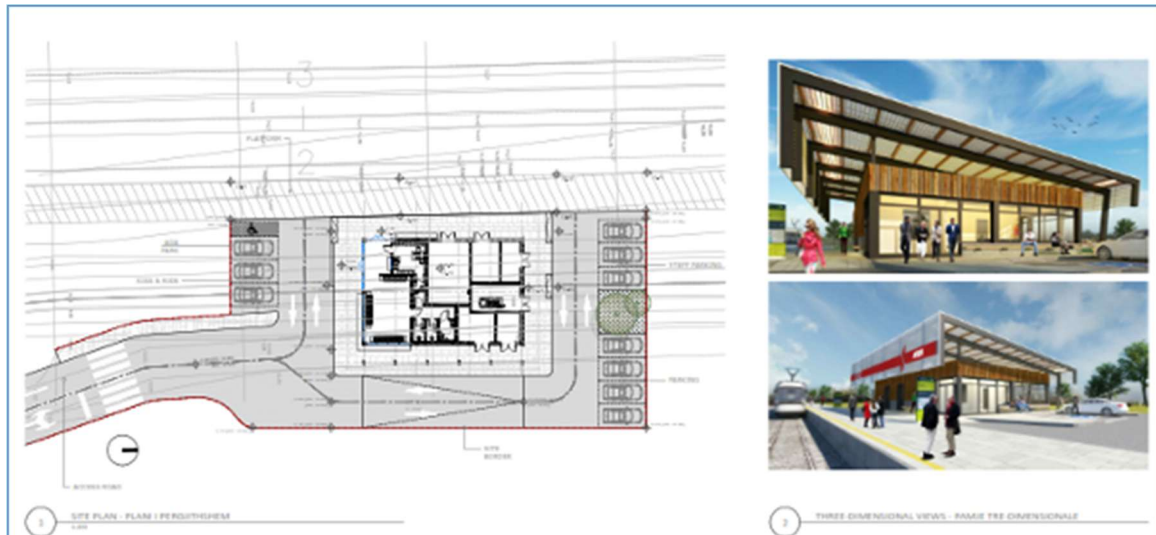


Figure 2: General layout and 3-D view of Ishim station



Figure 3: General layout and 3-D view of Lac station

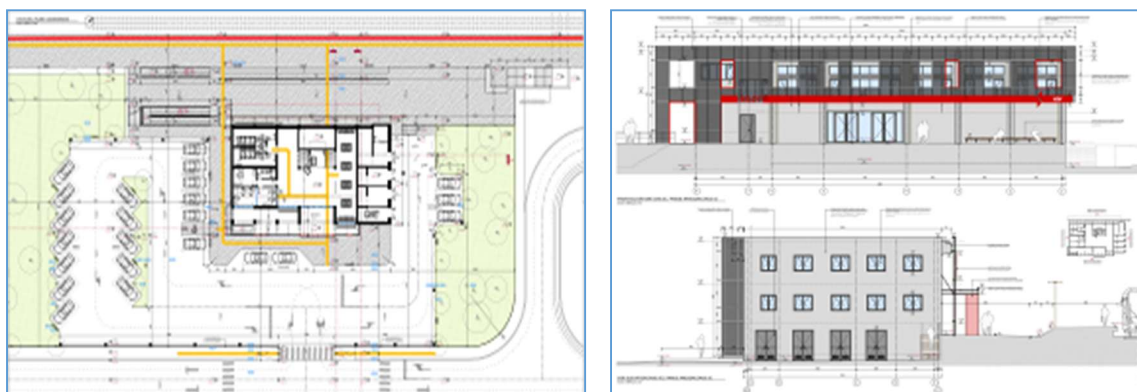


Figure 4: General layout and 3-D view of Milot station

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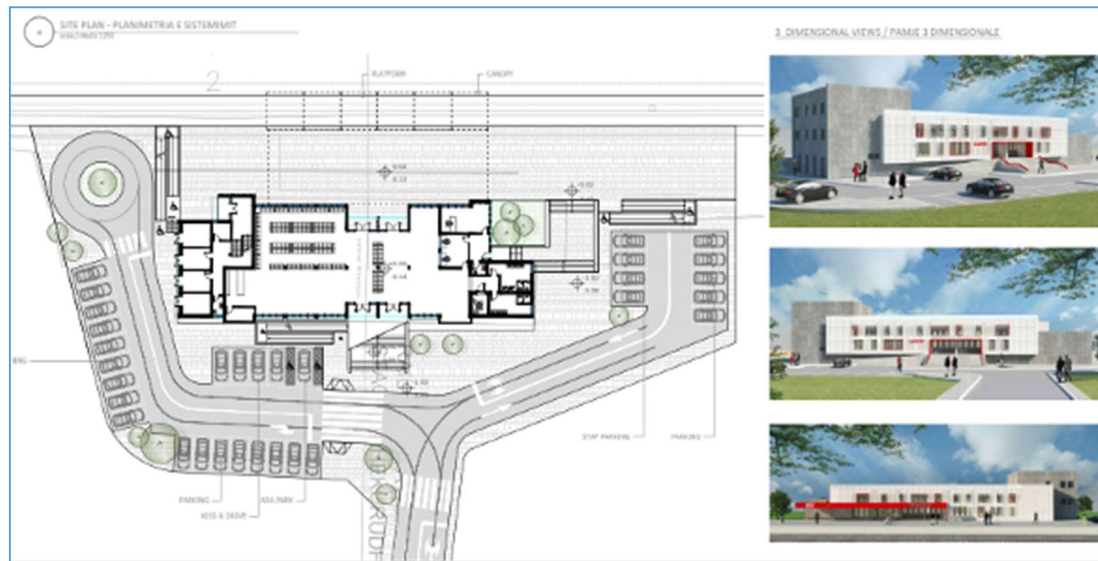


Figure 5: General layout and 3-D view of Lezhe 1 station

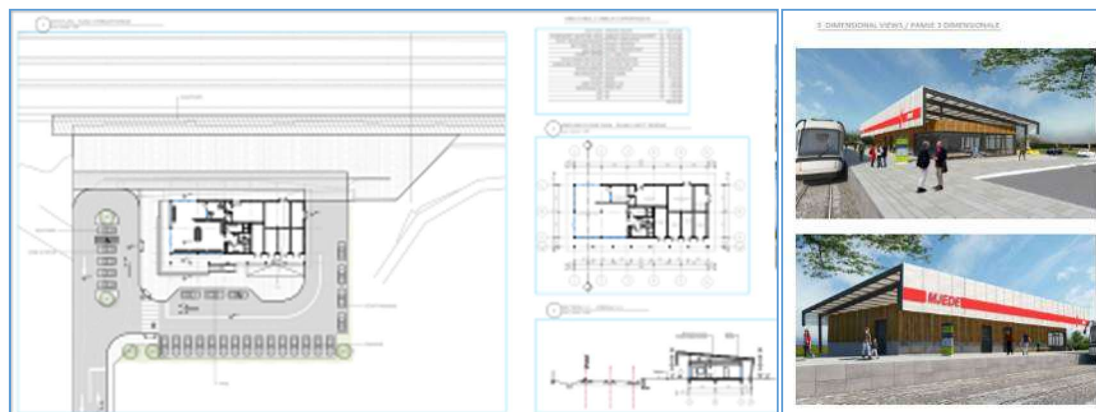


Figure 6: General layout and 3-D view of Mjete station

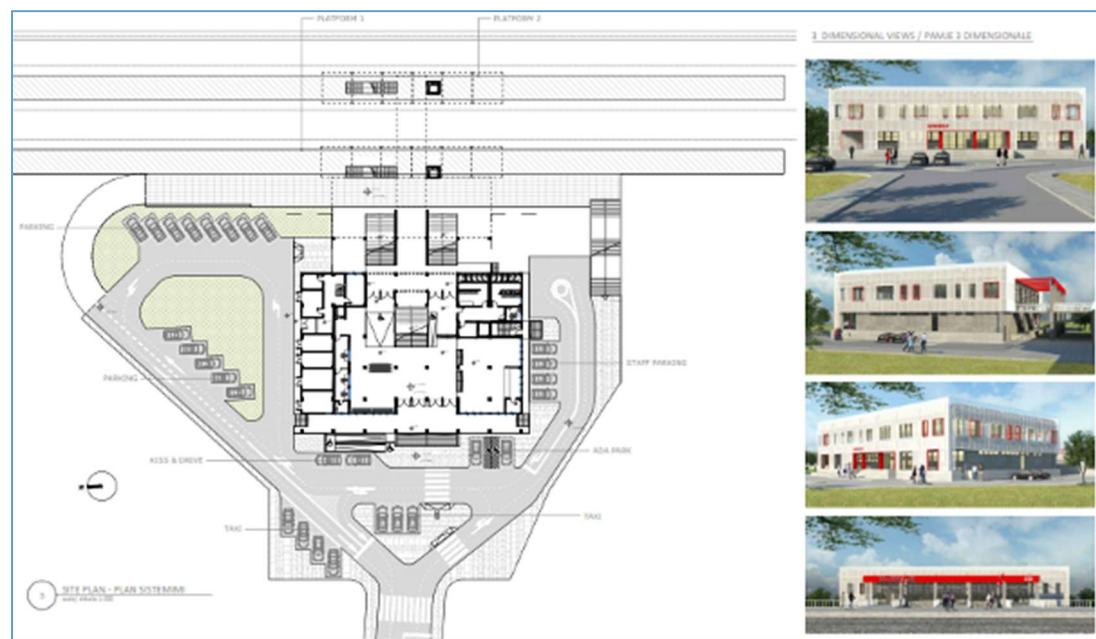


Figure 7: General layout and 3-D view of Shkoder station

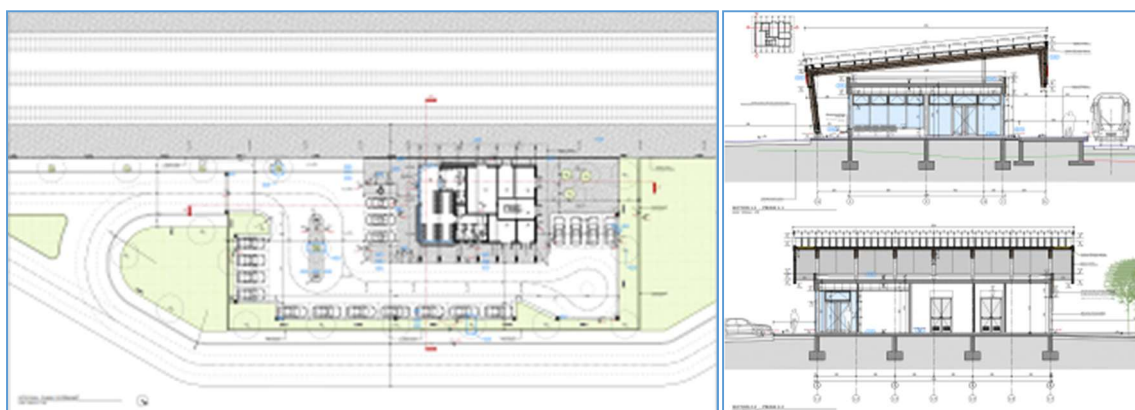


Figure 8: General layout and 3-D view of Koplik station

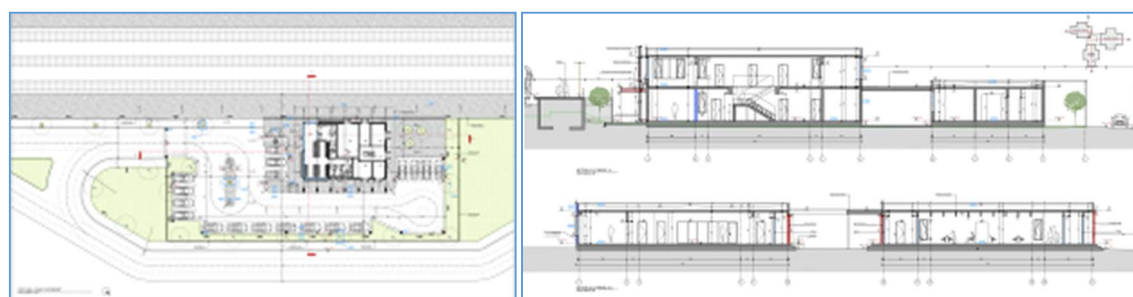


Figure 9: General layout and 3-D view of Bajze station

1.4.5. Other planned interventions

1.4.5.1. Geotechnical conditions

In general, the geotechnical conditions of the existing railway embankment did not pose any major problems that would justify the evaluation of an alternative corridor.

The Project design plans to remove all the railway body filling and reuse it again after adding additional limestone material. Besides, two geotextile layers will be installed in the section from Km 20+560 to Km 90+000 (Vore to Drini River).

1.4.5.2. Bridges and Culverts

Major Bridges

Nearly all of the existing major bridges will be demolished and replaced with new ones built at approximately the same locations. Existing bridges, although designed to support loads equivalent to 22.5 ton/axel, are severely deteriorated and their width does not comply with the typical 6.0 m required by the TEN-T standards. Moreover, they do not support the future electrification of the railway line.

However, the Mati and Kiri bridges will remain intact due to their dual functionality, serving both road and railway transport. At the crossings of the Mati and Kiri Rivers, new bridges will be constructed parallel to the existing ones. The Spathari 1 and 2 bridges will also be preserved because they serve as hydro-technical structures, functioning as both embankments and railway bridges. The table below provides a list of the major bridges.

Table 4: Major bridges

Code	Bridge's name	Chainage	Existing Length
B01	Ishmi bridge	35+071	210.00m
B02	Droja bridge	41+834	70.10m
B03	Mati–Miloti bridge	56+097	781.21m

Code	Bridge's name	Chainage	Existing Length
B04	Lezhe bridge 1	67+757	140.10m
B05	Lezhe bridge 2	69+679	90.10m
B06	Spathara bridge 1	94+458	108.10m
B07	Spathara bridge 2	94+939	248.35m
B08	Kiri bridge	102+980	144.10m
B09	Vraka bridge	111+547	47.44m
B10	Rjolli bridge	118+044	118.45m
B11	Banushi bridge	120+977	70.10m
B12	Perroi i thate bridge	127+092	70.10m

Minor Bridges

Roughly, 74 minor bridges are planned within the whole railway line. Most of them will replace the existing ones, which will be demolished. The design has added some new small bridges in new locations¹⁴.

Culverts

In total 304 box and pipe culverts will be built. They will replace the existing ones, which will be demolished.

The diameter size of the box culverts will be 2x2, 3x2, and 4x2.5m. The new box culverts, designed with larger dimensions, will facilitate the passage of farmers and livestock beneath the railway line in agricultural areas and will be easier to maintain, effectively preventing sedimentation. While the diameter size of the pipe culverts will be 1.2m. The diameter size of the existing pipe culverts is from 0.6 to 1.2m.

1.4.5.3. Retaining walls

The retaining walls are designed to protect against erosion, including erosion caused by rivers and streams. All existing retaining walls will be demolished and replaced with new structures. In total, 58 retaining walls¹⁵ will be rehabilitated or newly constructed along the entire railway line.

1.4.5.4. Fencing

The existing railway line is currently unfenced, posing a risk to pedestrians and livestock that may cross at any point. This project includes fencing the entire railway line, covering both stations and open sections.

Two types of fencing are planned:

- **Open Line Fencing:** 1.90 meters in height, using a combination of barbed and smooth wires.
- **Station Fencing:** 2.20 meters in height, with smooth wires only.

The mesh size is generally 5 cm to ensure durability. To allow small and medium-sized wildlife (e.g., rabbits, golden jackals, badgers, and red foxes) to cross safely, 20 cm openings will be incorporated every 100 meters, particularly along the shrubby area (km 132+600 to km 135+700), where the railway belt and drainage channels are used as habitats. The same mesh size will apply across the shrubby and agricultural area from km 135+700 to km 138+500, outside the Nature Park.

From km 139+000 to km 140+000, fencing will be installed only on the right side of the railway, as the left side is bordered by a retaining wall separating the railway from the motorway.

¹⁴ Table 2.9 in Appendix 2.2 of the ESIA Report presents the complete list of the proposed minor bridges, including their location and span.

¹⁵ Table 2.10 in Appendix 2.3 of the ESIA Report presents the complete list the planned retaining walls, including the location and length

Albanian Railways, as the owner and operator, will be responsible for the maintenance of the railway fencing.

1.4.5.5. Noise barriers

Noise protection barriers will be built along 14 short sections¹⁶ of the railway line. The ESIA report lists all noise-sensitive areas (e.g., schools, hospitals, religious sites) near the railway, along with their distances from the line. Local residents in areas where barriers will be installed were consulted during the planning process.

Noise barriers have been consulted with all the local people living in vicinity of the railway line sections where such barriers will be installed. Several consultation meetings have been held during the preparation of the detailed design (2019 to 2021). Details are described in the Minutes of Meetings, which are inserted as an appendix to SEP¹⁷.

1.4.5.6. Signalling and Telecommunication

The current communication system relies on analog telephony, lacking clocks, timetables, and speakers at stations. Some level crossings remain unsecured, and those with barriers are manually operated by attendants who rely on sound signals from passing trains. Railway employees frequently use cell phones for communication, which raises the risk of accidents in the event of mobile signal failures.

The project includes the installation of a comprehensive signalling and telecommunication system along the entire railway line. Communication will be supported by optical cables, radio antennas at all stations, and surveillance cameras at key locations.

1.5. Summary of project impacts

The implementation of the project will result in both permanent and temporary acquisition of private land. In total, approximately 270 hectares of land will be affected by construction activities, of which around 12% (34 hectares) is private land, according to the cadastral data available at the time of writing this Resettlement Plan. Additionally, crops and structures will be affected. The impacts of the project will result in both physical and economical displacement of affected people.

Field surveys conducted for the project have identified the following expected impacts:

Loss of Land: Approximately 34 ha of private land will be permanently acquired by project ([section 6.1](#)).

Loss of Crops: The project will result in the permanent loss of annual and perennial crops ([section 6.2](#)).

Loss of Structures: Houses, businesses, auxiliary buildings and outer structures/assets will be affected by the project (see [section 6.3](#)).

Temporary Losses: Temporary loss of private land is not anticipated. However, during the construction phase, contractors will require additional land for activities such as machinery storage, construction materials, and temporary offices. Publicly owned land will be prioritized for these purposes. If privately owned land is needed, it will be obtained through voluntary lease agreements. Temporary losses of assets, such as perimeter walls or fences on affected properties, will occur. In such cases, the project will provide in-kind compensation, and the contractor will rebuild the affected walls or fences at the project's expense.

Loss of Access to Properties: The project will construct new access roads to prevent the permanent loss of access to properties. However, during the field surveys, some cases ([section 6.4](#)) were identified where access loss is likely to occur after project implementation. The contractor shall evaluate each

¹⁶ Section 6.2.2, in the *Impacts and Mitigations* chapter of the ESIA report, outlines the locations and recommended types of noise barriers.

¹⁷ [Stakeholder Engagement Plan](#)

case individually, identify any additional cases, and inform HSH accordingly. During the construction phase, the contractor must ensure uninterrupted access to all properties at all times.

“Orphan” lands: In some cases, small strips of land between the railway line and the access road may remain unaffected. This document provides the criteria for assessing the orphan land. The potential cases should be assessed individually by the construction contractor to determine whether the remaining land is viable for use. If the land is deemed non-viable, it can be expropriated upon the request of the Project-Affected Persons (PAPs) and compensated at replacement cost based on the property type.

Other Impacts: Temporary environmental and social impacts are expected to affect communities near the intervention area during construction and operation. These include vibrations, air and noise pollution, increased traffic, and other disturbances. The contractor will mitigate these impacts by implementing the measures outlined in the Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), and the requirements specified in the environmental permit issued under Albanian law.

Below is a tabular overview presenting the analysis of the project's impacts at both quantitative and percentage levels.

Table 5: Summary of key impacts

#	Topic	Quantity	
		Area (ha)	%
1	Total affected area	270	100%
1.1	Privately owned properties	34	12%
1.2	State-owned properties	183	68%
1.3	Properties with no information provided so far by SCA	53	20%
		Number	%
2	Total number of affected properties	3024	100%
2.1	Privately owned properties	993	33%
2.2	State-owned properties with users claiming land ownership	372	12%
2.3	State-owned properties with users not claiming land ownership	197	7%
2.4	State-owned properties without users or private land ownership claims	1,005	33%
2.5	Properties with no information provided so far by SCA	457	15%
		Area (ha)	%
3	Agricultural land (arable land, orchards, vineyards, etc.)	69	26%
4	Urban land (construction land)	15	6%
5	Natural Land (forest, pastures, meadows, rivers, streams, etc)	38	14%
6	Infrastructure (railway track, roads, canals, sidewalks, etc)	148	54%
		Number	
7	Affected residential structures (houses)	19 houses	
8	Affected businesses	21 businesses	
9	Affected auxiliary/secondary structures (barn, shed, well, greenhouse, warehouse, garage, etc.)	159 auxiliary structures	
10	Affected outer structures (walls/fences/gates)	373 outer structures/asset	

1.6. Actions to avoid or minimize the impacts

During the design phase, the project team made significant efforts to minimize impacts, carefully adjusting alignments and other design elements to reduce disruptions as much as possible. However, field surveys revealed several houses and businesses located near the edge of the planned intervention area. While some of these structures are only marginally affected based on the current design outline, there are concerns regarding their continued usability, safety, and viability after project implementation.

Details of these cases are provided in Annex 5, which highlights the specific affected structures that are on the verge of intervention by the project. Notably, the majority of these impacts are linked to the construction of new access roads. Briefly, the preliminary verification shows that:

- Out of 19 affected residential houses, 9 are on the verge of intervention, with a total estimated value of 93,069,434 ALL (949,688 EUR).
- Out of 21 affected businesses, 9 are on the verge of intervention, with a total estimated value of 36,027,863 ALL (367,631 EUR).
- Out of 159 auxiliary structures, 15 are on the verge of intervention, with a total estimated value of 16,972,180 ALL (173,186 EUR).

To mitigate these issues, it is strongly recommended that the project design undergo necessary adjustments to explore alternative solutions. By re-evaluating and modifying the design where feasible, the project can aim to avoid or significantly reduce the impact on these structures, ensuring minimal disruption to the affected households and businesses.

In addition, avoiding these structures would have a significant impact on the Resettlement Plan (RP) implementation budget. The estimated compensation value for these structures is approximately €1.5 million. By minimizing the need for their acquisition, the project could substantially reduce resettlement costs and associated financial burdens. This underscores the importance of exploring alternative design solutions to mitigate impacts on these structures wherever feasible, balancing project requirements with cost-efficiency and social considerations.

2. Legal Framework

The legal and policy framework of the Project is based both on the national legislation related to Land Acquisition and Resettlement and International Standards, applicable to the Project, EBRD Environmental Social Policy and Performance Requirements. Based on the analysis of applicable laws and policies, project-related RP principles have been adopted, as described below.

2.1. The national institutional framework and legislation

The land acquisition and resettlement are addressed from the Albanian legislation through the Albanian Constitution, Civil Code and Expropriation Law, which are generally in line with Human Rights protection principles as contained in the Universal Declaration of Human Rights.

Private property is guaranteed by the Constitution and the expropriations or limitations of a property right that are equivalent to expropriation are permitted only against fair compensation (Article 41).

The Civil Code addresses the legal rights related to immovable properties (such as ownership, easement-servitudes and usufruct rights, lease, etc.) and interacting and beneficiary parties, their contractual right, and modalities of acquisition of rights.

The expropriation process is defined by Law 8561 of 22.12.1999, recently amended by Law No. 11/2020. This law is generally in line with international standards of human rights and property protection and guarantees a fair and transparent process that generally complies with EBRD policy and Performance Requirements. The main aspects of the Expropriation Law are the following:

- Expropriation is subject to public interest “in accordance with general principles of international law”.
- Expropriation is subject to “fair compensation”.
- Expropriation can only be decided by the Council of Ministers based on an application by the requesting agency or requesting private entity.
- The expropriation law and its bylaws provide the main steps in the expropriation process, governing and supervising authorities.
- The expropriation law provides the right to define and calculate the compensation of properties under private ownership, expropriated for public interest, based on the stipulations of an international agreement ratified by law.

While the legislation does guarantee that basic Human Rights requirements are complied with, implementation has not always been consistent with these principles and there have been instances of expropriation where people had to resort to various external redress mechanisms to ensure that their rights would be safeguarded.

The Loan Agreement for the project between the Republic of Albania and the European Bank for Reconstruction and Development was ratified by Parliament through Law No. 61/2024, dated June 6, 2024, and the Expropriation Law stipulates that the compensation must be in compliance with EBRD PR5 provisions. Any differences or gaps identified in [Section 2.3](#) between Albanian law and EBRD Performance Requirement 5 (PR5) must be addressed or mitigated through the implementation of this Resettlement Plan (RP).

Further details on EBRD PR5 and Albanian Legislation related to the evaluation, compensation land acquisition and expropriation procedures are provided in the respective sections of this RP.

2.1.1. Relevant laws

Table below identifies the key legislation relevant to land acquisition and displacement applicable to the RP for the Rehabilitation of Vore-Hani i Hotit Railway Line Project.

Table 6: Key legislation relevant to land acquisition and displacement

Name	Number and reference of approval	Key issues addressed
Constitution of the Republic of Albania	Law no. 8417, dated 21.10.1998, amended with the law no. 9675, dated 13.01.2007 and law no.9904, dated 21.04.2008.	Main constitutional principles, essential rights and freedoms, organization of the state and independence of the state bodies, elections, hierarchy of the laws etc. It states that the expropriation of private properties could be only in the benefit of public interest and provided there is fair compensation
Civil Code of the Republic of Albania	Law no. 7850, dated 29.07.1994, amended with law no. 8536/1999, and law no. 17/2012,	Legal rights related to immovable properties (such as ownership, easement-servitudes and usufruct rights, lease, etc.). It provides that the things may be expropriated only in the public interest recognized by law and only against fair compensation. Immovable properties and real rights relating to their legal status are recorded in the real estate registry. Registration is based on a public act, a decision of a court or other competent state body, as well as in other cases provided by law.
Code of Administrative Procedures	Law 44/2015	The Code provides the general rules for the administrative acts and the notification process, including suitable notification, forms, ways and means of notification, addressee, place of notification, responsible parties for notification, in person and public notification, appealing and the timeline for notification which are pre-condition for the administrative acts/decision to come into force etc.
Law "On expropriation and temporary use of private property for public interest"	Law no 8561, dated 22.12.1999, amended with Law No. 20/2016 and Law No. 11/2020	Regulates the right of the state to expropriate or take in temporary use, for public interest, the properties of legal entities or individuals, and the protection of the rights and interests of the expropriated owners. The State Agency for Expropriation is established with the recent amendment, which has the right to define and calculate the compensation of private properties, expropriated for public interest. Article 17, amended by Law No. 11/2020, provides the right to define and calculate the compensation of properties under private ownership, expropriated for public interest, based on the stipulations of an international agreement ratified by law. Expropriation procedures and evaluation criteria of the compensation for the expropriated properties are defined respectively by the Decision of CM no. 127, dated 23.03.2000, and Decision of CM no. 138, dated 23.03.2000, and its amendments. DCM no. 797, dated 28.12.2023, defines the rules and situations for "in kind" compensation for expropriation for public interest.
Law "On the Ratification of the Loan Agreement between the Republic of Albania and the European Bank for	Law No. 61/2024, date 6.6.2024	Ratify the loan agreement signed in February 2024 between the Republic of Albania and the European Bank for Reconstruction and Development, which provides funding for the rehabilitation of the Vorë-Hani i Hotit railway line

Name	Number and reference of approval	Key issues addressed
Reconstruction and Development for the rehabilitation of the Vore-Hani i Hotit railway line"		
Law "On Cadastre"	Law 111/2018 "On Cadastre"	The Law on Cadastre provides, the rules on the registration of the public or private immovable properties and the real rights over them, as well as the establishment, organization and functioning of the State Cadastre Agency (SCA), constituted from the institutional merge of the Agency for Inventory and Transfer of Public Property (AITPP), the Agency for Legalization Urbanization and Integration of Informal Areas/ Constructions (ALUIIAC/ALUIZNI) and the Immoveable Property Registration Office (IPRO).
On the Treatment of Property and the Completion of the Property Compensation Process	Law No. 133/2015 "On treatment of the property and finalization of the property compensation process"	Regulates aspects of the property rights arising from expropriation, nationalization, or seizure from the regime between 1946-1990; It sets out the procedures for restitution and compensation of property and the administrative bodies charged with its completion of this process. It sets provisions and establishes a new Property Value Map (Albania CoM 89/2016), which is instrumental to the implementation of the law due to it being the reference document for the land prices in the process of evaluation of the compensation decision.
Law "On Territorial Planning and Development"	Law No. 107/2014, as amended.	The law aims to integrate the urban planning legislative framework into a single law, and includes the concept of the protection of natural and cultural heritage, and community's health and safety for the territory. The Law defines the land use systems and general development rules and restrictions for each system, which shall be considered by the authorities involved in preparing and approving National and Local Development Plans. The law and its by-laws through its regulation specifies the construction activities/type of installations requiring a declaration or a construction permit.
"On inspection and protection of the territory from illegal buildings".	Law no 9780/2007 "On inspection and protection of the territory from illegal buildings".	The scope of the law is to ensure the enforcement of the principles, standards, development conditions and legislation of the territory planning and development, and the prevention of the illegal building on the territory. It also establishes the inspection bodies and their responsibilities, the authority to suspend and demolish the illegal building including provisions regulating the process and procedure of demolition of illegal buildings.
Law "On the completion of the ownership transitional processes in the Republic of Albania	Law 20 dated 05.03.2020 "On the completion of the ownership transitional processes in the Republic of Albania"	Establishing a simplified and harmonized legal framework for the finalization of the transitional registration procedures of the state and private land consisting of: The registration of ownership titles of agricultural land. The finalization of the transfer to their users of the ownership of agricultural land previously owned by cooperatives and agricultural enterprises. The legalization and registration of illegal constructions, constructions without an ownership title and yards granted for use.

Name	Number and reference of approval	Key issues addressed
		The specification of ownership rights of individuals and entities, which have benefited from the Law No. 7665, dated 21.01.1993 "On development of economic zones with touristic priority", repealed. The finalization of the inventory update process of public real estate. Handling of the problems related to the overlapping of ownership immovable property titles The finalization of the process of transfer of ownership over i) non-privatized construction land of privatized buildings; ii) not privatized construction land of buildings sold from state enterprises prior to the entry into force of the law no. 7512, dated 10.08.1991 "On protection of private property, free initiative and privatization"; iii) not privatized construction land of constructions built based on a permit issued by the competent authorities.
Law "On social programs for the housing of inhabitants of urban areas"	Law no. 22, dated 03.05.2018	The law defines the general provisions for the prohibition of eviction with force of an individual from their home and define the procedure of displacement in cases when displacement is necessary and unavoidable. All individuals/households affected by the resettlement are entitled to legal protection, with or without the existence of the ownership title for their house or property from which they are resettled, in compliance with Law 22/2012 "On social housing". The procedure is further defined through the DCM 361/2019, dated 29.05.2019, which includes the procedures for displacement of individuals/families from their residence or temporary housing, in instances defined by law, and defines institutional cooperation. Central Institutions, in case of investment projects resulting in resettlement of individuals or families, with the approval of the project, shall inform the respective local government and the individuals/families affected by the project. A detailed relocation plan is required to be developed, including the relocation alternatives and considering the socio-economic and cultural conditions of the resettled families. The process of information and publication of the relocation decision on the Municipality website is required. All consultations shall be realized at least 1 year prior to the implementation of the project. The resettlement shall not happen before alternative suitable housing and access to productive agricultural land is provided to the families being expropriated.
DCM "On procedures of registration of the AMTP, accurizing the property boundaries, surfaces and the rules of additional public-owned properties and servient properties"	DCM nr.1174, dated 24.12.2020	The DCM aims the consolidation of ownership over agricultural land, by lowering the requirements that the Agricultural Land Titles need to meet in order to be registered. It regulates the procedures of registration in cadastral registry of Agricultural Land Ownership Act (AMTP) issued prior entering in power Law 20/2020, and provides the minimum criteria that the AMTPs shall meet in order to be registered.

Name	Number and reference of approval	Key issues addressed
DCM “For the approval of the methodology for the evaluation of the real property that is compensated and that will be used for compensation”	DCM no. 183, date 28.04.2005	The DCM provides the methodology to calculate compensation values for agricultural land, forests, meadows and pastures.
DCM “For the determination of fees in the forest and pasture sector”,	DCM no. 1064, date 22.12.2010	The DCM provides fees in the forest and pasture sector, basic fees for all types of timber, and fees for leasing the public forestry and pasture fund for the operation activities.
Guidance “On the Approval of Construction Costs for residential building”	Guidance no 3, dated 28.12.2016	The aim of this guidance is to give the approved average cost of housing construction and the average value of apartments in the free market for each city.
DCM “On the methodology of determining the taxable value of the Immovable Properties “Buildings”	DCM no 168, dated 27.03.2019, and its amendment	The DCM provides the market average prices for square metre for residential and non-residential buildings by Municipality and County, for tax purposes.

2.1.2. Key institutions in the process of land acquisition and resettlement

Several institutions have roles and responsibilities in overseeing and implementing the land acquisition and resettlement processes. Expropriation procedure and steps have been described together with the involved institutions/parties and their respective role in the process. List of institutions and respective roles are presented in the below table.

Table 7: Institutions and respective roles in process of land acquisition and resettlement

Institution	Key responsibilities
Council of Ministers	Ultimate responsibility for resettlement procedures under Albanian Law. Approves the Expropriation Decision and asset/compensation details. Defines the rules of negotiations with the expropriated subjects.
Ministry of Infrastructure and Energy	Propose to the Council of Ministers the request for the expropriation
State Agency for Expropriations (SAE)	Responsible to implement all the procedures for expropriation and temporary use, for public interest, of assets owned from natural and legal persons. Calculate the final expropriation, extent of expropriation for each property affected by the expropriation process.

Institution	Key responsibilities
	Oversees the progress of the procedures of the expropriation process. Develops and administers the database for all expropriations and disbursement of any expropriation. Enters into negotiations with entities that are expropriated, in terms of the value of expropriation and payment schedule of this value.
Albanian Railways	As the Project Owner, Albanian Railways: • initiate the expropriation process, applies and coordinates all resettlement activities, • disclose Cut-off date in a public announcement, • prepare the RP and other documents and Implementation, • discloses RP, and all other documents; holds public consultations in all Project phases, • engage relevant stakeholders, • applies resettlement mitigation measures, • establish and administer the grievances mechanism to redress all grievances from PAPs and other stakeholders, • monitor and evaluate the process of land acquisition, • monitor the process of temporary land occupation until the land is given back to its owners in accordance with this RP, • report to EBRD on all issues under this RP.
Municipalities along the Railway Line	Municipalities are also responsible for administrative procedures for planning, insurance, administration and distribution of social housing programs to vulnerable individuals, if applicable.
Ministry of Justice; Ministry of Finance and Economy; Ministry of Agriculture and Rural Development; Ministry of Environment and Tourism	Review and comment on the draft- Expropriation Decision with respect to the aspects under their duties/responsibilities
National Cadastre Agency Regional Offices	• Provides land/property boundaries and ownership data. • Provides property transaction data in the project area to support the Market Value Study. • Executes legal title changes of immovable property owners after land acquisition, expropriation. • Legalization procedures.
AREB	• To provide services for agricultural farms, institutions, local government units, etc. • To secure and provide data related to agricultural products to the entire farming community and the public.
Relevant Court instances	Determines compensation if amicable agreement has not been reached and the Decision on Expropriation to the administrative court of first instance and after the Administrative Court of Appeal. The Expropriation Decision enters into force immediately, which means that appeals against it do not delay its implementation.
Certified Experts	Valuation for all types of land, structures, and any attachments to the land, engaged for projects founded from International Financing Institutions and in case of legal disputes regarding the compensation values.

2.1.3. National compensation framework

This section outlines the existing Albanian legislation within the context of evaluation of land and structures. The full legal package, which influences all the components of the compensation framework, consisting of Albanian Constitution, Civil Code, Laws, Decisions of Council of Ministers (DCM) and Instructions were reviewed.

Albanian Constitution, in its article 41/4, stipulates that: “Expropriations or restrictions to the right of property which are equivalent to expropriation, are only allowed against a fair compensation”.

European Convention of Human Rights, Protocol 1, Article 1, ratified by Albanian Lawmaker stipulates that: “Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law...”

Law No. 8561, dated 22.12.1999 “On Expropriation and Temporary Takings of Private Property for a Public Interest” (hereinafter referred to as “Expropriation Law”), amended by the Law No. 11/2020, stipulates that: “In determining the compensation value for private property which will be expropriated, of other properties which will lose its value, or for third party rights which need to be compensated, consideration is afforded to the nature of the asset, its initial value, degree of amortization, destination, location of the object, as well as to fluctuation indexes of market prices and currency exchanges.

Article 17 amended by Law No. 11/2020, provides the right to define and calculate the compensation of properties under private ownership, expropriated for public interest, based on the stipulations of an international agreement ratified by law. Following the Law No. 61/2024, dated 6.6.2024 “On the Ratification of the Loan Agreement between the Republic of Albania and the European Bank for Reconstruction and Development for the rehabilitation of the Vore-Hani i Hotit railway line”, the project compensation rates are determined in compliance with PR5 provisions.

The valuation and compensation methods for expropriated properties are specified by the DCM No. 138, dated 23.3.2000 on “Technical criteria for evaluating and calculating the compensation amount for private properties to be expropriated, properties devalued and the rights of third persons for public interest”

In accordance with the applicable Albanian legal framework, the valuation and compensation methods for expropriated properties are specified by the Expropriation DCM.

Value of Land

On basis of Law No. 9235, dated 29.07.2004 “On Restitution and Compensation of Property” land values are compensated according to calculations (based on the market value). This law was followed by DCM No. 658, dated Sept. 26, 2012 “On the approval of the methodology for the valuation of real estate properties in the Republic of Albania.” which establishes the methodology to be used to evaluate the urban, agricultural, forest and pasture land in the Republic of Albania for compensation and restitution purpose. Based on this methodology, the Council of Ministers approves the normative act reflected in the Decision of Council of Ministers, also recognized as land reference maps. The current values applicable are the ones approved with DCM No. 89, dated 3.2.2016

The values on the Land Reference Maps theoretically should present the market value, as according to the DCM, the valuation of a property is a combination of considerations such as free market value of similar properties, type of the property, its designation, characteristics, location. However, there are some limitations of input data, compromising the outcome of the methodology and question the market value reflected in the land reference maps, such as:

- Reference zones are geographically defined from the DCM, considering that every land parcel within a land value zone have the same value (unit/price as defined in DCM). No distinguish made in respect to the land development potential other factors, which affect the land value.

- The market price is determined from the official data of the sales contracts registered within the same reference zones in the State Cadastre Agency.
- Only the evaluation methodology for purchase/sale of immovable properties are provided by this DCMs and no reference to the evaluation methodology for crops (annual or perennial), easements or rental values for temporary land access.
- Although the legislation provides that the land reference maps should be updated in yearly basis and approved periodically by CM, however the current values of DCM No. 89, dated 3.2.2016, remain applicable almost nine years since its implementation and provide the compensation framework for expropriation purposes in the Republic of Albania.
- The DCM values do not consider the transaction costs associated with asset replacement.

Value of Buildings

Legislation provides that the value of these structures is based on the average of transaction price for the sales in the same cadastral area, as determined by the State Cadastre Agency. In case such information is not available, the valuation is to be made based on the construction costs using as reference annual unit prices as calculated by the National Housing Entity and approved by the Council of Ministers. The latest decision is the DCM no. 3, dated 28.12.2016 "On the Approval of Construction Costs for residential building, year 2016", which is also used for the valuation of industrial and agricultural constructions.

The current methodology of calculating construction costs takes into consideration the market cost of the materials to build a replacement structure, the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees.

It does not include the costs for infrastructure utilities, costs of the design, seismic/geological costs, permit fees and cost of land. Registration costs and transfer taxes, repairing costs (in case the building is partially affected), or costs resulting from damages during construction are also not included.

Annual and Perennial Crops

The methodology for compensation of perennial crops for public interest is based on the Instruction of the Ministry of Agriculture and Consumer Protection No. 1, date 5.10.2000: "On the technical criteria for calculating the value of fruit trees that are expropriated for public interest" and in cases when the declared sale and purchase indicators are missing according to the DCM 138, dated 23.3.2000 "On the technical evaluation criteria and mass calculations the compensation of expropriated private property assets and depreciated assets and the rights of third parties in the public interest".

Forests and Pastures

In cases where the project affects areas classified as "Forest" or "Pasture", Article 17 of Law No. 9385, dated 04.05.2005, "On Forests and Forest Service", as amended, provides guidance on the removal of land from the National Forest Fund for infrastructure purposes such as highways or railways. The law outlines the process for changing the land use category, with approval authority based on the size of the area in question:

- For areas smaller than 1 ha: approval is granted by the Minister;
- For areas between 1 ha and 100 ha: approval is granted by the Council of Ministers;
- For areas larger than 100 ha: approval must be obtained through a special law.

In line with this legal framework, and based on Decision of the Council of Ministers No. 888, dated 27.12.2022, "On cases of granting for use and for changing the category of use, procedures and relevant documentation for changes in areas and reduction in volume from the national forest fund or their expansion", HSH is required to follow the steps outlined in Chapter 2, Point 1 of the decision.

The application must be submitted via the e-Albania portal, accompanied by the documentation listed in Chapter 3, Point 1, including:

- Construction permit / Development permit.
- The Environmental Impact Assessment (EIA) / environmental permit.
- A topographic map (scale 1:10,000), digitized and georeferenced, showing the requested area. The map should be provided in “jpg” and “dwg” or shapefile formats, clearly identifying key elements such as natural boundaries, relief, existing structures, affected forest plots, and cadastral data.
- A technical-economic report, prepared by the municipal forest authority for forests under local government administration.
- Written approval from the Municipal Council (within whose territory the forest lies) for the continuation of the land use change procedures, along with verification of legality by the Prefect.
- Proof of payment of the service fee, amounting to 20,000 ALL.

Annex 12 of this document presents the list of properties impacted by the project and registered as forest or pasture in the cadastral data. However, a detailed assessment of impacts on, and compensation for, forest and pasture land is not within the scope of this RP. Consequently, HSH should follow the provisions of national laws to deal with the respective procedures for impacts on forest and pasture land as well as the requirements of EBRD PR6: Biodiversity conservation and sustainable management of living natural resources.

Rights to Complain

The existing Albanian legislation regulates the receiving, addressing, processing and resolution of any complaint raised by the public in the Republic of Albania and also define the administrative procedures and the respective timeframes, as stipulated in the following laws:

- Law No. 44/2015 “Code of administrative procedures in the Republic of Albania”;
- Law No. 139/2015 “For the local government”;
- Law No. 119/2014 “For the right of information”.

Several innovative practices are available to the citizens, to raise concerns and provide feedback to the government in national level, such as a dedicated space on the official websites like www.shqiperiaqeduam.al, www.stopkorrupsionit.al, www.pyetshtetin.al. At Municipality level, within the framework of the Transparency Program citizens have the opportunity to request information about Municipalities’ activities and an on-line platform is available for reporting their concerns or raising grievances.

In specific with regard to the expropriation, the Albanian law provides that the parties affected by expropriation can take actions to the courts against the expropriation process, but only regarding ownership disputes or compensation values can be challenged and not the process of expropriation itself. The court process does not suspend the expropriation process. These mechanisms provided from national legislation apply to the public institutions’ activities in general and they do not replace the Project GM, which is separately described in this RP.

2.2. EBRD policy on involuntary resettlement

According to the Loan Agreement between the Republic of Albania and the European Bank for Reconstruction and Development (EBRD), the project is committed to the EBRD Environmental and Social Policy and related Performance Requirements (PRs) of 2019. The Land Acquisition, Involuntary Resettlement and Economic Displacement resulting from the Project activities shall be identified, assessed, and managed in alignment with the requirements of PR1, PR5 and PR10.

2.2.1. PR 1 - Environmental and Social Appraisal and Management

This PR applies to projects with potential environmental or social risks and impacts that should be assessed in the early stages of project development and managed on an ongoing basis.

Specific Objectives of PR 1

- To identify and assess environmental and social impacts and issues, both adverse and beneficial, associated with the project;
- To adopt measures to avoid, or where avoidance is not possible, minimize, mitigate, or offset/compensate for adverse impacts on workers, affected communities, and the environment;
- To identify and, where feasible, adopt opportunities to improve environmental and social performance;
- To promote improved environmental and social performance through a dynamic process of performance monitoring and evaluation.

2.2.2. PR 5 - Land Acquisition, Involuntary Resettlement and Economic Displacement

This PR applies to physical or economic displacement, which can be full, partial, permanent, or temporary, resulting from the following types of transactions:

- land rights or land use rights for a project acquired through expropriation or other compulsory procedures;
- land rights for a project acquired through negotiated resettlements with property owners or those with legal rights to land, including customary or traditional rights recognized or recognizable under the laws of the country, if expropriation or other compulsory process would have resulted upon the failure of negotiation;
- imposition of restrictions that result in people experiencing loss of access to physical assets or natural resources irrespective of whether such rights of restriction are acquired through negotiation, expropriation, compulsory purchase, or by means of government regulation.

Key Objectives of this PR are to:

- avoid or, when unavoidable, minimise, involuntary resettlement by exploring alternative project designs;
- mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to assets and land by:
 - i) providing compensation for loss of assets at replacement cost; and
 - ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected.
- restore or, where possible, improve the livelihoods and standards of living of displaced persons to pre-displacement levels;
- improve living conditions among physically displaced persons through the provision of adequate housing, including security of tenure at resettlement sites.

"Replacement cost" is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as the calculation of output value for land or productive assets, or the undepreciated value of replacement material and labour for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety.

Project Affected People (PAP)

A person is considered as a PAP if, at the time of Socio-Economic and Asset Surveys, they are verified to be occupying, living/residing, doing business and/or utilizing the land, resources and improvements that will be acquired for the project, irrespective of ownership, thereof business, occupation, work or place of residence or habitat adversely affected.

Affected Family/Affected Household (AF/AH) - consists of all members of a household residing under one roof and operating as a single economic unit, who will be adversely affected by the project. For resettlement purposes, Project Affected Persons (PAPs) will be dealt with as members of Project Affected Families/Households.

Informal Settlers - a person using or occupying vacant state land and who does not have title or formal agreement from the owner to use, the land.

Tenure Status

PAPs are categorized based on their tenure status at the time of Socio-Economic and Asset Surveys cut-off date as follows:

- *Land owners* – PAPs who are land title holders or who have formal legal rights to land including customary and traditional land rights recognized under the law;
- *Structure Owners on private lots* - PAPs who own the structure built on their plot or another person's private plot with or without the consent of the owner;
- *Land Users* – Affected People who do not have formal legal rights to land they are occupying or, land users who are renting from a land owner (with or without a formal agreement in place).

Scale of Impact

Properties to be acquired for the project may include the entire area or a portion of it. Hence, compensation for such assets depend on whether the entire property will be affected or just a portion of it.

Marginally affected/ Minor or insignificant impact – the impact is only partial, and the remaining portion of the property or asset is still viable for continued use. Compensation will be on the affected portion only. PAPs are not physically displaced and less than 10 percent of their productive assets are lost.

Severely affected or significant impact – the portion of the property to be affected is more than 10 percent of the total area or even less than 10 percent if the remaining portion is no longer economically viable or it will no longer function as intended, PAPs are eligible to full compensation of the whole property.

Eligibility

Consistent with the EBRD PR5, eligible PAPs will be entitled to receive compensation for their losses, and in addition allowances and other special assistance to ensure they can restore their livelihoods and achieve at least if not improve their pre-project living standards. Vulnerable PAPs will also be entitled to additional assistance.

Compensation for Land Acquisition; Eligible PAPs affected from are the following:

- Who have formal legal rights to land or assets are those who have formal documentation under national law to prove their rights, or are specifically recognized in national law as not requiring documentation.
- Who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law.

Compensation for livelihood assistance:

- Who have no recognizable legal right or claim to the land or assets they occupy or use. Affected persons in these groups are not eligible for compensation for land, but are eligible for resettlement and livelihood assistance and compensation for assets.

Assistance to Vulnerable Group

Disadvantaged or vulnerable refers to those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/ or assistance to do so. This will take into account considerations relating to age, including the elderly and minors, and including in circumstances where they may be separated from their family, the community, or other individuals upon whom they depend.

Special attention shall be extended to extremely vulnerable PAPs such as the poorest of the poor, female-headed households, and other vulnerable households. Hence, on top of the entitlements accorded to them, these PAPs will be entitled to an additional allowance and assistance to avoid/mitigate disproportionate impacts from the project on this group.

The additional vulnerability assistance will be assessed on a case-by-case basis for each of the categories presented in [section 8.1.2](#) and the required assistance will be provided based on the activities proposed in [section 8.2](#) of this document.

2.2.3. PR10 - Information Disclosure and Stakeholder Engagement

This PR applies to all projects. As a minimum, all projects will carry out stakeholder identification and develop and implement a grievance mechanism. Further stakeholder engagement as outlined in this PR, shall be undertaken, proportionate to: the nature and scale of the project, its stakeholders and its potential environmental or social risks and impacts.

Key Objectives of this PR are to:

- Outline a systematic approach to stakeholder engagement that will help the client build and maintain a constructive relationship with their stakeholders;
- Provide means for effective and inclusive engagement with project stakeholders throughout the project cycle;
- Ensure that appropriate environmental and social information is disclosed and meaningful consultation is held with the project's stakeholders and where appropriate, feedback provided through the consultation is taken into consideration; and,
- Ensure that grievances from stakeholders are responded to and managed appropriately.

The above list is only a summary of the main EBRD PR1, PR5 and PR10. The full text of the EBRD policy (2019) can be found at <https://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html>

2.3. Comparative analysis

Key differences/gaps between the Albanian legislation and PR 5 concerning land acquisition, compensation determination and stakeholder engagement during land acquisition are presented in the Table below. Project approaches addressing these gaps, are also provided in the table and further elaborated in the following sections of this RP and are the subject of disclosure and agreement with all relevant stakeholders.

Table 8: Gap analysis

Topic / Issue	EBRD PR 5/ PR 10	Albanian Legislation	Comments/ Gaps	Strategy to address Gaps
Stakeholder Engagement	Engagement required with stakeholders throughout the project life cycle, planning, implementation, and operation. Information related to of land, structures and other assets, entitlements, and amounts of compensation and other assistance shall be disclosed to the affected persons.	Requires stakeholder consultation public hearing with local government, NGOs and the general public for EIA process. Provides provisions for notifications to affected people and publication of the expropriation application in official gazettes and the national/local media, only with formal initiation of the expropriation process.	EBRD PRs are more specific and require more extensive Stakeholder Engagement and information disclosure throughout the project processes. Stakeholder Plan Developed.	Supplementing actions as per EBRD PR5 applies. Stakeholder Engagement Plan is part of the document and will guide stakeholder engagement throughout all land related processes. RP prepared to explain the project approach to land access and acquisition, including provision for negotiation with affected households
Planning Process and Baseline Surveys	Requires Resettlement Action Plan/ Livelihood Restoration Plan. The RP includes a census and detailed socio-economic baseline. Affected persons are to be informed and consulted during the planning process. Special provisions have to be made in respect of consultation with vulnerable groups.	The application for expropriation in the public interest should include a detailed list of properties and assets to be expropriated, based on the SCA register only. Assets are surveyed for valuation purposes. Affected owners are to be notified of the application for expropriation.	Albanian legislation does not set out any requirements for the preparation of resettlement or livelihood restoration plans. No requirements with respect to consultation with persons affected or special attention to vulnerable groups, during baseline surveys.	PR 5 applies. Through design review in later stages, the process allows further possibilities to minimize the displacement where possible. RP to be prepared as part of the planning phase, including census and detailed socio-economic baseline and provisions in respect to consultation with PAPs and especially women and vulnerable groups
Cut-off Date	The date of completion of the census and assets inventory represents the cut-off date for eligibility on compensation. Individuals who move into the project affected area after the cut-off date are not	It is understood that the date Council of Minister Decision for Expropriation is the cut-off date.	Not compatible with PR 5, as the publication of expropriation notice only applies to land acquisition and registered assets.	Project will inform regarding the cut-off date to communities through local authorities and through individual consultation during the asset and socio-economic surveys.

Topic / Issue	EBRD PR 5/ PR 10	Albanian Legislation	Comments/ Gaps	Strategy to address Gaps
	eligible for compensation and other types of assistance. Information regarding the cut-off date should be well-documented and disseminated throughout the project area			
Negotiated Settlements	Negotiated settlements are encouraged to help avoid expropriation and eliminate the need to use governmental authority to for compulsory land acquisition and restrictions of property rights.	Negotiated settlements are encouraged by the Expropriation Law, which states that when the owner agrees to transfer his/her property rights to the state, expropriation is considered completed.	No substantial gap in national legislation, as the project is based on agreement between EBRD and Albanian Railways and the compensation is calculated at full replacement cost, according to the PR5 and as defined in this RP	Project will follow both approached: voluntary agreements (part of the expropriation process) and expropriation
Valuation of Land and Assets	Compensation for lost land and assets to be provided at replacement cost, calculated as the market value plus related transaction costs (registration fees and transfer taxes). Depreciation of structures and assets should not be taken into account.	Expropriation Law provides that compensation value to be based on assessment of affected properties by the Expropriation Committee and confirmed by COM Decision. This provision explicitly states that depreciation of structures and assets is to be taken into account.	Compensation Rates as per Albanian legislation do not reflect the market value. The current applied values as per Decision of CM are outdated (since 2016). The transaction costs are not considered, and depreciation of structures is to be taken into account	Compensation for lost land and assets to be provided at replacement cost, calculated as the market value plus related transaction costs (registration and transfer fees/taxes). A Market Valuation Study is performed based on the market value approach/ methods for determining replacement cost. It should be documented and included in the updated RP. Depreciation of structures and assets should not be taken into account.
Involuntary Resettlement Physical and Economic Displacement	Involuntary resettlement covers both physical displacement (loss	Albanian legislation does not recognize "involuntary	Albanian legislation does not recognise loss of livelihoods	PR 5 applies: Project will address the restrictions resulting from the

Topic / Issue	EBRD PR 5/ PR 10	Albanian Legislation	Comments/ Gaps	Strategy to address Gaps
	of shelter) and economic displacement (loss of livelihood). The PR covers both: - land rights and assets acquired through expropriation or negotiations, if expropriation can be initiated in case negotiation fails; - restrictions that result in people experiencing loss of access to physical assets or natural resources or livelihoods; - relocation of people utilizing the land prior cut-off date but have not formal or recognisable usage rights; - displacement of people as a result of project impacts that render their land or assets unusable or inaccessible.	resettlement" as concept. Expropriation Law regulates: - the right of the state to expropriate properties for public interest against fair compensation. - recognizes compensation or the depreciation of properties which are not direct object of expropriation. - regulates temporary occupation of land for up to 2 years, against compensation	associated to land acquisition, neither additional assistance for transition period. The law recognizes only affected persons who have formal legal rights. Not explicitly address restrictions that result in people experiencing loss of access to physical assets or natural resources.	loss of access to physical assets or natural resources or livelihoods, to people utilizing the land, being those people with formal or informal usage rights
Vulnerable Groups	PR5 requires specific assistance for vulnerable groups. Project must take into account any individuals or groups that may be disadvantaged or vulnerable, take necessary actions to ensure that vulnerable groups are not disadvantaged in the displacement process, are fully informed and aware of their rights, and able to benefit equally from project	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. Expropriation Law does not provide any specific provision.	Specific assistance for vulnerable groups is not part of the expropriation process in Albania. However, legal tools exist outside of the expropriation process to provide assistance.	Project will identify vulnerable households, during survey processes and through stakeholder engagement. Measures will be incorporated to ensure to the extent possible their full participation in the project process and where households are at risk of project-induced vulnerability, specific

Topic / Issue	EBRD PR 5/ PR 10	Albanian Legislation	Comments/ Gaps	Strategy to address Gaps
	opportunities and benefits			allowance shall be defined
Livelihood Restoration	Assistance may include transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, and standards of living. This is intended to restore, and potentially improve, their standards of living and/or livelihoods of displaced persons to pre-displacement levels.	No provisions in National legislation for livelihood assistance or restoration other than compensation for loss of assets	Albanian legislation does not recognise loss of livelihoods, neither additional assistance for transition period.	Transitional support shall be provided to all economically displaced persons, to restore their standard of living to the pre-project levels. The specific transitional support shall be estimated and provided to each PAP to cover the losses for the time required to restore their income-earning capacity, and standards of living. If applicable, it should be included in the Eligibility Criteria & Entitlement Matrix
Eligibility for compensation/resettlement and entitlements in case of physical displacement	ESS 5 distinguishes three main categories of affected people: ESS 5 distinguishes three main categories of affected people: 1. PAP who have formal legal rights to affected assets are eligible to full compensation at replacement cost for land and structures 2. PAP who have no formal rights to affected assets at the time of the census, but have a claim to land that is recognized or recognizable under national laws 3. PAP who have no recognizable legal right are not necessarily eligible to compensation for land but should	The Albanian legislation addresses people in Category 1 and Category 2 (Law on Legalisation). The law "On social programs for the housing of inhabitants of urban areas" establishes a legal framework for social housing programs in Albanian municipalities, which may apply to people in Category 3. Distribution of social housing to vulnerable people, is in line with family incomes and the level of state support.	Gap for Category 3 of PAPs.	Project will consider impacts on all land users, including those with no legal right to land they are occupying, and explore assistance where required (e.g., through supporting the establishment of ownership or user rights, or through loss of incomes compensation, livelihood programs and transitional assistance, if required

Topic / Issue	EBRD PR 5/ PR 10	Albanian Legislation	Comments/ Gaps	Strategy to address Gaps
	receive: i) compensation for structures and any improvements to land at full replacement cost; and (ii) in case of physical displacement, a choice of options for adequate housing with security of tenure and resettlement assistance.			
Gender Considerations	Project should consider gender throughout the process, including provision for stakeholder engagement with women, recognizing differing project impacts on women, and ensuring equal access to project benefits (e.g., compensation and livelihood opportunities)	While, men and women have equal rights in Albania and both can have formal legal rights on properties, often the property rights are registered on behalf of the men- head of household	No special provision for assessing and considering their interests	Project will ensure through stakeholder engagement process women are engaged with and their concerns and potential project impacts understood and addressed Women's and men's preferences in terms of compensation mechanisms and joint bank's accounts should be explored.
Grievance Mechanism	Culturally appropriate grievance mechanism required as early as possible in the project process, to receive and resolve complaints and grievances on any aspect of the project process in a transparent accessible manner, at no cost and without retribution.	Expropriation law allows for challenges to compensation amounts or land claims to be heard in court, but no other issues related to the expropriation process.	National legislation only allows for recourse to courts on limited grounds.	Project shall develop and apply a grievance mechanism to receive and address complaints and grievances internally and at no cost to them, while still allowing people to address courts where attempts to resolve grievances through the project grievance mechanism fail.
Monitoring & Evaluation	Monitoring of the displacement and livelihood restoration processes must be undertaken and should involve the	No specific requirements for ongoing monitoring and evaluation of the expropriation process and affected	Project must incorporate monitoring and evaluation of all processes, including provision for	Project will develop a monitoring and evaluation plan to assess all aspects of the land access and

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 Project: Rehabilitation of Vore-Hani i Hotit Railway Line

Topic / Issue	EBRD PR 5/ PR 10	Albanian Legislation	Comments/ Gaps	Strategy to address Gaps
	participation of key stakeholders, such as affected communities	households post payment	participatory monitoring	acquisition process, including provision of compensation, and any transitional support and livelihood programs, with clear indicators to determine success and closure.

As a summary of gaps, the National Legislation does not address or specifically regulate the following issues regarding Land Acquisition and Access Restriction:

- No specific provision for the development of a Land Acquisition and Resettlement Plan;
- No specific provisions to minimize the displacement;
- Minimum level of Baseline Survey Data;
- Cut-off exists as a concept, but it is not in compliance with the definition as per PR5;
- Compensation value does not satisfy the replacement costs definition;
- Eligibility for compensation exists, but it does not consider all categories listed in PR5;
- No provisions for Livelihood Restoration measures;
- No provision for special attention to Vulnerable people/groups;
- No specific provisions for Public Consultation and disclosure;
- Grievance management and resolution measures are not fully in compliance with PR10;
- Monitoring and evaluation are not fully in compliance EBRD Policy.

According to the EBRD/Albanian Government Agreement, the RP shall fulfil in essence the requirement of EBRD PR 5 and UN Basic Principles, and in case of gaps with National Legislation, the Project shall adopt the more stringent requirements.

3. Land Acquisition and Resettlement Planning

3.1. Scope and content of RP

This RP defines the principles, processes, and requirements to address the Land acquisition and resettlement impacts caused by the Rehabilitation of Vore-Hani i Hotit Railway Line.

The main objective of this document is to address the economic and physical displacement of people and communities caused by the development of the Project, while protecting their rights and livelihoods. It entails identifying affected people, assessing the consequences of physical or economic displacement, and providing compensation or alternative assistance. The plan includes provisions for equitable compensation, relocation logistics, and livelihood restoration. The plan ensures that special attention is given to vulnerable groups, such as children, the elderly, and marginalized communities, ensuring their unique needs are addressed. It prioritizes gender issues, promoting equitable access to resources, decision-making, and opportunities. Furthermore, it ensures active community participation through consultations, a dispute resolution mechanism, and ongoing monitoring to evaluate the effectiveness of resettlement measures. The goal is to restore or improve the living conditions of physically and/or economically displaced people while adhering to legal and ethical standards.

This RP document addresses and defines the following aspects:

- Principles, procedures, actions, and responsible institutions for planning and implementing land acquisition, access restrictions resulting from Project implementation;
- Stakeholder identification, stakeholder consultation and planning, engagement process and methods;
- Process of identification of affected households, and evaluation of affected assets, compensation values and procedures, and opportunities to restore their livelihoods to at least pre-project levels;
- Description of the processes of Land acquisition and Expropriation Process; and the legal process, PR5 requirements, and the differences between them, and how gaps will be filled;
- Description of the impacts and mitigation measures, and the procedure to minimize this impact, including specifics for women and vulnerable groups;
- Key principles of compensation, resettlement, and livelihood restoration;
- Eligibility criteria and Compensation entitlement matrix according to type of lost assets and livelihood impact;
- Overview of the existing Grievance Mechanism and Procedure, and how the mechanism works and ensures it is accessible to PAPs, including vulnerable groups and women;
- Allocation of responsibilities for the execution of all elements of the RP, and provisions for proper coordination with other project components;
- Monitoring activities regarding land acquisition and access restrictions;
- Preliminary budget estimation to cover RP implementation costs, including costs of the entitlement package of compensation and rehabilitation measures;
- A RP implementation schedule aligned with the project activities.

The draft RP will be distributed amongst stakeholders so that they can issue informed comments prior to RP finalisation and implementation by the Project.

3.2. Key principles and objectives

The overall objective of the RP is to provide the general principles, and to define the procedures, compensation and entitlement framework with regard to the land acquisition and access required for the Project.

This document provides basic and binding principles to be applied in any and all cases of land acquisition (permanent/temporary and planned/unplanned) and all other adverse social impacts caused by Project implementation in any of its phases.

These principles should govern all actions of the Project representatives, contractors, and all other state and local institutions involved in the Project. The fundamental principles guiding land acquisition are defined by the EBRD PR5 as following:

- Avoid or at least minimize physical displacement and minimise impacts on livelihoods;
- Active information and participation of Affected People on matters affecting them, including about their options and rights pertaining to resettlement;
- Mitigate adverse social and economic impacts from land acquisition by: (i) providing compensation for loss of assets at full replacement cost; and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected, and (iii) improve or at least restore the livelihoods and standards of living of affected people (see below);
- Provide additional targeted assistance (e.g., credit facilities, training, or job opportunities) and opportunities to improve or at least restore the income-earning capacity of PAPs, production levels, and standards of living to economically displaced persons whose livelihoods or income levels are adversely affected;
- Informal Rights are recognized: PAPs will be eligible for compensation for loss of assets at full replacement cost ¹⁸ and the Project will take responsibility for restoring the land. Compensation will be transparent, fair and equitable;
- Provide transitional support to affected people, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living to at least their pre-project-level;
- Vulnerable people are provided with targeted assistance. The project will identify PAPs who are especially vulnerable to impacts generated by land access and provide them with targeted assistance, depending on the context as identified during the census component of the asset survey. In line with losses suffered, this may include implementing compensation measures beyond monetary compensation, as agreed with the PAPs;
- Graves, religious, and cultural sites are avoided if possible. Project will identify such sites and graves during the survey in the highly unlikely event that such sites are unintentionally encountered or impacted, the project Chance Find Procedure will be followed to minimise impact;
- Land Acquisition processes and this RP are implemented in a transparent, consistent, and equitable manner, and its outcomes will be monitored and evaluated as part of a transparent process;
- A grievance mechanism will be established, allowing affected people to lodge a complaint or claim without cost and with assurance of a timely consideration and response to the complaint or claim;
- All land access planning and implementation will be undertaken by an experienced and dedicated team comprised of Project staff, government counterparts (as required), and independent experts (if needed);
- Appropriate monitoring and evaluation will be undertaken to provide the project and PAPs with timely, concise, indicative and relevant information about whether compensation activities are on track or whether corrective actions are required. The implementation of land access will be subject to monitoring and the results will be shared with the people affected by the land access.

¹⁸ EBRD ESP 2019, PR5 provides: The rate of compensation for lost assets should be calculated at full replacement cost, that is to say, the market value of the assets plus transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. For losses that cannot easily be valued or compensated for in monetary terms, in-kind compensation may be appropriate. However, this compensation should be made in goods or resources that are of equivalent or greater value and that are culturally appropriate.

With regard to land and structures, replacement costs are defined as follows:

– Agricultural land – the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, and transaction costs such as registration and transfer taxes.

– Land in urban areas – the market value of land of equivalent area and use, with similar or improved infrastructure and services preferably located in the vicinity of the affected land, plus transaction costs such as registration and transfer taxes.

– Houses and other structures – the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labour and contractors' fees and transaction costs such as registration and transfer taxes.

The mitigation of economic displacement will be considered complete when:

- i) affected persons or communities have received compensation at replacement costs and other assistance, if applicable, according to the requirements of the RP, Albanian law, and the international standards, and are deemed to have been provided with adequate opportunity to re-establish their livelihoods.
- ii) a third-party audit has been undertaken to assess whether the objectives of this RP have been addressed satisfactorily.

Project implementation will be contingent on the compliance with the following RP conditionality along with the environmental and social safeguards measures:

- Development of RP, in line with commitments articulated in the LARF;
- RP finalization and approval by the HSH and EBRD;
- RP disclosure to the public, including a summary of it in Albanian and disclosure in a culturally appropriate manner;
- Full implementation of the land access, compensation and livelihood restoration program;
- Monitoring and evaluation are in place, and results are shared with people affected by land access and livelihood restoration.

The RP is a 'living document' which will be updated over time. RP document is the key management tool guiding the land access and resettlement planning and implementation process and will serve as the basis of approvals by project management or external parties.

3.3. Methodology

3.3.1. Stakeholders identification

Stakeholders have been identified, based on the review of Project's footprints, potential impacts and processes and legal framework applicable to address these impacts. Consultation meetings were held with representatives from Municipalities, Administrative Units and other Governmental Agencies who have the administrative responsibility on the areas. They were personally met and informed about the purpose of the RP. These representatives have provided assistance in recognizing and providing data related to the landowners/users of identified affected properties, assets and business activities.

Project affected persons (directly and indirectly) are informed and requested to attend consultations meetings, provide data on their socio-economic conditions and attend and, as far as practicable, sign off on the verification of affected assets.

3.3.2. Consultation

As part of the RP development, with the support of HSH there have been intensive communication and information sharing with the Municipalities, State Cadastre Agency and Regional Agencies of Agricultural Extension. Further visits and field inspection were conducted by RP consultant in close coordination with the representatives of HSH, Municipalities and Administrative Units to collect socio-economic data of the affected HH and to conduct the asset inventory surveys. Households were notified in advance to arrange the time and place for the meetings. The households were provided with general project information and specific information about how the project affects their land and assets, including information about channels to request information or raise claims or file grievances, if any. Even though the invitation was extended to both man and women, most of the meetings were conducted with men, this because most families are not permanently living in the area and the cultural background of population in the project area.

Since 2020, as part of the Feasibility Study phase HSH has conducted extensive public and individual engagement with directly and indirectly affected persons. The objectives of these consultations are to create awareness on the part of the stakeholders on the project concepts, the likely impacts with regard

to land, assets, economic and social aspects, opportunities to consider stakeholder feedback into the design (i.e. to consider alternatives and minimise impacts to households), Project schedule of related activities and the standards and requirements of the funding institution (EBRD) and governing agency.

3.3.3. Social and economic assessment

A social – economic baseline of Municipalities along the project footprint is incorporated into RP documents to provide an overview of the broader project area. The relevant data are collected from INSTAT, Municipalities website, National Agency of Territorial Development and other public sources and documents.

In order to fully assess the impact resulting from land acquisition and resettlement, a socio-economic and asset surveys was carried out to the households identified to be affected from project activities along railway corridor and access roads.

A structured questionnaire, including socio-economic and asset surveys, is developed to collect qualitative and quantitative information on the households, as a tool to support determining the magnitude of land and social impacts of the project, particularly:

- Demographic and socio-economic characteristics of the PAPs;
- Family structure and number of family members;
- Land ownership and use, including status of ownership documentation;
- Impacts on assets due to the project by types and degree of losses;
- Customary practices; community governance and administrative system, including leadership and power structure;
- Literacy levels;
- Occupation types and income levels and livelihoods sources;
- Impact on community resources as well as social services;
- Project-specific impacts on vulnerable households, such as poor households, elder and women;
- Perceptions on the resettlement and rehabilitation measures;
- Perceived income restoration measures; and,
- Project related awareness and knowledge.

The information generated from the Socio-Economic and Asset Surveys served to complete the socio-economic profile and asset impact of the affected households and calculate the exact extent of potential impacts generated from the project.

3.3.4. Land acquisition and resettlement impact assessment

Land Acquisition impact was initially defined in reference to the project design, and parcel and ownership data provided from Regional State Cadastre Agencies.

A register of affected land parcels and respective impacted areas, the landowners' name as recorded in the cadastral books is produced to facilitate the field surveys. Further, the register is verified/confirmed and updated with the data obtained from field surveys (landownership changes and documentation, data not registered to the cadastre books, discrepancies between cadastre books and field, impact levels and any other relevant data which together with socio-economic data have supported the preparation of compensation values study).

The compensation study is developed to determine the market value and then the full replacement value of the affected properties. The compensation study together with the registry of affected properties, respective impacted areas and data from field surveys were utilized to define the exact scale of the project impact.

Implementation of this Land Acquisition and Resettlement Plan shall be completed prior to construction bidding processes to ensure timely payments of compensation entitlements and ensure that compensation payments are disbursed prior to any construction occurring.

3.3.5. Public and community structures

Similar to residential structures, compensation shall be made at full replacement costs for removal and/or replacement of the public utilities' features. During the field survey, a preliminary assessment of public and community structures was conducted, revealing that public and community utilities, services, and infrastructure, such as electric power line poles, electrical cabins, drainage channels, etc. will be impacted. However, a pre-construction survey shall be conducted by the Construction Contractor to identify the Public and Community Utilities that might be impacted from the project. Measures shall be reflected in the Construction ESM Plans to ensure that the public can continue their routine activities in a safe manner. Some public utilities may be affected during land clearing and each of these utilities shall be identified prior commencement of construction, and relevant authorities will be consulted and any prior measures such as relocation of these utilities will need to be completed prior to any construction works to, as far as practicable, avoid service disruption. Based on previous similar infrastructure project, the approach is to closely collaborate with the utilities companies and support the relocation works, if not possible to avoid. Such costs will be borne as part of the civil work contracts.

3.3.6. Disclosure

Following approval, parts of the RP, including the entitlement matrix will be translated into Albanian and publicly disclosed to the broader public to enable PAPs and local communities are full informed about the potential impacts, benefit and compensation packages offered, as well as other mitigation measures. HSH and Municipalities, will disseminate such information and provide explanations of the mechanisms and procedures as well as overall process of the compensation program. A project-specific Grievance Mechanism (GM) shall be established by HSH as part of RP preparation activities. The RP will be treated as an official public document and must be made available to public via accessible means and channels, in language understood locally.

3.3.7. Cut-off date

Initial cut-off date was established on 1st November 2024, when the Census Inventory was performed by the Consultant. The cut-off date was communicated in the project through meetings with local authorities, communities and affected people. During this process people were notified through Municipalities, unit administrators and head of the village. Municipalities, unit administrators and head of villages were involved on informing people about cut-off date and people were individually notified as well by the RP consultant.

People moving into the project boundaries after the cut-off date will not be entitled to any compensation, unless newly identified PAPs were missed out or rather living in the area for over the years during the previous asset survey.

If there will be long gap (more than 2 years) between the approval date of the RP and its implementation, HSH will update or conduct validation of the RP prior to its implementation, as necessary, to accommodate the factual and/or additional affected assets.

3.3.8. Limitation of RP preparation

During the preparation of this draft Resettlement Plan (RP), the consultant faced several limitations, including:

- Absence of cadastral data and legal status of properties from the State Cadastre Agency (SCA).
- Missing information on transaction costs in the Kurbin area.
- Data discrepancies between the initial registration records and the data collected during field surveys.

To address these gaps, necessary steps have been initiated in close collaboration with Albanian Railways (HSH). Efforts are ongoing to retrieve the missing information from the SCA, with the

consultant actively engaged in this process to ensure the data's completeness and accuracy for the final RP.

Due to the issues outlined above, as well as the land and cadastral concerns described in [section 3.5](#), the RP has included an indicative budget estimate ([section 11.2](#)) for cases involving landowners or land users who are claiming ownership of the land, are in the process of registering their title ownership, need to provide documentation to prove ownership due to the land being registered as state-owned (Annex 9), or claim to be affected and are not considered for compensation due to cadastral map issues. Once the missing cadastral data is obtained, or if land ownership claims are verified and confirmed, HSH should initiate additional expropriation request to the State Agency of Expropriation (SAE). The SAE will then prepare amendments to the Project Expropriation Decision of the Council of Ministers (DCM), in accordance with the applicable legal procedures.

In cases where ownership and land users are unknown, no construction can start in those areas. At a minimum, additional documented land entry and land exit procedures (see [section 3.3.10](#)) should be followed in these cases.

3.3.9. Management of additional land needs

Additional land may be required by the contractor for construction works on a temporary basis (temporary access tracks, storage areas, etc.). Using state owned land will be the preferred project's approach for such of needs. In case that using private land is unavoidable, or private users are identified in the required state land, the Contractors need to develop an Additional Land Take Assessment and Request, following the guiding principles established in this RP with regard to the entitlement matrix, methodology of compensation and calculation of replacement costs. The ALT Request shall outline the land requirements and acquisition approach, identification of landowners and claimants, compensation entitlements and consultation process and will be reviewed and approved by HSH prior to physical works. No construction works will commence without acceptable Request, which will be reviewed, cleared and monitored by the HSH. With completion of works the Contractor shall reinstate the land to its prior conditions and get landowners/users signed acceptance.

3.3.10. Land entry and land exit procedure

The land entry/exit procedure should be developed and implemented by the Construction Contractor. Prior entering the land, the Construction Contractor should perform a Stake-out process based on the final project design and will sign a Land Entry Form with the landowners/users, to confirm that the affected land area and affected assets affected are according to the expropriation list.

The Construction Contractor shall inform HSH, if any additional asset is recorded within the affected land area, and is not in the expropriation lists. HSH will investigate the existence of the asset prior the cut-off date using the areal maps and photographic records taken during the asset inventory survey. If the existence of the additional asset at cut-off date is confirmed, then the Contractor shall restore the affected assets after completion of construction works, and if the asset cannot be restored, HSH shall compensate the asset owner using the compensation rates defined in the RP. No compensation will be provided for the new development after cut-off date.

The compensation costs due to other possible damages caused on assets during construction shall remain under the liability of the Contractor. The compensation shall be paid immediately using the rates provided in this RP, following the signature by the PAP and the Contractor's representative of the assessment forms.

In case of agricultural land, the Land Entry serves to record the baseline of the land quality/productivity and irrigation/drainage system, which with the construction completion shall be restored at the pre-project level. The process should be accompanied with photographic records as well.

With construction completion, if any temporary land take, the construction contractor is required to sign a Land Reinstatement & Exit Form with the landowners/users to confirm that the land is reinstated to the pre-project conditions.

3.4. Unviable/Orphaned land determination criteria

Unviable land refers to portions of land parcels remaining after expropriation of the land parcel, which may possibly become economically unviable to continue the normal use of land. The criteria to be considered for assessing whether a piece of land can be classified as orphaned are listed below:

- Size, dimensions and shape of the remaining part of the plot;
- Land potential of the remaining part of the plot compared to that of the expropriated part;
- Access restrictions;
- Designated use and development potential as per approved Development Plan;
- Size and nature of mechanical equipment typically used for cultivation on this plot and whether such equipment reasonably can be used given the size, shape and dimensions of the unviable part of the plot;
- Potential restrictions to irrigation or drainage during the construction period.

Accordingly, the criteria for determining an unviable land include:

A. Cases when agricultural land plots are accessible and have irrigation:

- i. when the width of the remaining parcel is less than 5 m, as it cannot be mechanized;
- ii. when the size of the remaining square plot is less than 500 m² and the shape does not allow mechanized agricultural activities;
- iii. when the size of the remaining plot of irregular shape is less than 1,000 m², but where a drainage or irrigation canal passes in the middle, making the land unsuitable for use;

B. When the General Development Plans provide that the land could be constructible according to the designated criteria, the land unviability will be assessed toward this potential and the main criteria defining the orphan land will be the accessibility and minimum land area to be developed:

- Remaining part of land does not have access;
- The remaining land area is smaller than the minimum parcel area defined in the approved plan to construct;

C. Cases when the remaining part of the plot has a significant surface, but the project footprint has blocked the entrance to the plot, making all the remaining area unusable shall be initially assessed by the project proponent if providing access is technically and financially feasible;

D. Cases when the remaining area (independently of the size of the surface) is next/adjacent to the same ownership, who can merge/join the two plots in one, will not be classified as unviable land.

Any potential inviable land, will be assessed upon landowners' request on a case-by-case basis.

Compensation for unviable land, once recognised such will be based on the same entitlements as the main affected part of land as presented in the Compensation Matrix table.

Any other situation deemed unviable by a landowner will be reviewed based on a claim to be lodged by said landowner through the grievance mechanism, which will be reviewed in the field on a case-by-case basis as per the grievance management process.

3.5. Project land and cadastral issues

Large infrastructure Projects can have adverse impacts on communities such as impacts on people, their rights, livelihoods, culture and environment, whereas one of the most visible and direct impacts is related to the directly affected people as a result of land acquisition.

The project footprint passes along 77 cadastral zones, along the municipalities of Vore, Kruje, Lezhe, Kurbin, Vau i Dejes, Shkoder and Malesi e Madhe where the initial registration process has been completed.

From the evaluation performed on the cadastral data, considering also the process that these properties have been subject to, it is observed that there is not a good accuracy between the natural and legal boundaries and also for a considerable number of the properties the ownership certificates have not been issued.

When the boundaries indicated by cadastral records do not align with the real-world boundaries, it creates risks of misidentifying the affected areas and stakeholders. Such inaccuracies may lead to incorrect compensation amounts, compensating the wrong individuals, and grievances from PAPs in the future.

As depicted in Figure 10 below, the red parcels indicate the cadastral configuration administered by the Cadastre Agency, while the green parcels show the actual parcel boundaries observed in the field. These discrepancies highlight the challenges of aligning legal and natural configurations, emphasizing the need for accurate cadastral updates to minimize disputes and grievances among affected communities.

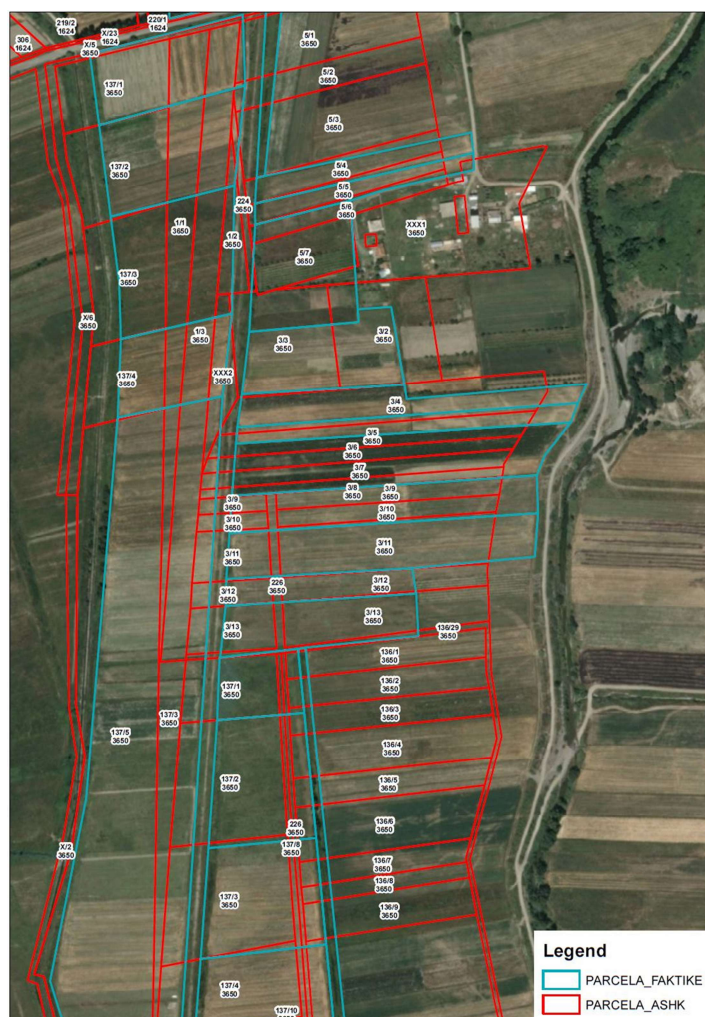


Figure 10: Discrepancy between legal configuration and actual configuration of the parcels

Other cadastral issues identified during the assessment of the cadastral data of the properties affected by the project include:

- *Missing property numbers; (approximately 20%)*
- *Duplicated property numbers; (approximately 5%)*
- *State-owned agricultural land parcels occupied by private individuals or entities; (approx. 20%)*
- *Landowners have passed away; (approximately 15%)*

a) Missing property numbers

Some properties are not assigned an identification number by the State Cadastre Agency on the cadastral map, creating significant challenges in verifying ownership and related cadastral data for these assets. The identification number serves as a unique identifier for each property within the cadastral system. It links the property to ownership records, land use data, and legal documentation. Without this critical identifier, properties cannot be effectively referenced or managed within the cadastral database. Resolving this issue would require comprehensive cadastral updates and collaboration between the Cadastre Agency and local stakeholders to assign identification numbers to all properties, ensuring data completeness and transparency.

b) Duplicated property numbers

As mentioned above the property numbers serve as a unique identifier for each property and they are unique in each cadastral zone, meaning that there cannot be two or more properties with the same number in the same cadastral zone. Such duplication is an error made by SCA experts during the registration process of these assets. These mistakes can make it difficult to accurately track ownership, transactions, and legal boundaries of the affected properties. To address this issue, a comprehensive review and correction process must be undertaken.

c) State-owned agricultural land parcels occupied by private individuals or entities

Going back in early 1990s, with the fall of the communist regime, one of the most significant reforms undertaken in Albania was the Land Reform of 1991, which resulted in a substantial shift in the way agricultural land was owned, as it enabled again private ownership. This transformation was made possible through the enactment of the Law No. 7501, which aimed at distributing the land equally among members of former cooperatives and state farm employees based on factors such as soil quality, productivity, and the size of their families. In general, based on this Law all agricultural land was distributed to private parties through AMTP, even though some of them have not been registered in State Cadastre Office and still result in state ownership. This situation underscores the need for an in-depth review and potential adjustment of property records to ensure accurate and legal property ownership, as well as to rectify any discrepancies in land usage and ownership rights. According to the new Albanian legislation on land, the registration of the ownership is done by the Local Cadastral Directories/Offices based on the request of the person who pretends the ownership and who has to fulfil some requirements. Some other state-owned land properties are recorded in the cadastral system with notes indicating that they are occupied by private parties. These notes typically suggest informal use of the land by individuals or entities. These situations present significant potential for disputes or claims, as the occupying private parties may assert ownership rights based on long-term use or possession.

d) Landowners have passed away

During the census and socio-economic survey conducted as part of the project, a significant number of cases were identified where the landowner or head of the agricultural family had passed away, but their heirs had not yet undertaken the necessary legal procedures to formalize inheritance. Specifically, these heirs had not prepared or submitted an inheritance act to the relevant authorities, nor had they updated the ownership records in the cadastral office to reflect the transfer of ownership. This situation results in the official ownership records still listing the deceased individual as the property owner.

In the event of an expropriation procedure for such properties, the Cadastre Agency will only recognize the owner officially registered in its records, meaning the deceased individual. As a result, the compensation for the expropriation cannot be directly issued to the rightful heirs until the ownership records are updated. To claim compensation, the heirs must first prepare an inheritance act, which is a

legal document identifying the rightful successors of the property. This act must then be registered in the Cadastre Agency's records to reflect the updated ownership.

The above-mentioned cadastral issues significantly impact the process of accurately identifying the affected area, property owners, and the specific properties subject to the project. Discrepancies such as missing or duplicated property numbers, unregistered inheritance acts, and mismatches between legal and natural boundaries create challenges in determining rightful ownership and the exact scope of the affected land. These inaccuracies not only hinder effective planning but also create the risk of disputes and grievances resulting in delays in the implementation of the project.

Furthermore, these cadastral challenges can lead to substantial delays in compensating the affected owners. Owners may face difficulties in gathering or preparing the required documentation, such as ownership certificates, inheritance acts, or updated cadastral records. This situation not only prolongs the compensation process for property owners but also impacts the overall timeline and smooth execution of the project.

A significant step toward addressing the cadastral issues and discrepancies would be the improvement and updating of cadastral records, including both graphical and textual data, before the project begins. This process would involve reconciling inconsistencies between legal property boundaries and actual configurations on the ground, as well as ensuring that ownership information is accurate and up to date. Such an initiative would lay a solid foundation for identifying affected areas and rightful property owners, thereby streamlining subsequent steps such as land acquisition, compensation, and resolving grievances.

To achieve this, a formal agreement between the Albanian Railway and the State Cadastre Agency is essential to establish a framework for collaboration during the cadastral improve and update process. As per the law, the improvement of cadastral register data is primarily the responsibility of the State Cadastre Office, which operates either through its local directorates or the general directorate. Alternatively, updates can be initiated based on a formal request from an interested party, such as the project proponent (HSH).

4. Baseline of Affected Assets and Affected Persons

4.1. Socio-economic context

The Vorë – Hani Hotit Railway alignment passes through seven municipalities, encompassing a total of 46 administrative units. Of these, 22 administrative units and 60 settlements (including four cities and 56 villages) are indirectly impacted by the project. Some of these settlements are directly intersected, bypassed, or located near the railway route. The table below outlines the affected municipalities and the corresponding number of administrative units and settlements. The municipalities most affected by the project are Lezhë and Malësi e Madhe, primarily due to the length of the railway line passing through these areas—30 km in Lezhë and 28.5 km in Malësi e Madhe. The large number of affected settlements is largely because the railway line often serves as a boundary between administrative units, thereby impacting multiple settlements.

Table 9: The municipalities, geographical areas, administrative units, and settlements affected by the project¹⁹

No.	Municipality	Geographical area km ²⁰	No. of the Administrative Units within the municipality	No. of the Administrative Units affected by the project	No. of the settlements within the municipality	No. of affected settlements
1	Vorë	83	3	2	19 (1 city and 18 villages)	6 (6 villages)
2	Krujë	336	6	2	52 (2 cities and 50 villages)	9 (9 villages)
3	Kurbin	159	4	3	30 (3 cities and 27 villages)	9 (1 city, 8 villages)
4	Lezhë	495	10	6	67 (2 cities and 65 villages)	19 (1 city, 18 villages)
5	Vau Dejës	469	6	2	48 (1 city and 47 villages)	6 (6 villages)
6	Shkodër	865	11	3	94 (1 city and 93 villages)	10 (1 city, 9 villages)
7	Malësi e Madhe	980	6	4	58 (2 cities and 56 villages)	16 (1 city, 15 villages)
	Total	3,387	46	22	368	75 (4 cities and 71 villages)

Population data in Albania are often subject to debate due to notable discrepancies between census results and estimates from the civil registry. These inconsistencies arise from differences in data collection methods, coverage, and reporting practices. The official population figures from the 2023 Census have now been published, including detailed breakdowns by administrative unit, which enable a more accurate assessment of population distribution at the local level. The 2023 Census data provides a detailed breakdown of the total population within the 22 affected Administrative Units (AUs), categorized by gender and age group. The total population of affected administrative units stands at 199,782 individuals, with a distribution across different gender and age groups as follows:

- The gender distribution in the affected administrative units is relatively balanced, with a slight majority of females (50.6%) compared to males (49.4%). This balance should be considered in the project's planning, ensuring equal access to opportunities for both genders, including in employment and benefits arising from the project.
- Age Group Distribution:
 - 0-14 Years: The total number of individuals in this age group is 27,127, which represents 13.6% of the total population. Male: 16,956 (8.5% of the total population); Female: 16,956 (8.5% of the total population). The child population, constituting 13.6% of the total, underscores the need for the project to consider long-term educational and child development priorities. This may include integrating transportation planning that

¹⁹ https://reformaterritoriale.qeverisjavendore.gov.al/wp-content/uploads/2018/03/Raporti_i_zonave_funksionale.pdf

²⁰ Geographical area per each municipality and the administrative unit is retrieved from "Relation to the draft law "On the Administrative-Territorial Division the Local Government Units in the Republic of Albania", Annex 2 available at https://reformaterritoriale.qeverisjavendore.gov.al/wp-content/uploads/2018/03/Raporti_i_zonave_funksionale.pdf

supports access to schools and other child-focused services, as well as contributing to overall community development.

- 15-64 Years (Working Age): The total number of individuals in this age group is 123,563, accounting for 61.9% of the population. Male: 62,762 (31.4% of the total population); Female: 65,222 (32.7% of the total population). The working-age population (15-64 years), which makes up the largest segment of the population, represents a critical resource for economic activities, including labor force participation. This demographic's significant presence highlights the importance of focusing on enhancing job opportunities, skills development, and accessibility to employment, ensuring that the railway rehabilitation contributes to the local economy and labor market.
- 65+ Years (Senior Population): The total number of individuals in this age group is 38,254, or 19.2% of the population. Male: 18,769 (9.4% of the total population); Female: 20,609 (10.3% of the total population). With 19.2% of the population aged 65 and older, there is a considerable proportion of seniors who may require special consideration in terms of access to services and infrastructure. The project should incorporate features that support elderly individuals, such as accessibility improvements and transportation options tailored to their needs, as well as considerations for healthcare and social services.

A more comprehensive analysis of the affected administrative units can be found in [section 4.2.4.1](#) of this report.

The table below presents population data from the 2023 Census, categorized by gender and age group, for the municipalities affected by the project. This breakdown offers a clearer view of demographic trends.

Table 10: Population data from the 2024 Census, categorized by gender and age group for the municipalities impacted by the project²¹

No.	Municipality	Total	Total Male	Total Female	Male			Female		
					0-14	15-64	65+	0-14	15-64	65+
1	Vorë	21,621	10,729	10,892	2,125	7,108	1,496	1,891	7,359	1,642
2	Krujë	51,191	26,425	24,766	4,788	17,966	3,671	4,498	16,291	3,977
3	Kurbini	34,405	17,256	17,149	3,113	11,202	2,941	2,753	11,046	3,350
4	Lezhë	51,354	25,602	25,752	4,479	16,109	5,014	4,050	16,467	5,235
5	Vau Dejës	19,261	9,543	9,718	1,549	5,867	2,127	1,468	6,140	2,110
6	Shkodër	102,434	50,225	52,209	8,392	31,609	10,224	7,733	33,483	10,993
7	Malësi e Madhe	21,684	10,879	10,805	1,499	6,874	2,506	1,458	6,919	2,428

Administrative and Socioeconomic Context of Each Municipality:

Vorë²²: The municipality of Vorë is located in central Albania, bordered to the north by Krujë, to the east by Kamëz, to the south by Tirana, and to the west by Shijak in Durrës. It serves as a key connection point between northern and southern Albania, as well as the Adriatic coast. The municipality of Vorë has undergone significant changes due to territorial reform, impacting its agricultural area, territory, and population. The municipality consists of three administrative units: Vorë, Preza, and Bërxullë, with a total of 22 villages. Agricultural land is divided into 16 cadastral areas. Vorë also has forests, meadows, and pastures covering 1,428.11 ha, along with 8 reservoirs, 5 of which are operational. The Marikaj reservoir is currently being reconstructed. Vorë's strategic geographical position and abundant natural resources have facilitated the establishment of numerous businesses, driving significant economic development. Agriculture plays a key role, with a long history rooted in olive groves, vineyards,

²¹INSTAT: Population and Housing Census. <https://www.instat.gov.al/media/13801/tab-7-popullsia-banuese-sipas-bashkis%C3%AB-gjinis%C3%AB-dhe-grupmoshat-kryesore.xlsx>

²² Summary prepared based on data from the official website of the Municipality: <https://bashkiavore.gov.al/bashkia-vore-2/>

extensive agricultural lands, early crops, seedling planting, expanded greenhouse areas, and seasonal vegetable cultivation, supported by reservoirs and other resources.

Krujë²³: The Municipality of Krujë is one of Albania's 61 municipalities. It is bordered to the north by the Municipality of Kurbin, to the west by the Municipality of Durrës, to the south by the municipalities of Kamëz and Tirana, and to the east by the municipalities of Mat and Klos. The administrative center is the city of Krujë. The municipality features a diverse terrain, combining both plains and mountains. A north-south road and railway corridor run through the plain, facilitating transport. The region is rich in limestone reserves, leading to the establishment of several cement factories and lime production workshops, which are among the most polluting industries in Albania, contributing significantly to environmental degradation. In contrast, Krujë City, Krujë Mountain, and the Qafë Shtama National Park offer valuable resources for cultural, mountainous, religious, and health tourism, including a spa in the village of Bilaj. The city of Krujë, renowned for its medieval castle, Ottoman-style bazaar, Ethnographic Museum, and the National Museum of "Gjergj Kastrioti Skënderbeu," is one of Albania's top tourist destinations. Tourism has also contributed to the preservation of traditional crafts, especially within the Krujë Bazaar. Both Krujë and Fushë-Krujë heavily rely on the clothing and footwear industries for employment. Additionally, Fushë-Krujë generates significant income from its cement factory.

Kurbin²⁴: The Municipality of Kurbin, located in central Albania, is bordered by Lezhë and Mirditë to the north, Mat to the east, Krujë and Durrës to the south, and the Adriatic Sea to the west. It features both agricultural and partly mountainous terrain, with a coastline extending into the Patok-Fushë Kuqe nature reserve. Kurbin is situated along a major north-south road and railway axis, supporting transport development. The city of Laçi, home to a third of the municipality's population, was once an industrial hub but now relies on fashion, with a single shoe factory still operating. The municipality faces high unemployment. The region is primarily agricultural, with the Patoku Lagoon serving as a key fishing and tourism area. Vegetation varies by climate, featuring Mediterranean shrubs, oaks, chestnuts, beech, and conifers, as well as medicinal and aromatic plants.

Lezhë²⁵: The Municipality of Lezhë is located in northern Albania, bordered by Vau Dejës, , and Puka Municipalities to the north, Shkodër Municipality and the Adriatic Sea to the west, Mirditë Municipality to the east, and Kurbin Municipality to the south. The city of Lezhë serves as the administrative center of Lezhë Municipality. The municipality is primarily low-lying and coastal, with an elevation of 5 meters above sea level. Its rich historical and cultural heritage makes it a popular cultural tourism destination. Situated along the Drin River and surrounded by the Kune and Vain lagoons and Shengjin Beach, Lezhë offers diverse natural beauty and tourism potential. The economy is diversified, with a focus on trade and services. Lezhë's favourable geography supports agriculture, livestock, and fishing industries, contributing to its economic growth and employment. The municipality also includes Shëngjin and a long coastline, extending from the Mati Coast and Kune-Vain-Tales natural reserves to the rocky beaches north of Shëngjin.

Vau Dejës²⁶: The Municipality of Vau i Deja, located in northern Albania, is bordered by Shkodra to the north and west, Fushë Arrëz to the northeast, Pukë in the east, and Lezhë to the south. The town of Vau Dejës serves as its administrative center. The municipality includes six administrative units (AUs), primarily focused on agriculture, with significant water resources. It hosts the Vau Dejës hydropower plant and the Ashta 1 and Ashta 2 HPPs, developed under private concessions. The Bushati area, known for agricultural production, particularly vegetables, plays a key role in exports. The Shllak and Temal AUs, located near the Vau Dejës Lake, suffer from poor soil quality due to frequent flooding. Historically, the area's economy relied on the hydropower plant, a copper factory, and agricultural cooperatives. Today, economic activity is centered around small service businesses in Vau Dejës, though high unemployment rates drive significant emigration, particularly to Italy and Greece. The municipality is distinguished by large water bodies, including the Vau Dejës Hydroelectric Power Plant reservoir, the Drin River, and the Gjadër River.

²³ Summary prepared based on data of Porta Vendore: <https://portavendore.al/bashkia-kruje/pasaporta-e-bashkise-kruje/>

²⁴ Summary prepared based on data from the official website of the Municipality: https://www.bashkiakurbin.gov.al/?page_id=3652

²⁵ Summary prepared based on data of Porta Vendore: <https://portavendore.al/bashkia-lezhe/pasaporta-e-bashkise-lezhe/>

²⁶ Summary prepared based on data from the official website of the Municipality: <https://www.vaudejes.gov.al/rreth-nesh/>

Shkodër²⁷: The Municipality of Shkodra, located in northern Albania, is bordered by Malësi e Madhe to the north, Montenegro to the west, Tropoja to the east, and Vau i Deja and part of Lezhë to the south. Shkodra municipality consists of 11 AU. Its administrative center is the city of Shkodra, which is comprised of five neighbourhoods. The region benefits from favourable geographical and climatic conditions, supporting agriculture and tourism. It offers diverse tourism opportunities, including coastal and lake tourism (Velipoja and Lake Shkodra), mountain tourism (Thethi), cultural tourism (Shkodra City and Rozafa Castle), and agro-tourism. Shkodra's proximity to Montenegro and its traditional cross-border ties further enhance its economic and social development. In recent years, significant infrastructure improvements have been made, including the Buna Bridge, the Muriqani border point, the Shkodra-Hani i Hoti highway, the city ring road, and pedestrian walkways. However, flooding remains a major issue, causing significant damage across the municipality.

Malësi e Madhe²⁸: Malësi e Madhe, bordered by Montenegro to the north and Shkodër Municipality to the south, has its administrative center in the city of Koplik. It consists of five administrative units. The region is known for its natural beauty, including Lake Shkodra and mountain tourist spots like Vermoshi, Razma, and Boga. Tourism, livestock, and agriculture are the main economic activities. Despite efforts to develop an industrial zone near the town of Bajza, projects have yet to materialize. The development of tourism faces challenges due to insufficient infrastructure, with key routes like the Hani i Hotit-Tamarë-Vermosh-Plavë Guci axis needed to boost mountain tourism. The city of Koplik struggles with high unemployment, and much of the local income comes from emigration, particularly to the United States and the UK, with many young people continuing to leave.

4.2. Project baseline data collection and analysis

4.2.1. Desktop review

The desk work conducted for this analysis involved a comprehensive review of available geographic and administrative data to assess the potential impacts of the Vorë – Hani Hotit Railway alignment. This included identifying and mapping the municipalities, administrative units, and settlements within the railway corridor.

In parallel, the desk work for data collection through the survey focused on preparing materials for distribution, identifying key target groups, and selecting geographic areas for data gathering. Survey questionnaires were carefully developed to capture both quantitative and qualitative information, ensuring alignment with the project's objectives. Existing demographic and socio-economic data were also reviewed to guide the survey's design and scope. The collected data was then compiled and analyzed to evaluate the potential impacts of the railway project on local communities.

4.2.2. Site visits and update of land ownership and cadastral information

The site visits and update of land ownership and cadastral information involved fieldwork to verify and update the existing land records along the Vorë – Hani i Hotit Railway corridor. During these visits, the project team conducted on-site assessments to cross-check cadastral maps, land ownership records, and boundaries, ensuring accuracy and consistency with the latest available data. The process included discussions with local authorities, landowners, and relevant stakeholders to gather updated information on property ownership, land use, and any changes to the cadastral status since the last record update. This field-based data collection was crucial for identifying any discrepancies, confirming land ownership details, and assessing potential land acquisition needs or impact areas for the railway project. The updated information is integral to ensuring that project planning, compensation, and mitigation measures are based on the most accurate and current data available.

²⁷ Summary prepared based on data from the official website of the Municipality: <https://bashkiashkoder.gov.al/lagjet-njesite-administrative/>

²⁸ Summary prepared based on data from the official website of the Municipality: <https://bashkiamalesiemadhe.gov.al/>

4.2.3. Identification of affected households, consultations, and interviewing process

The identification of affected households, along with the consultations and interviewing process, was a key component of the social impact assessment for the Vorë – Hani i Hotit Railway project. This phase aimed to ensure that all households potentially affected by the project were accurately identified and engaged in meaningful dialogue.

The process began with mapping and compiling a comprehensive list of households located within or near the proposed railway corridor, based on both desk-based data and information gathered during site visits. Special attention was given to households that would experience direct impacts, such as displacement or loss of property, as well as those who might be indirectly affected by changes in the surrounding environment or infrastructure.

In parallel, a structured interview process was implemented, where affected individuals and households were interviewed using carefully designed questionnaires. These interviews aimed to collect both qualitative and quantitative data on the impacts of the railway project, focusing on aspects such as property ownership, economic activity, potential disruptions, and community concerns. The information gathered through these interviews helped to create a detailed, community-informed impact assessment and provided a basis for developing appropriate mitigation strategies and compensation plans. The process not only ensured that the perspectives of affected households were incorporated into the project's planning and decision-making but also fostered transparency, trust, and cooperation between the project team and local communities.

The table below presents the distribution of household members in various municipalities that participated in the survey. It lists respondents from seven municipalities in Albania, with columns showing the percentage of females and males in the total population for each area. The absolute number of females and males is also provided. The respondents from each municipality are as follows:

Table 11: Respondents by Gender Distribution for each Municipality²⁹

No.	Municipality	Female	Male	Female	Male	Total
1	Vorë	9%	91%	7	61	68
2	Krujë	4%	96%	2	48	51
3	Kurbin	12%	88%	12	106	118
4	Lezhë	13%	87%	18	125	143
5	Vau Dejës	4%	96%	2	26	28
6	Shkodër	25%	75%	23	87	110
7	Malësi e Madhe	4%	96%	5	61	66
Total				69	514	584

In total, the sample consists of 69 females and 514 males across all municipalities, totalling 584 individuals. However, this data does not reflect the gender distribution in these areas, but rather offers insights into the local demographic composition for the purposes of the household survey.

4.2.4. Socio-economic impact of the project affected population

4.2.4.1. Demographic profile of project affected municipalities

The demographic and economic data gathered from survey respondents may not fully capture the broader context of the areas directly impacted by the Project. To ensure a more comprehensive and accurate understanding of local demographics and economic conditions, this section incorporates additional data from the Albania Population and Housing Census 2023. Census data provides a detailed overview of the population in the affected areas, including key indicators such as age, gender, education levels, employment, household size, and other demographic characteristics. This broader dataset helps to more effectively identify the socio-economic composition of the population, which is critical for designing project interventions that address the specific needs of different groups within the affected communities.

²⁹ Source: Abkons survey data 2024

Additionally, by using the Census data as a reference, we can analyze the representativeness of the survey sample, ensuring that it covers the full spectrum of the population in the affected areas. This comparison supports the validity of the survey findings and helps in drawing accurate conclusions regarding the socio-economic conditions and potential impacts of the project.

A. Settlement classification

The data from the 2023 Census provides valuable insights into the population distribution and settlement patterns within the administrative units impacted by the project for each municipality. The classification of settlements into urban and rural categories, along with associated data on inhabited dwellings, households, and average household size, forms the basis for assessing the socio-economic conditions of these regions.

The municipalities involved in the project include a mix of urban and rural areas, with rural areas typically having smaller populations and lower density compared to urban centers. The following analysis highlights the key characteristics of each settlement based on the data from the 2023 Census and socioeconomic survey conducted for the project. The tables below provide detailed, gender-disaggregated information on the distribution of households in rural versus urban areas, along with specific data on the settlements impacted by the project in each municipality.

► VORË

The Vorë Municipality exhibits a typical urban-rural divide, with the urban area slightly more densely populated compared to the rural area, though the average household size remains similar across both.

- **Urban Area (Vorë):** The urban area of Vorë has 2,307 inhabited dwellings and 2,499 households, with an average household size of 3.6 individuals.
- **Rural Area (Prezë):** The rural area of Prezë has 960 inhabited dwellings and 1,022 households, with a slightly smaller average household size of 3.5 individuals.

Table 12: Overview of the population and households across the AU affected by the project in Vorë Municipality (Albania Population and Housing Census 2023)

Affected A.U.	Population	Male	Female	Inhabited dwellings (no.)	Households (no.)	Avg. no. of individuals per HH
Prezë	3,592	1,780	1,812	960	1,022	3.5
Vorë	8,969	4,485	4,484	2,307	2,499	3.6
Total	12,561	6,265	6,296	3,267	3,521	

The demographic data collected from the socio-economic survey conducted in the frame of the project provides valuable insights into the population distribution within the affected Administrative Units (AUs) of Prezë and Vorë.

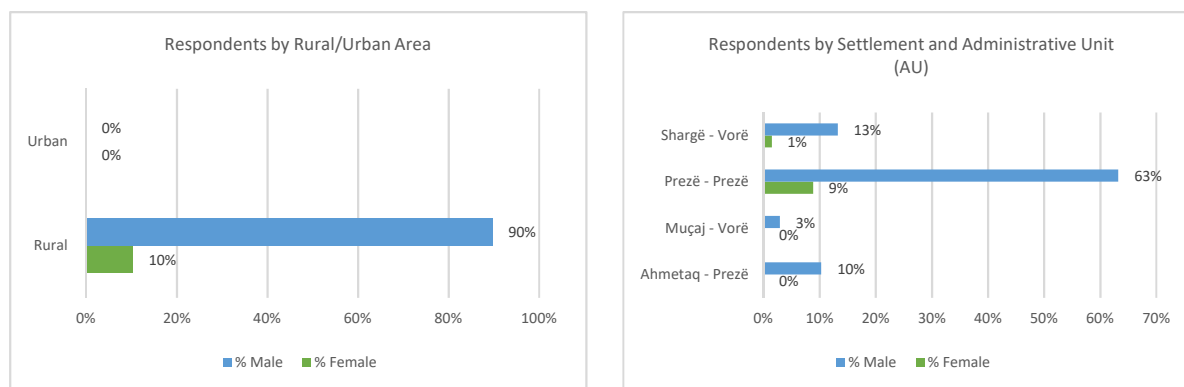


Figure 11: Respondents by urban/rural areas and settlements and AU, Vorë Municipality

► KRUIJË

Krujë Municipality is predominantly rural, with average household sizes ranging from 3.4 to 3.7 individuals, indicating relatively larger households in comparison to more urbanized areas.

- Rural Area (Bubq): Bubq has 1,227 inhabited dwellings and 1,282 households, with an average of 3.4 individuals per household.
- Rural Area (Thumanë): Thumanë has 2,814 inhabited dwellings and 2,927 households, with a slightly larger average household size of 3.7 individuals.

Table 13: Overview of the population and households across the AU affected by the project in Krujë Municipality (Albania Population and Housing Census 2023)

Affected AU	Population	Male	Female	Inhabited dwellings (number)	Households (number)	Average number of individuals per household
Bubq	4,374	2,246	2,128	1,227	1,282	3.4
Thumanë	10,719	5,416	5,303	2,814	2,927	3.7
Total	15,093	7,662	7,431	4,041	4,209	

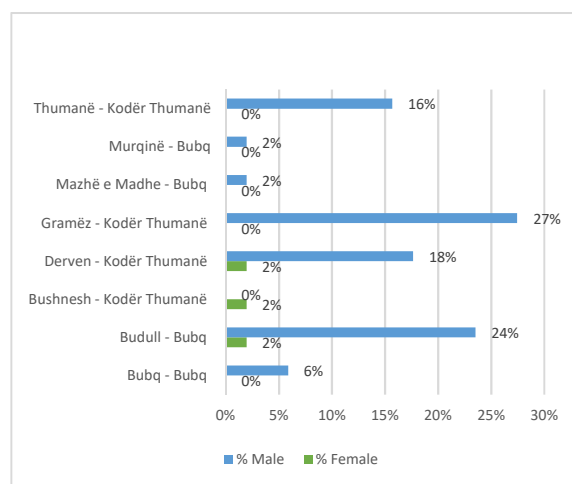
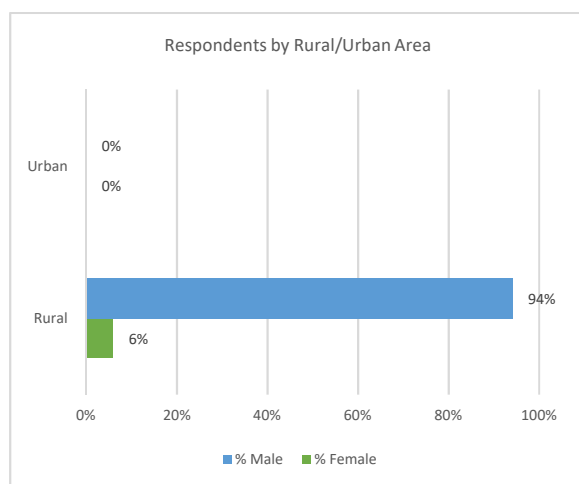


Figure 12: Respondents by urban/rural areas and settlements and AU, Krujë Municipality

► KURBIN

Kurbin Municipality displays a more consistent household size across both rural and urban areas, with rural areas having slightly larger households on average.

- Rural Area (Laç): Laç has 3,801 inhabited dwellings and 3,932 households, with an average household size of 3.3 individuals.
- Rural Area (Mamurras): Mamurras has 3,101 inhabited dwellings and 3,213 households, with an average of 3.6 individuals per household.
- Urban Area (Milot): The urban area of Milot has 1,716 inhabited dwellings and 1,817 households, with an average household size of 3.4 individuals.

Table 14: Overview of the population and households across the AU affected by the project in Kurbin Municipality (Albania Population and Housing Census 2023)

Affected AU	Population	Male	Female	Inhabited dwellings (number)	Households (number)	Average number of individuals per household
Laç	12,854	6,378	6,476	3,801	3,932	3.3
Mamurras	11,442	5,804	5,638	3,101	3,213	3.6
Milot	6,193	3,122	3,071	1,716	1,817	3.4
Total	30,489	15,304	15,185	8,618	8,962	

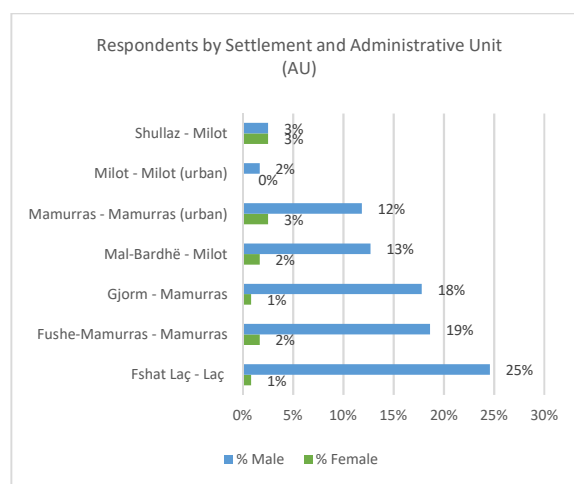
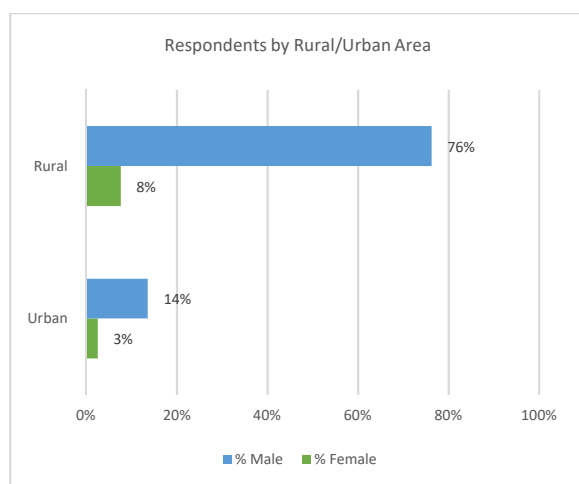


Figure 13: Respondents by urban/rural areas and settlements and AU, Kurbin Municipality

► LEZHË

Lezhë Municipality includes both urban and rural areas, with the urban area (Lezhë city) having a slightly smaller average household size compared to the surrounding rural areas. The rural areas, particularly Kallmet and Zejmen, have slightly larger households.

- Rural Area (Blinisht): Blinisht has 598 inhabited dwellings and 606 households, with an average household size of 3.1 individuals.
- Rural Area (Kallmet): Kallmet has 953 inhabited dwellings and 980 households, with an average of 3.0 individuals per household.
- Rural Area (Kolç): Kolç has 1,114 inhabited dwellings and 1,149 households, with an average of 3.3 individuals per household.
- Urban Area (Lezhë): The urban area of Lezhë has 4,660 inhabited dwellings and 4,773 households, with an average household size of 3.1 individuals.
- Rural Area (Shëngjin): Shëngjin has 2,140 inhabited dwellings and 2,201 households, with an average of 3.2 individuals per household.
- Rural Area (Zejmen): Zejmen has 1,192 inhabited dwellings and 1,232 households, with an average household size of 3.3 individuals.

Table 15: Overview of the population and households across the AU affected by the project in Lezhë Municipality (Albania Population and Housing Census 2023)

Affected AU	Population	Male	Female	Inhabited dwellings (number)	Households (number)	Average number of individuals per household
Blinisht	1,878	888	990	598	606	3.1
Kallmet	2,973	1,442	1,531	953	980	3.0
Kolç	3,817	1,913	1,904	1,114	1,149	3.3
Lezhë	14,687	7,236	7,451	4,660	4,773	3.1
Shëngjin	6,963	3,441	3,522	2,140	2,201	3.2
Zejmen	4,042	2,001	2,041	1,192	1,232	3.3
Total	34,360	16,921	17,439	10,657	10,941	

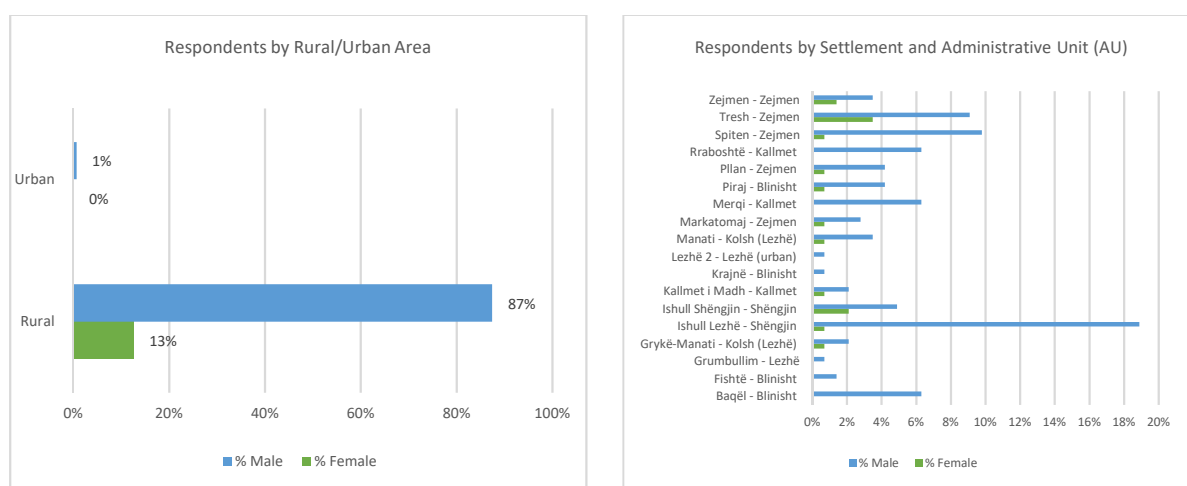


Figure 14: Respondents by urban/rural areas and settlements and AU, Lezhë Municipality

► VAU DEJËS

In Vau Dejës Municipality, both the urban and rural areas have similar average household sizes, indicating a relatively uniform household structure across the region.

- Rural Area (Hajmel): Hajmel has 860 inhabited dwellings and 910 households, with an average household size of 3.4 individuals.
- Urban Area (Vau Dejës): The urban area of Vau Dejës has 1,650 inhabited dwellings and 1,694 households, with an average household size of 3.4 individuals.

Table 16: Overview of the population and households across the AU affected by the project in Vau Dejës Municipality (Albania Population and Housing Census 2023)

Affected AU	Population	Male	Female	Inhabited dwellings (number)	Households (number)	Average number of individuals per household
Hajmel	3,074	1,530	1,544	860	910	3.4
Vau Dejës	5,710	2,759	2,951	1,650	1,694	3.4
Total	8,784	4,289	4,495	2,510	2,604	

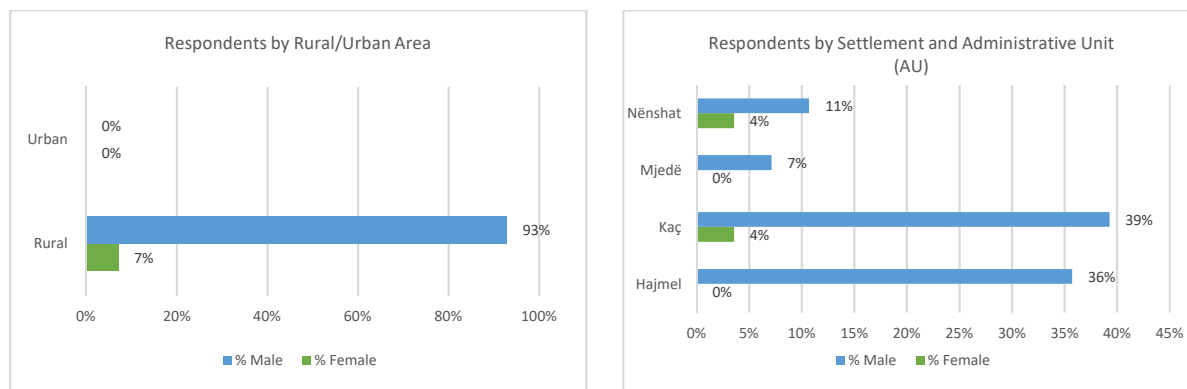


Figure 15: Respondents by urban/rural areas and settlements and AU, Vau Dejës Municipality

► SHKODËR

Shkodër Municipality shows a marked difference between its rural and urban areas. While the rural areas (Guri i Zi and Rrethinat) maintain a household size of around 3.4 individuals, the urban area (Shkodër city) has a notably smaller average household size of 2.9 individuals, reflecting the typical trend of smaller households in urban settings.

- Rural Area (Guri i Zi): Guri i Zi has 1,708 inhabited dwellings and 1,851 households, with an average household size of 3.4 individuals.
- Rural Area (Rrethinat): Rrethinat has 4,425 inhabited dwellings and 4,714 households, with an average of 3.4 individuals per household.
- Urban Area (Shkodër): The urban area of Shkodër has 20,050 inhabited dwellings and 20,974 households, with a smaller average household size of 2.9 individuals.

Table 17: Overview of the population and households across the AU affected by the project in Shkodër Municipality (Albania Population and Housing Census 2023)

Affected AU	Population	Male	Female	Inhabited dwellings (number)	Households (number)	Average number of individuals per household
Guri i zi	6,315	3,127	3,188	1,708	1,851	3.4
Rrethinat	15,968	7,897	8,071	4,425	4,714	3.4
Shkodër	61,633	29,944	31,689	20,050	20,974	2.9
Total	83,916	40,968	42,948	26,183	27,539	

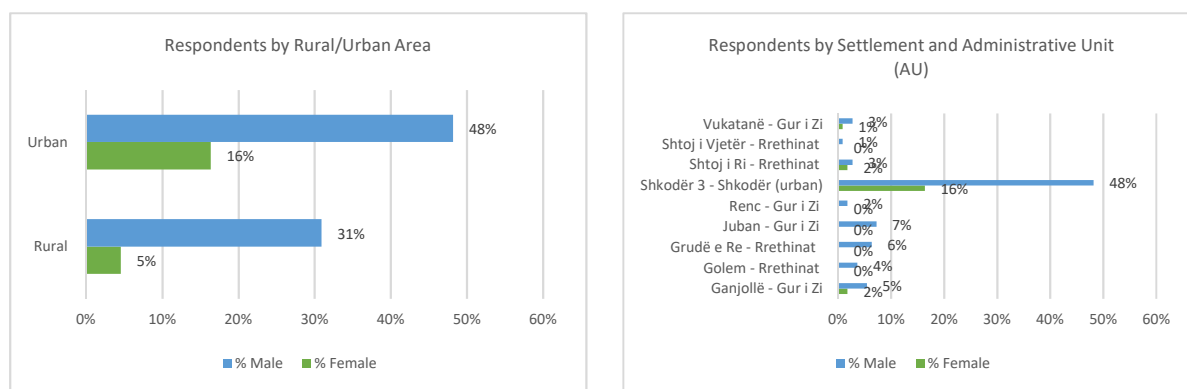


Figure 16: Respondents by urban/rural areas and settlements and AU, Shkodër Municipality

► MALËSI E MADHE

Malësi e Madhe Municipality features a mix of rural and urban settlements, with a consistent average household size of around 3.3 individuals across the region, except for Kastrat, where the household size is slightly smaller at 3.1 individuals.

- Rural Area (Gruemirë): Gruemirë has 1,936 inhabited dwellings and 2,005 households, with an average household size of 3.3 individuals.
- Rural Area (Kastrat): Kastrat has 1,310 inhabited dwellings and 1,377 households, with an average household size of 3.1 individuals.
- Urban Area (Qendër Koplik): The urban area of Qendër Koplik has 1,091 inhabited dwellings and 1,110 households, with an average household size of 3.3 individuals.

Table 18: Overview of the population and households across the AU affected by the project in Malësi e Madhe Municipality (Albania Population and Housing Census 2023)

Affected AU	Population	Male	Female	Inhabited dwellings (number)	Households (number)	Average number of individuals per household
Gruemirë	6,634	3,18	3,456	1,936	2,005	3.3
Kastrat	4,335	2,145	2,190	1,310	1,377	3.1
Qendër Koplik	3,610	1,755	1,855	1,091	1,110	3.3
Total	14,579	7,078	7,501	4,337	4,492	
Gruemirë	6,634	3,18	3,456	1,936	2,005	3.3

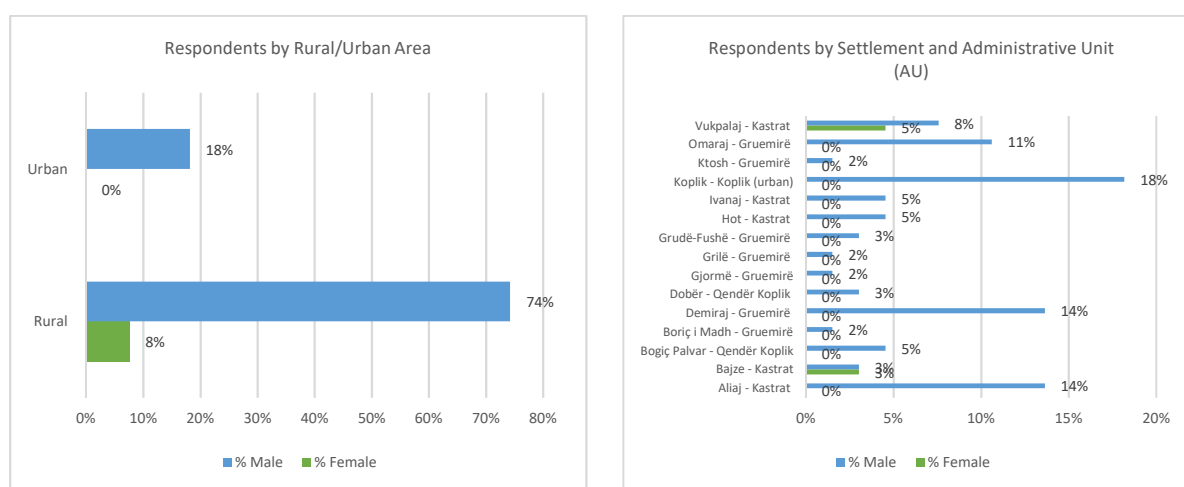


Figure 17: Respondents by urban/rural areas and settlements and AU, Malësi e Madhe Municipality

B. Age distribution

The age distribution data from the 2023 Census for the affected administrative units provides important insights into the demographic composition of the population. This distribution is essential for understanding the socio-economic context of each area and for informing project planning, particularly in terms of labor force availability, service needs, and social infrastructure.

Vorë Municipality:

- Prezë (Rural Area): The population of Prezë is predominantly in the working-age group (15-64 years), making up 66% of the total population. Children (0-14 years) account for 8.3%, while 8.4% are elderly (65+ years).

- **Vorë (Urban Area):** In contrast, Vorë has a more balanced distribution, with 8.9% of the population aged 0-14, 68.4% in the working-age group, and 7.7% aged 65 and above. The higher proportion of working-age individuals in the urban area reflects its relatively larger economic and employment opportunities.

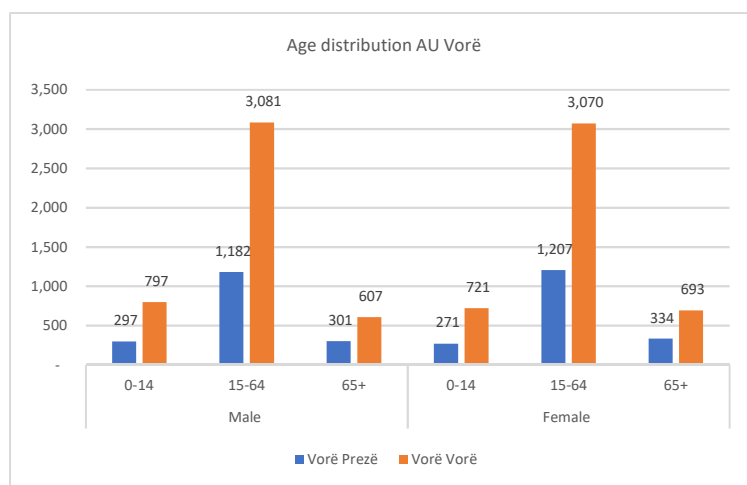


Figure 18: Age distribution for impacted AU Vorë Municipality

Krujë Municipality:

- **Bubq (Rural Area):** Similar to other rural areas, Bubq has a higher proportion of working-age individuals (68.5%), with children comprising 7.3% and the elderly 9.6%.
- **Thumanë (Rural Area):** Thumanë has a larger proportion of young people (9.9% aged 0-14) and elderly individuals (8.7%) compared to Bubq. The working-age population makes up 66.3%.

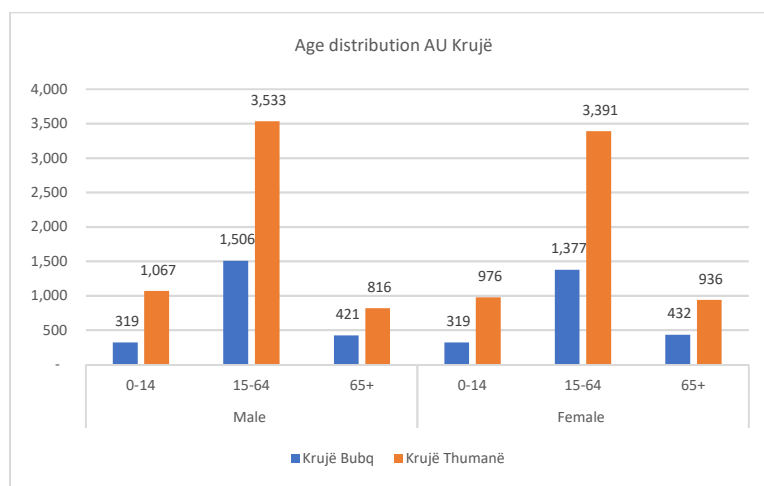


Figure 19: Age distribution for impacted AU Krujë Municipality

Kurbin Municipality:

- **Laç (Rural Area):** Laç's population distribution reflects a younger demographic, with 8.7% aged 0-14, 65.2% in the working-age group, and 8.2% over 65 years old.
- **Mamurras (Rural Area):** Mamurras follows a similar pattern with 9.6% children, 65.2% working-age individuals, and 9.1% elderly.
- **Milot (Urban Area):** The urban area of Milot has 9.0% children, 65.7% working-age, and 8.5% elderly, showing a balanced distribution of age groups similar to other urban settlements.

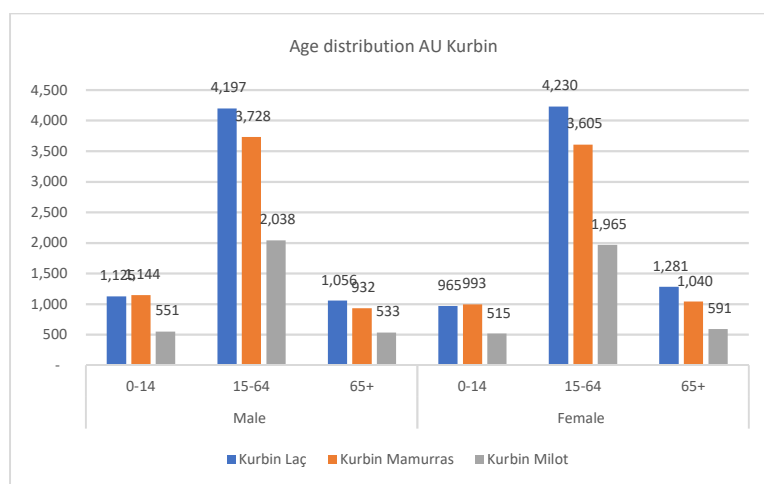


Figure 20: Age distribution for impacted AU Kurbin Municipality

Lezhë Municipality:

- **Blinisht (Rural Area):** Blinisht has a relatively higher proportion of elderly individuals (11.8%) compared to other rural areas, with 7.3% children and 66.4% working-age individuals.
- **Kallmet (Rural Area):** In Kallmet, 7.2% are children, 63.2% are working-age, and 8.8% are elderly.
- **Kolç (Rural Area):** Kolç's population is slightly younger, with 10.0% children and 66.9% working-age, while elderly individuals make up 7.3%.
- **Lezhë (Urban Area):** The urban area of Lezhë has a higher proportion of working-age individuals (69.1%) and a lower share of children (8.1%) and elderly (7.6%).
- **Shëngjin (Rural Area):** Shëngjin's age distribution is balanced, with 8.2% children, 68.4% working-age, and 7.8% elderly.
- **Zejmen (Rural Area):** Zejmen shows a younger population, with 8.3% children and 66.1% working-age individuals, while elderly individuals account for 8.4%.

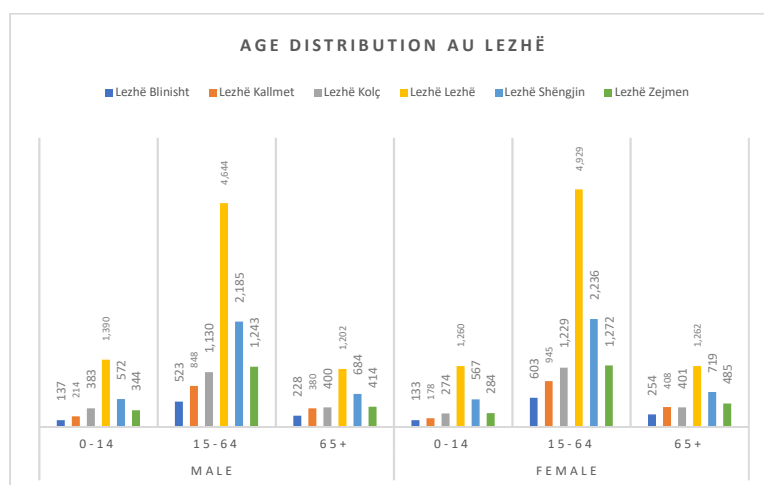


Figure 21: Age distribution for impacted AU Lezhë Municipality

Vau Dejës Municipality:

- **Hajmel (Rural Area):** The rural settlement of Hajmel has 8.1% children, 66.1% working-age individuals, and 7.2% elderly.
- **Vau Dejës (Urban Area):** The urban area of Vau Dejës shows a higher proportion of children (8.0%) and working-age individuals (68.9%), with a slightly higher percentage of elderly (10.1%).

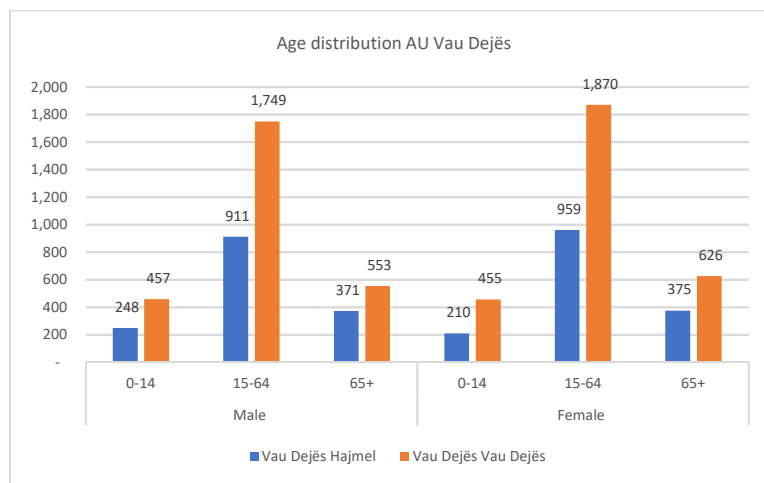


Figure 22: Age distribution for impacted AU Vau Dejës Municipality

Shkodër Municipality:

- Guri i Zi (Rural Area): In Guri i Zi, 10.2% are children, 61.2% are working-age, and 9.3% are elderly.
- Rrethinat (Rural Area): The rural area of Rrethinat has 9.3% children, 62.6% working-age, and 9.3% elderly.
- Shkodër (Urban Area): The urban area of Shkodër has a significant proportion of working-age individuals (68.6%), with children making up 7.7% and elderly individuals comprising 11.4% of the population.

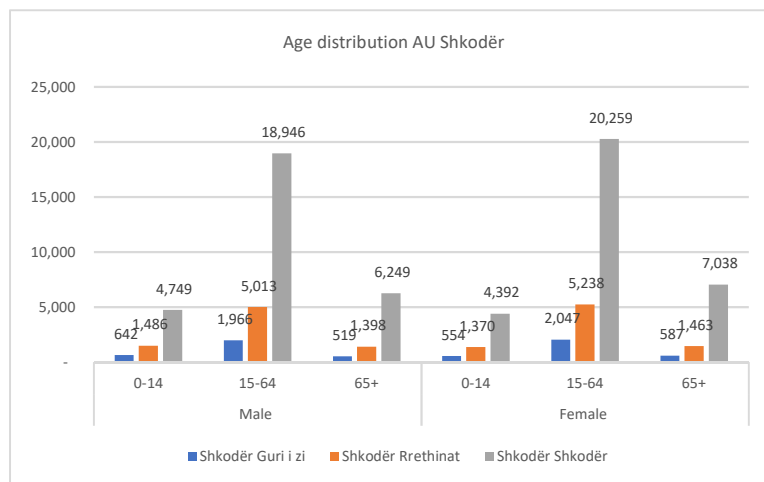


Figure 23: Age distribution for impacted AU Shkodër Municipality

Malësi e Madhe Municipality:

- Gruemirë (Rural Area): In Gruemirë, the majority of the population is of working age (69.7%), with children at 7.3% and the elderly at 10.6%.
- Kastrat (Rural Area): Kastrat has 7.1% children, 66.4% working-age, and 10.1% elderly.
- Qendër Koplik (Urban Area): The urban area of Qendër Koplik has a higher share of working-age individuals (66.4%), with children at 6.7% and elderly individuals at 8.1%.

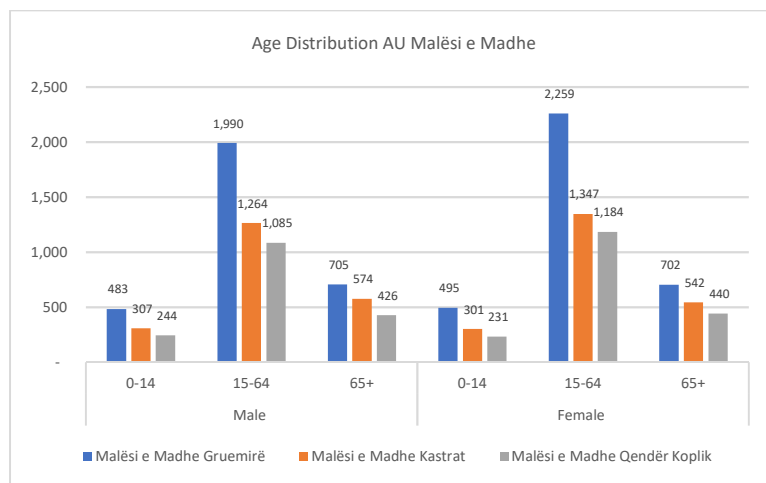


Figure 24: Age distribution for impacted AU Malësi e Madhe Municipality

According to the 2023 Census data, the working-age population (15-64 years) constitutes the majority in all affected administrative units, ranging from 61% to 69% of the total population. This reflects the importance of this demographic group for the labor market and economic activities in the region. The elderly population (65+ years) makes up approximately 7-11% of the total, highlighting a significant segment that may require targeted social services, healthcare, and other support systems. Additionally, children (0-14 years) account for around 7-10% of the population, indicating a clear need for educational services and child-focused development programs to support this younger demographic.

The survey results reveal a notable trend in the age distribution of respondents across specific municipalities, with a particularly high proportion of individuals aged 65 and older in the regions of Krujë, Lezhë, and Vau Dejës. In these areas, the senior population represents a significant majority of the respondents, accounting for 53%, 54%, and 75% of the total respondents, respectively. This demographic dominance suggests that older individuals in these municipalities may be indicative of broader social or cultural patterns, such as the presence of multi-generational households where older adults serve as the head of the family. In such households, seniors may play a central role in decision-making and daily family life. Additionally, the higher proportion of elderly respondents could reflect a larger senior population in these regions, which may be due to factors such as longer life expectancy or a lack of migration among younger generations.

This trend underscores the significance of older individuals within these communities, not only in terms of their representation in the survey but also as key figures in family structures and social dynamics. The following table provides detailed information on the age distribution for each municipality.

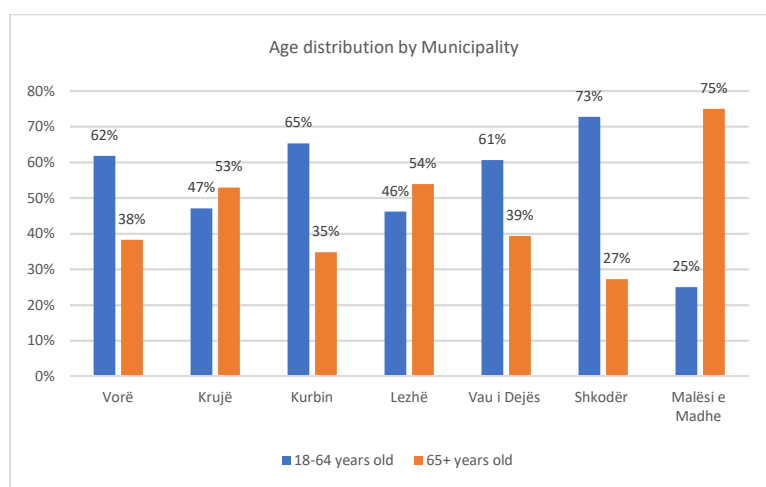


Figure 25: Respondents by age distribution for each municipality

C. Gender distribution

The gender distribution in the affected administrative units, according to the 2023 Census data, shows a relatively balanced split between males and females across most municipalities. The proportion of males and females is fairly equal, with some variations that reflect slight gender imbalances in certain regions.

In municipalities such as Vorë (Prezë and Vorë), Krujë (Bubq and Thumanë), Kurbin (Laç, Mamurras, and Milot), and Vau Dejës (Hajmel and Vau Dejës), the gender distribution is evenly split, with 50% male and 50% female across the board. This balanced gender ratio suggests a relatively equal representation of both genders in these areas.

In contrast, other municipalities, such as Lezhë (Blinisht, Kallmet, Lezhë, Shëngjin, and Zejmen), Shkodër (Guri i Zi, Rrethinat, and Shkodër), and Malësi e Madhe (Gruemirë, Kastrat, and Qendër Koplik), show a slightly higher percentage of females compared to males. For example, in Lezhë, the female population slightly exceeds the male population, with the distribution ranging from 47% male and 53% female in Blinisht to 49% male and 51% female in other areas like Lezhë and Shëngjin. Similarly, in Malësi e Madhe and Shkodër, the percentage of females is marginally higher than males, typically by 1-2%.

While the gender distribution is generally balanced, the slight variations in some areas may be indicative of local socio-cultural factors or demographic patterns that require targeted attention in social planning, particularly in areas where females slightly outnumber males. Figure 26 provides detailed information for the affected administrative units and municipalities.

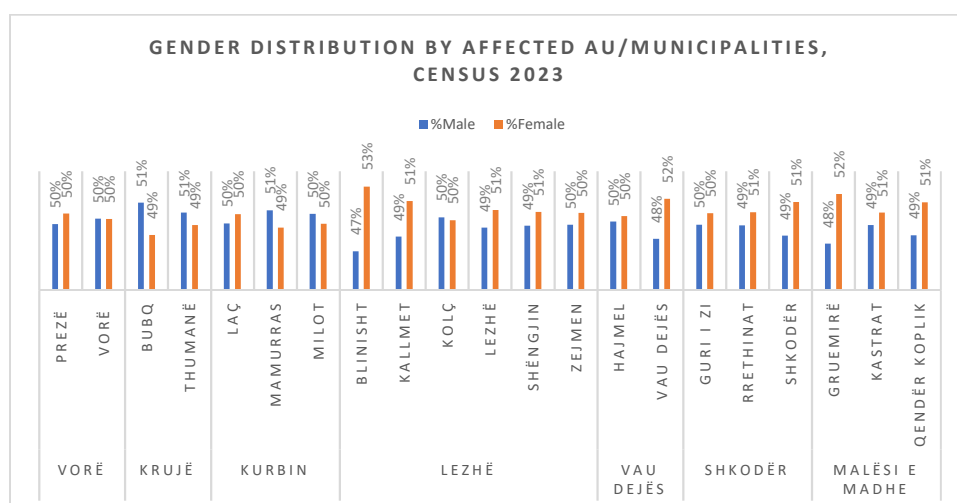


Figure 26: Gender distribution for affected AU and Municipalities (Census 2023)

The gender distribution among survey respondents reveals a clear disparity, with a higher proportion of male respondents across all affected areas. This imbalance can be attributed to the survey methodology, where the head of the household was selected for the interview. In Albania, traditional gender roles often designate men as the primary decision-makers and heads of the household. As a result, men are more likely to be identified and selected for participation in such surveys, reflecting broader cultural patterns that assign leadership and responsibility within the household to male figures.

It is crucial to recognize the gender imbalance in the survey responses, as it may influence the representation of female perspectives and experiences. This imbalance is particularly significant in households where women are the primary caregivers or hold responsibility for key aspects of family life. Furthermore, it underscores the influence of traditional gender norms on survey participation, which may result in an incomplete or skewed understanding of the community's diverse viewpoints. To address this issue and ensure more equitable inclusion of both women and men, the questionnaire was designed to capture data from all family members. This approach enabled us to gather comprehensive insights that reflect the experiences of both genders, providing a more accurate and balanced representation of the household as a whole.

The table below presents gender-disaggregated data for the individuals who participated in the survey. This breakdown provides a clearer understanding of the gender distribution among the respondents for each municipality. Additionally, all data collected throughout the survey have been analyzed and disaggregated by gender to identify any differences or disparities between men and women regarding the impacts of the project. This approach ensures that gender-specific insights are captured, offering a more nuanced and comprehensive view of the findings.

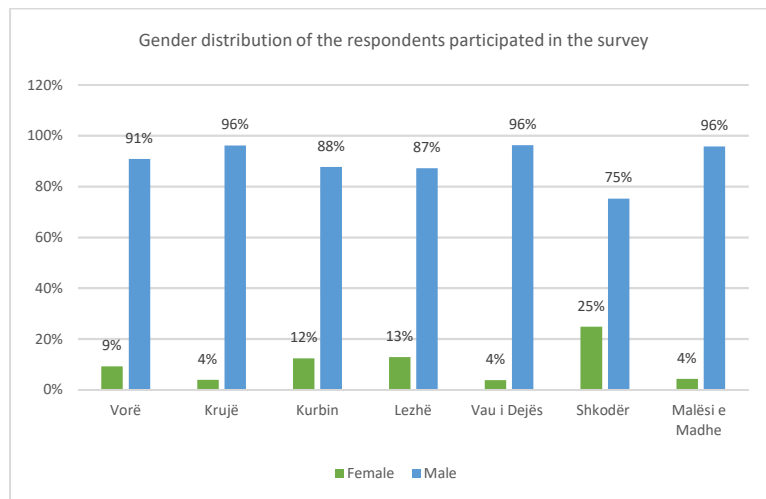


Figure 27: Respondents by gender distribution for each municipality

D. Educational level

The education level data from the 2023 Census provides valuable insights into the educational attainment across the affected administrative units (AUs) and municipalities involved in the project. The distribution of education levels highlights both the progress and challenges in terms of educational access and quality in these areas.

In the Vorë Municipality, both the rural (Prezë) and urban (Vorë) areas show relatively high numbers of individuals with at least a primary school education, with 1,320 individuals in Prezë and 2,810 in Vorë having completed lower secondary education. The urban area, Vorë, stands out with a considerable number of individuals (2,398) having completed upper secondary education, while 874 individuals have attained tertiary or post-graduate qualifications.

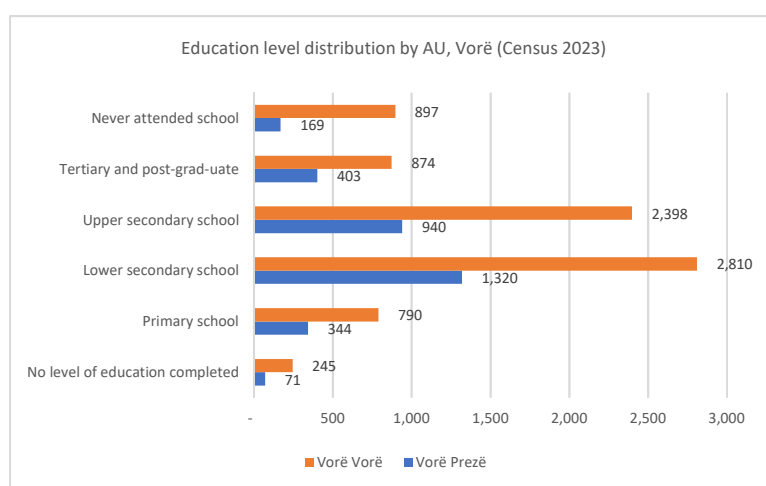


Figure 28: Education level distribution by AU Vorë Municipality (census 2023)

In Krujë Municipality, the educational distribution reflects a similar trend, with a strong presence of individuals having completed primary and lower secondary school. Specifically, in Bubq, 1,768 individuals completed lower secondary education, and 1,231 completed upper secondary education.

Thumanë, being more urbanized, has a higher number of individuals with upper secondary (2,623) and tertiary education (636).

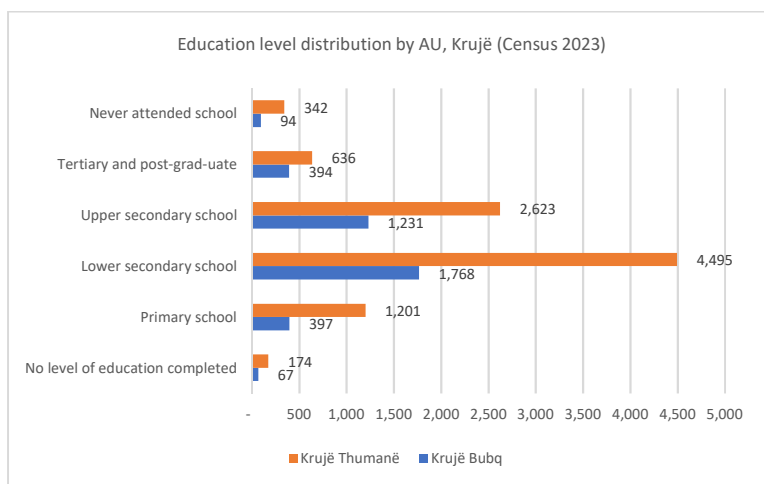


Figure 29: Education level distribution by AU Krujë Municipality (census 2023)

For Kurbin Municipality, the majority of the population has completed primary and lower secondary education. In Laç, for example, 4,331 individuals have completed lower secondary education, and 4,027 individuals have completed upper secondary education. The urban area of Milot, however, has fewer individuals with tertiary education (439) compared to the rural areas.

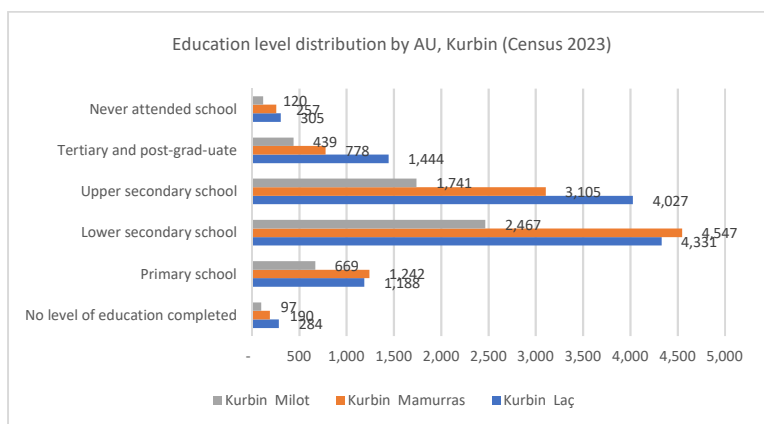


Figure 30: Education level distribution by AU Kurbin Municipality (census 2023)

Lezhë Municipality shows a broad range of educational attainments, with the urban area of Lezhë having the highest concentration of individuals who have completed upper secondary education (4,480). Additionally, 2,808 individuals in Lezhë have attained tertiary or post-graduate education, reflecting the urban area's greater access to educational institutions. Other rural areas like Blinisht, Kallmet, and Kolç have lower figures in terms of higher education attainment, with education primarily being limited to primary and lower secondary education.

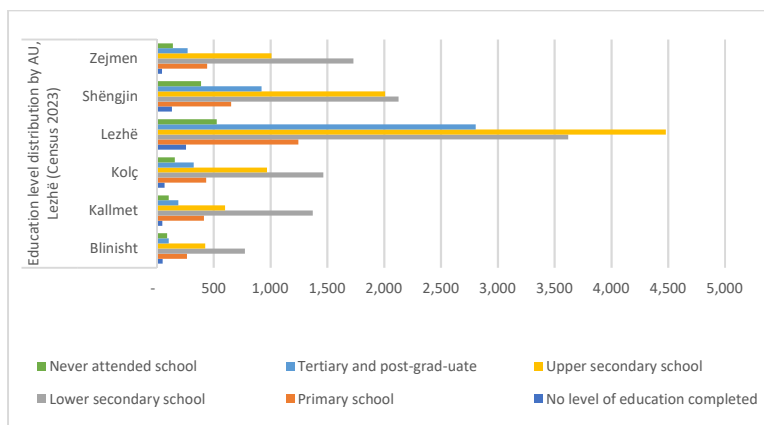


Figure 31: Education level distribution by AU Lezhë Municipality (census 2023)

In Vau Dejës Municipality, the rural area of Hajmel has a considerable number of individuals who completed primary and lower secondary education. Vau Dejës, the urban area, shows higher numbers of individuals with upper secondary education (1,522), but tertiary education is still limited, with only 451 individuals reaching that level.

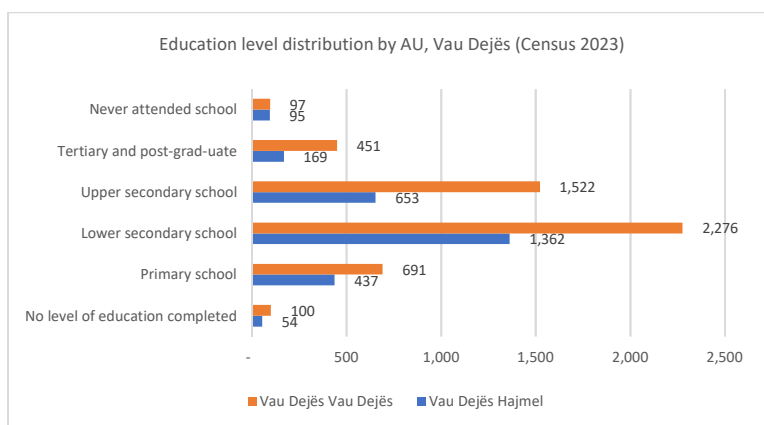


Figure 32: Education level distribution by AU Vau Dejës Municipality (census 2023)

In Shkodër Municipality, the urban area of Shkodër stands out with a high number of individuals who have completed upper secondary education (20,646) and tertiary education (13,254). The rural areas of Guri i Zi and Rrethinat, however, show lower rates of tertiary education, but still reflect a significant portion of the population with lower secondary (3,105 and 6,296) and upper secondary (1,197 and 3,770) education.

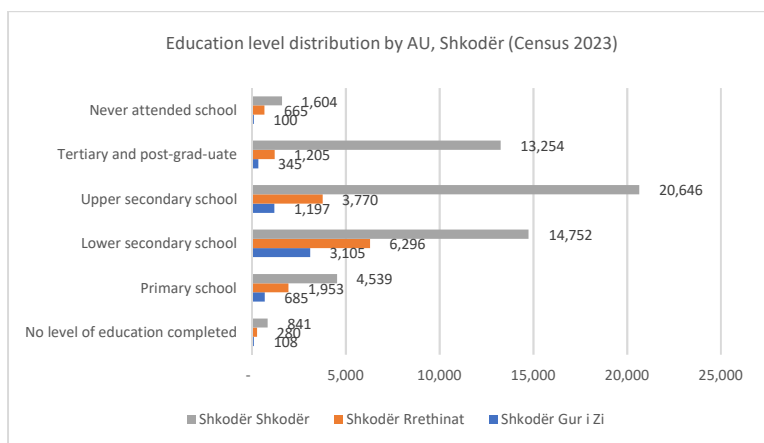


Figure 33: Education level distribution by AU Shkodër Municipality (census 2023)

Lastly, Malësi e Madhe Municipality shows a mix of education levels. Gruemirë, Kastrat, and Qendër Koplik all show relatively high numbers of individuals completing primary and lower secondary education, but the proportion of individuals with tertiary or post-graduate education remains low, particularly in the rural areas.

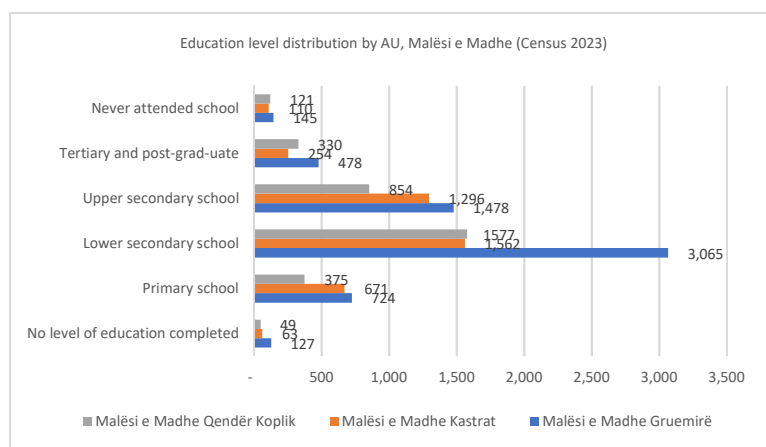


Figure 34: Education level distribution by AU Malësi e Madhe Municipality (census 2023)

The survey results reveal significant variation in the educational levels and professional status of respondents across different municipalities. The majority of respondents across all municipalities have completed either primary, 9-year, or secondary education. However, there are notable differences in the distribution of educational attainment by municipality:

- **Vorë:** 3% of respondents (both women and men) completed primary education, 35% completed 9-year education, and 49% completed secondary education.
- **Krujë:** 12% completed primary education, 37% completed 9-year education, and 41% completed secondary education.
- **Kurbin:** 5% completed primary education, 40% completed 9-year education, and 51% completed secondary education.
- **Lezhë:** 2% completed primary education, 33% completed 9-year education, and 55% completed secondary education.
- **Vau Dejës:** 54% completed 9-year education, and 4% completed secondary education.
- **Shkodër:** 7% completed primary education, 46% completed 9-year education, and 41% completed secondary education.
- **Malësi e Madhe:** 5% completed primary education, 32% completed 9-year education, and 47% completed secondary education.

These figures demonstrate that while most respondents have completed at least 9 years of schooling, secondary education is the highest level of education for many participants, particularly in Lezhë, Kurbin, and Malësi e Madhe. The lower percentage of individuals completing primary education in municipalities like Lezhë and Vau Dejës suggests a higher level of educational attainment overall in those regions, while in other areas, a larger proportion of respondents have completed only 9 years of schooling.

E. Professions and employment status

As of now, the Census 2023 does not include specific data on professions or employment status. Therefore, the information presented in this section is solely derived from the socioeconomic survey conducted for the project, which gathered detailed insights into the employment patterns, occupations, and labor force participation within the affected areas. This survey data serves as a critical complement to the census information, providing a clearer understanding of the local workforce dynamics and supporting the development of targeted interventions under the project.

Regarding employment, the majority of respondents report being either retired or unemployed, indicating a notable lack of professional engagement within the surveyed population. This pattern

suggests that a significant proportion of individuals in the affected areas may have limited access to formal employment opportunities or may no longer be part of the active workforce. The lack of professional engagement is a critical concern, as it can contribute to economic vulnerability, particularly in the context of land acquisition or resettlement, should it be required by the project. Without stable income or employment, individuals and families may face additional challenges in adapting to changes brought about by the project, potentially exacerbating their socio-economic difficulties. The survey findings highlight significant trends in employment status across the municipalities, particularly the high proportion of individuals who are retired or unemployed. Specifically, the data by municipality shows that nearly half of the respondents in most areas fall into these categories.

It is noteworthy that, despite the majority of the population residing in rural areas, professions related to agriculture account for only a small proportion of employment across all municipalities. This suggests that the agricultural sector no longer plays a significant role in providing employment or generating income for the local population. While agriculture has traditionally been a cornerstone of rural livelihoods, these findings indicate that it may no longer be the primary source of income in these regions. Specifically, only 12% of respondents in Krujë, 2% in Kurbin, 3% in Lezhë, 7% in Vau Dejës, 6% in Shkodër, and 5% in Malësi e Madhe report having a profession related to agriculture, fisheries, or forestry.

This shift may be attributed to various factors, including changes in agricultural practices, urban migration, and the growth of other economic sectors, which have likely reduced agriculture's contribution to local economies.

The survey findings provide valuable insights into the employment status of respondents across the municipalities. The breakdown by employment status is as follows:

- **Retired:** The percentage of respondents who are retired is notably high in most municipalities. The figures are as follows: 35% in Vorë, 51% in Krujë, 35% in Kurbin, 52% in Lezhë, 68% in Vau Dejës, 28% in Shkodër, and 36% in Malësi e Madhe. This suggests that retirement is a dominant employment status in these areas, particularly in Vau Dejës, where nearly 70% of respondents are retired.
- **Employed:** Employment rates vary across the municipalities. The percentages of respondents reporting regular employment are 41% in Vorë, 25% in Krujë, 23% in Kurbin, 23% in Lezhë, 18% in Vau Dejës, 20% in Shkodër, and 24% in Malësi e Madhe. These figures indicate that employment remains a significant part of the workforce, though the proportion of employed respondents is relatively low, particularly in Vau Dejës and Shkodër.
- **Self-Employed:** Self-employment is more prevalent in some municipalities than others. The highest rates of self-employment are found in Shkodër (31%) and Malësi e Madhe (18%), while lower figures are reported in Vorë (16%), Krujë (8%), and Kurbin (8%). Notably, Lezhë has the lowest rate of self-employment at just 1%, suggesting a less entrepreneurial workforce in this municipality.
- **Unemployment and involvement in Housework:** Unemployment and unpaid work are reported at varying levels across the municipalities. The figures are as follows: 5% in Vorë, 16% in Krujë, 23% in Kurbin, 12% in Lezhë, 7% in Vau Dejës, 4% in Shkodër, and 14% in Malësi e Madhe. The highest unemployment and unpaid work rates are seen in Kurbin (23%) and Krujë (16%), which may indicate challenges in the local labor markets or limited job opportunities.

The survey findings on emigration reveal that a relatively small but notable proportion of respondents from certain areas report having emigrated. The figures are as follows:

- **Lezhë:** 3% of respondents from Lezhë report having emigrated. This suggests that emigration is not widespread in this municipality, but still affects a small portion of the population, possibly indicating a trend toward seeking opportunities outside the area.
- **Shkodër:** In Shkodër, 6% of respondents report having emigrated. This is a slightly higher proportion compared to Lezhë, which may reflect factors such as local economic conditions, employment opportunities, or the pursuit of education or better living conditions abroad.

- **Malësi e Madhe:** The highest rate of emigration is found in Malësi e Madhe, with 8% of respondents reporting that they have emigrated. This indicates a higher tendency for people from this municipality to leave, possibly due to more limited local economic prospects, the search for better opportunities, or the presence of established diaspora communities abroad.

The overall figures suggest that emigration, while not overwhelming, remains a notable factor for a portion of the population in these areas. The reasons behind emigration could include economic hardship, better job prospects elsewhere, or family reunification with relatives who have already moved. These trends are particularly significant in rural areas where limited local opportunities can drive residents to seek livelihoods outside the country.

The following figures provide a detailed breakdown of the educational levels and employment status of the respondents, disaggregated by gender, for each municipality that participated in the survey.

► VORË

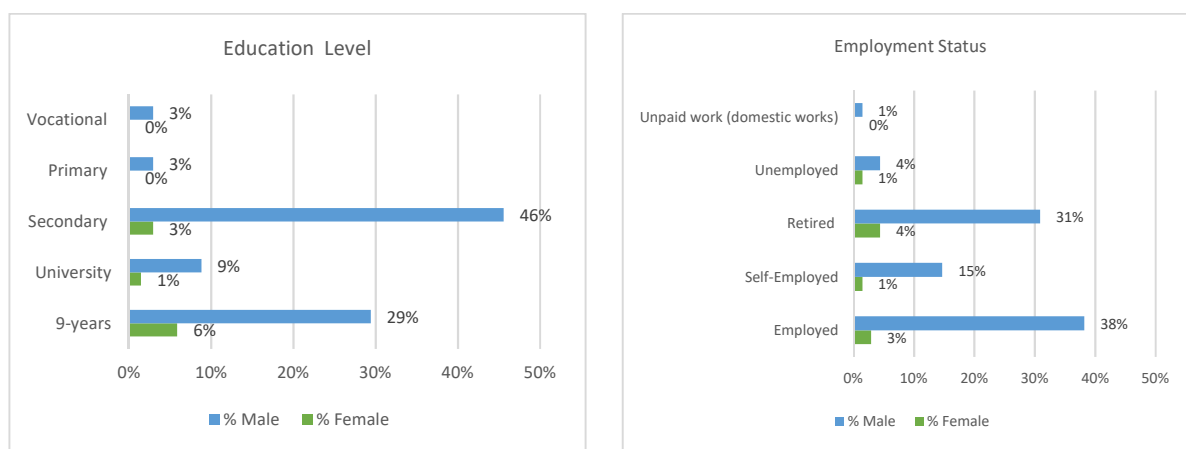


Figure 35: Education and employment status Vorë Municipality

► KRUIJË

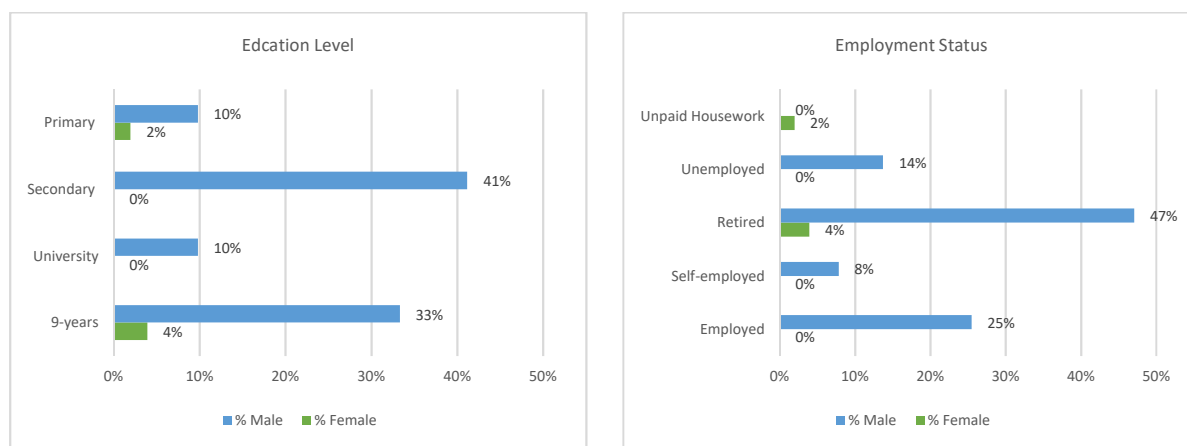


Figure 36: Education and employment status Krujë Municipality

KURBIN

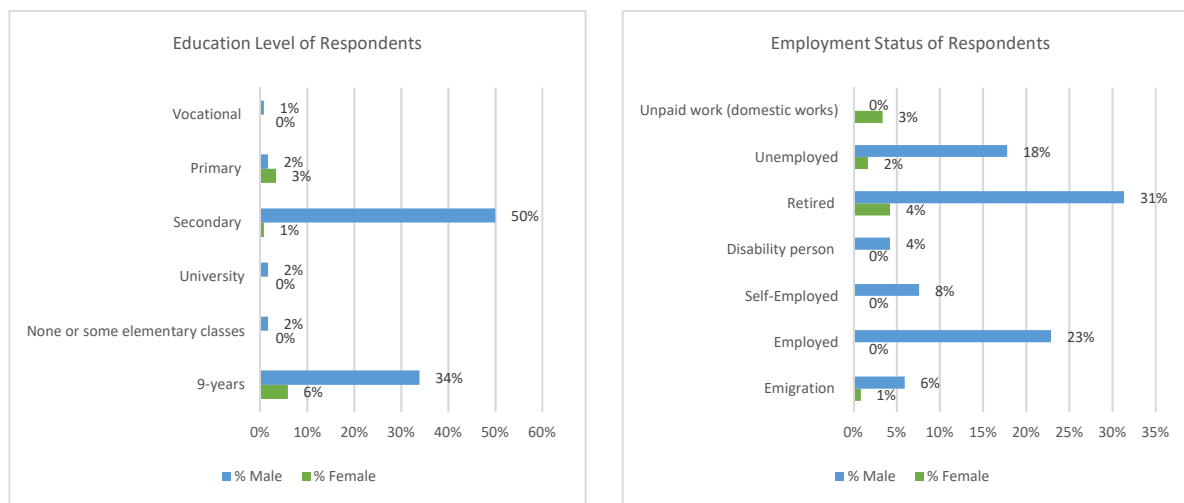


Figure 37: Education and employment status Kurbin Municipality

LEZHË

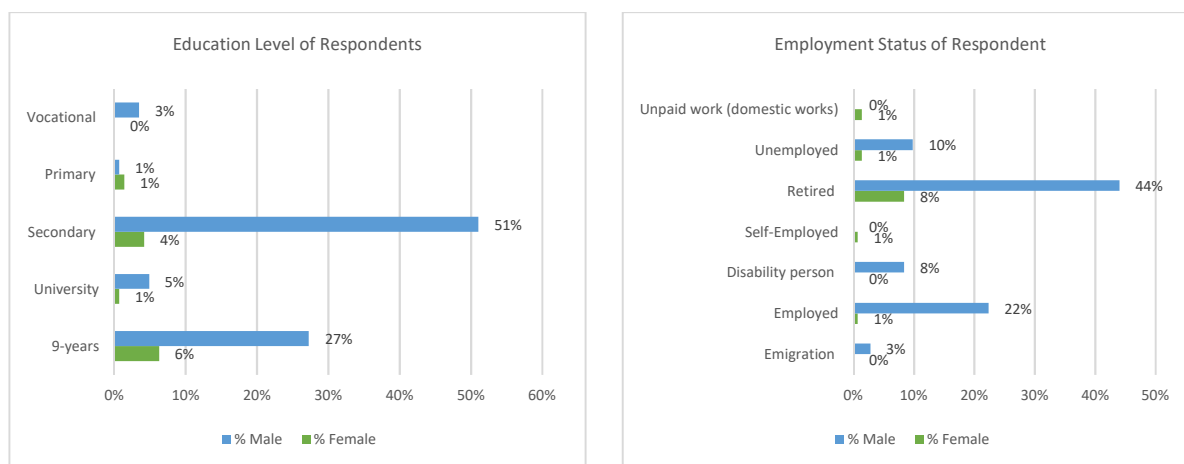


Figure 38: Education and employment status Lezhë Municipality

VAU I DEJËS

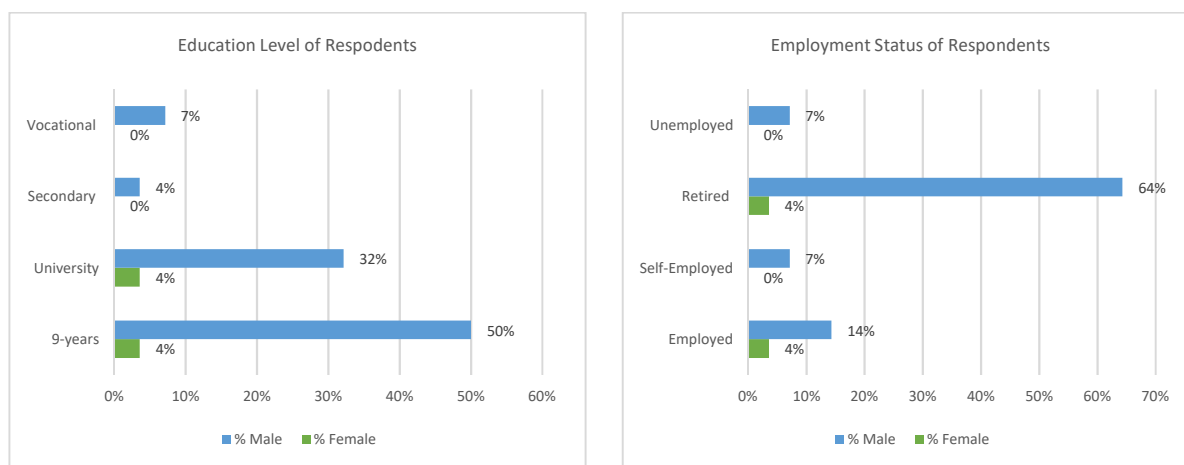


Figure 39: Education and employment status Vau i Dejës Municipality

► SHKODËR

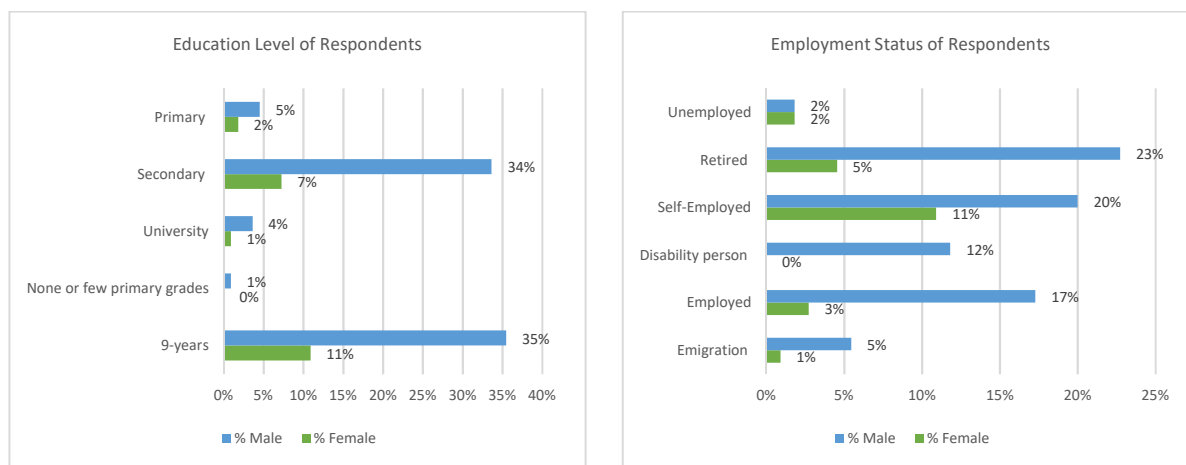


Figure 40: Education and employment status Shkodër Municipality

► MALËSI E MADHE

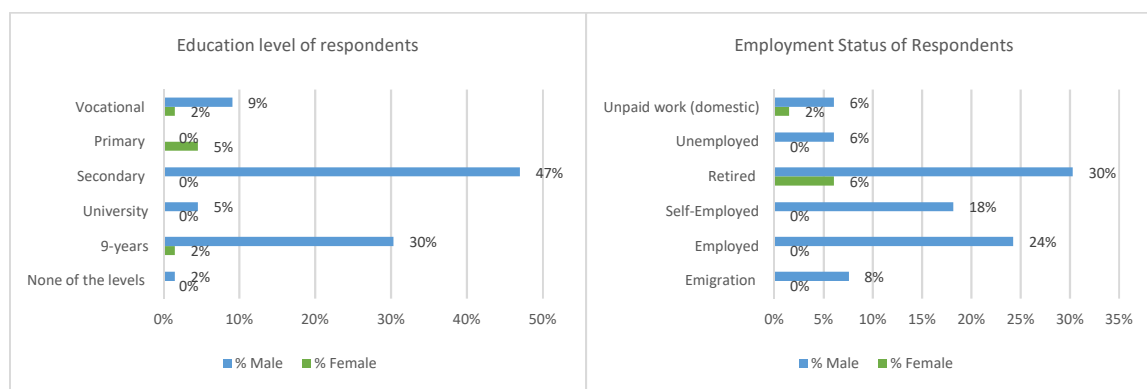


Figure 41: Education and employment status Malësi e Madhe Municipality

F. Languages, nationality, beliefs, and minority groups

The data on language, nationality, religion, and minority groups are sourced from the 2023 Census. Since the data is available only at the County/Prefecture level, we have focused specifically on the counties and prefectures that include the municipalities affected by the project. These are: Lezhë County, which encompasses the municipalities of Lezhë and Kurbin; Shkodër County, which includes the municipalities of Shkodër, Vau Dejës, and Malësi e Madhe; and Tiranë County, which covers the municipality of Vorë.

Language Distribution:

The 2023 Census data reveal a high degree of linguistic homogeneity across the counties comprising the affected municipalities by the project. In all three counties, Albanian is the dominant language spoken by the vast majority of the population:

- Tiranë County: 93% of the population speaks Albanian, maintaining a clear majority, though with a slightly more diverse linguistic composition compared to Lezhë and Shkodër
- Lezhë County: 97% of the population speaks Albanian, reflecting a strong linguistic consistency within the region.

- Shkodër County: 96% of the population speaks Albanian, indicating a similarly high level of linguistic uniformity.

These figures suggest that Albanian is the primary language in everyday life, education, and communication across these counties, ensuring a shared linguistic base that facilitates interaction and integration among communities. The relatively small percentages of non-Albanian speakers (around 3-7%) are likely to be from minority language groups or individuals with specific linguistic backgrounds. This homogeneity simplifies communication and minimizes potential language barriers in the context of the EBRD's socio-economic planning and project implementation.

Nationality Distribution:

The 2023 Census also highlights that the vast majority of the populations in the counties under consideration hold Albanian nationality:

- Tiranë County: 94% of the population holds Albanian nationality, slightly lower than in Lezhë and Shkodër but still demonstrating a predominant national affiliation
- Lezhë County: 97% of the population holds Albanian nationality, reinforcing the region's national identity.
- Shkodër County: 96% of the population holds Albanian nationality, again showing a strong sense of national belonging.

The high percentage of Albanian nationals in each county reinforces the sense of national cohesion and uniformity, with only a small minority of individuals potentially holding different nationalities. This data is particularly relevant for socio-economic planning, as it highlights a stable demographic context in which national policies and public services are likely to be universally applicable across these regions.

Beliefs

The religious data from the 2023 Census highlights significant regional differences in Albania's religious landscape. Tiranë County, which includes the municipality of Vorë, has a dominant Muslim population, particularly from the Bektashi sect, alongside significant secularism and religious diversity. Lezhë County, which includes the municipalities of Lezhë and Kurbin, is predominantly Catholic. In contrast, Shkodër County, which covers the municipalities of Shkodër, Vau Dejës, and Malësi e Madhe, has a more balanced religious composition of Catholics and Muslims.

This socio-religious distribution is crucial for socio-economic planning, as it can influence cultural initiatives, social services, and public policies within the EBRD framework. Additionally, understanding the varying levels of religious engagement and the potential for interfaith cooperation or tension will be essential for fostering sustainable and inclusive development in the communities impacted by the project.

- Tiranë, the capital and largest county, exhibits the greatest diversity in religious affiliation. Muslims form the majority at 48.7%, followed by a significantly smaller proportion of Catholics (4.7%) and Orthodox Christians (5.0%). The Bektashi Muslim population (4.9%) is particularly noteworthy in Tiranë, indicating a higher proportion of this sect relative to the other counties. Atheism (3.7%) and various other religious affiliations (15.8%) further complicate the religious landscape, with a substantial 16.7% of respondents not providing any religious information.
- In Lezhë County, the majority of the population (74.4%) identifies as Catholic Christians, which suggests a strong Christian identity in this region. Muslims make up a substantial proportion (17.5%), with a small segment of the population adhering to Bektashi Islam (0.6%). Other religious affiliations, including Orthodoxy, Protestantism, atheism, and unspecified faiths, are minimal, collectively accounting for only a small percentage of the population (5.6%). The presence of 4.5% who did not answer or whose data is unavailable points to potential gaps in data collection or a portion of the population who may be less engaged in religious identification.
- In Shkodër County, the religious composition is more diverse, with 47.1% of the population identifying as Muslims, which marks a significant shift from Lezhë's Christian majority. Catholics comprise 43.5% of the population, indicating a close balance between the two largest religious groups. Smaller communities of Orthodox Christians (0.4%), Protestants (0.2%), and atheists (0.3%) are present, but they represent minor fractions of the total population. The proportion of

individuals who did not respond or whose religion is not available stands at 6.2%, slightly higher than in Lezhë.

The following figures present detailed data for each county that includes the impacted municipalities:

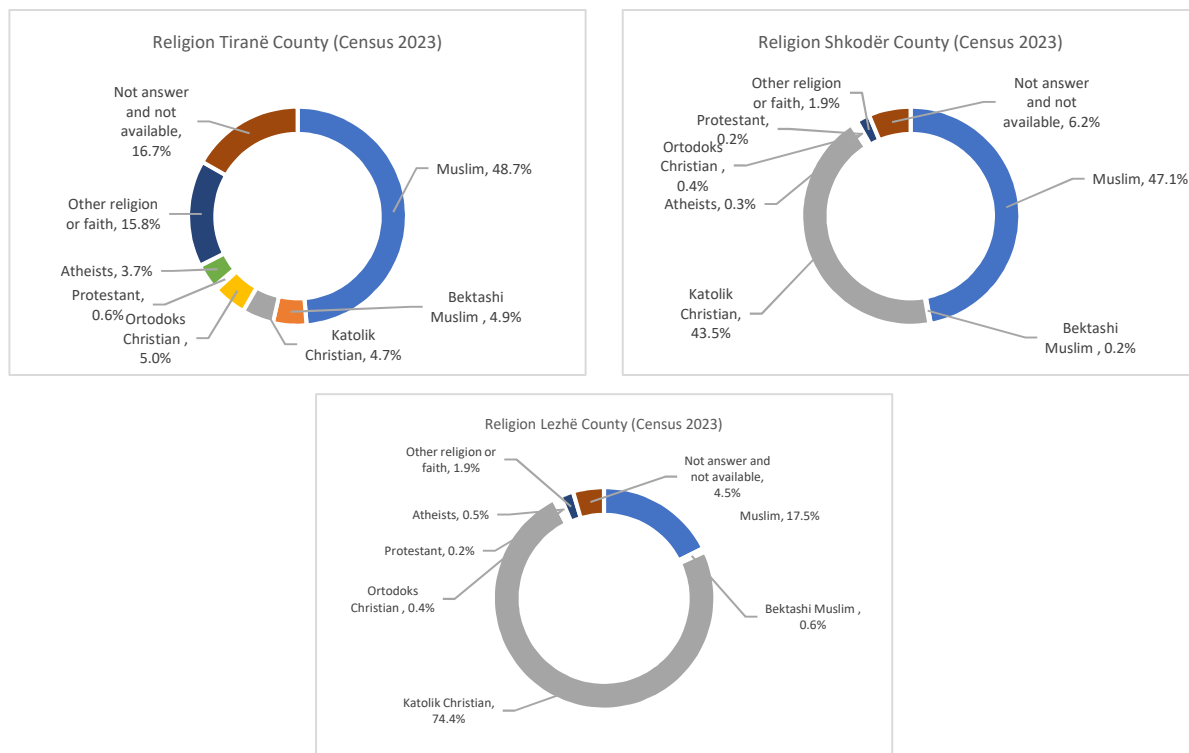


Figure 42: The religious data for the counties/prefectures of Tirane, Lezhe, and Shkoder (Census 2023)

The consideration of language and beliefs within affected communities is critical to ensuring the process is inclusive, culturally sensitive, and socially responsible. Both language and beliefs can significantly influence the effectiveness of stakeholder engagement, as well as the identification and mitigation of potential social risks.

In this context, all interviewees in the survey conducted for the project are native Albanian speakers and identify as nationals of Albania. This reflects a strong cultural and national cohesion within the surveyed population, as Albanian is the predominant language and a key element of their national identity.

Regarding religious affiliation, the majority of respondents chose not to disclose their religion. Among those who did, a range of faiths was identified, including Islam and Catholicism community. This distribution highlights the religious diversity present within the community, while the significant proportion of non-responses may reflect personal privacy, cultural factors, or a lack of strong religious identification among some individuals.

No minority groups were explicitly identified among the respondents. However, all potentially vulnerable or marginalized populations have been considered to ensure that all affected communities are adequately protected and included in the process.

4.2.4.2. Land Affected by the Project

The land affected by the Vorë–Hani i Hotit Railway project includes a diverse mix of land types, such as agricultural, residential, commercial, and public properties. According to survey and cadastral data, the railway alignment crosses both privately owned and state-owned land.

A. Land Ownership Allocation

The majority of the affected land is individually owned, although there are instances of jointly owned properties, business properties, and farm household properties. In terms of state ownership, the data shows relatively low but notable figures across different municipalities:

- **Krujë:** 4% of respondents use the state-owned land.
- **Kurbini:** 4% of respondents use state-owned land, with an equal distribution between women (2%) and men (2%).
- **Lezhë:** 3% of respondents use state-owned land.
- **Shkodër:** 4% of respondents use the state-owned land.
- **Malësi e Madhe:** 2% of respondents (women) use state-owned land.

The mixed ownership patterns, including joint and business properties, further underscore the complexity of land use in the area and the need for comprehensive planning to mitigate potential disruptions for both private and public landowners.

B. This geographic and administrative distribution

The data presented below provides detailed information on the cadastral zones, settlements, and Administrative Units (AUs) of the respondents. This geographic and administrative breakdown is essential for understanding the spatial distribution of the surveyed population and the context in which the project is taking place. By linking this data to the specific areas where respondents live and own land, we can gain valuable insights into how the project may affect different regions and communities differently.

Vorë: The largest proportion of respondents from Vorë Municipality is from the Prezë settlement, which falls under the Prezë Administrative Unit (AU). This settlement also recorded the highest number of female respondents, although the gender distribution is significantly imbalanced. Of the respondents from Prezë, 63% are men, while only 9% are women. Despite this gender disparity, it is important to note that there is a portion of female-headed households among the respondents. This fact suggests that women in these households may face unique vulnerabilities, particularly these women could be disproportionately affected by changes or challenges related to land ownership, economic opportunities, or other project-related factors, highlighting the need for targeted support and consideration of their specific needs.

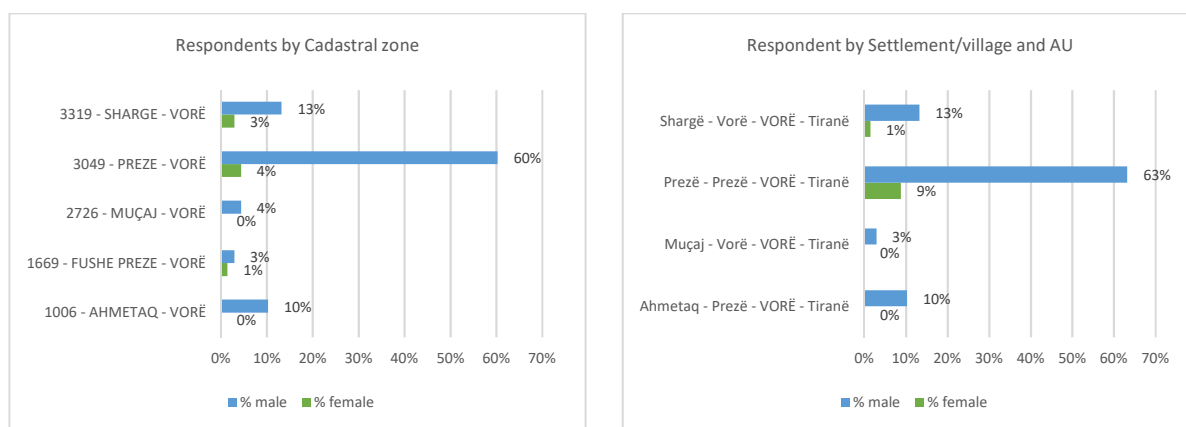


Figure 43: Respondent by Settlement/village and AU Vorë Municipality

Krujë: The majority of respondents in Krujë municipality come from the following areas: 27% from Gramëz, 24% from Budull, and 18% from Derven. In terms of female-headed households, women represent 2% of the respondents in each of the following areas: Derven, Bushnesh, and Budull. This distribution highlights the demographic composition of the respondents across these key settlements, with a particular focus on the presence of female heads of households in specific locations.

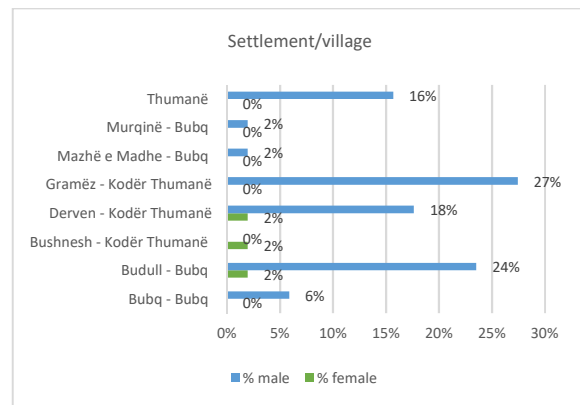
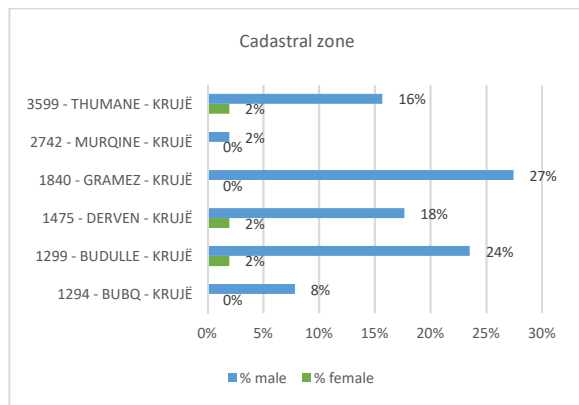


Figure 44: Respondent by Settlement/village and AU Krujë Municipality

Kurbin: The majority of respondents in Kurbin municipality come from the following areas: 25% from Fushë Laç, 19% from Fushë Mamurras, and 18% from Gjorm. In terms of female-headed households, women are represented in most of the settlements.

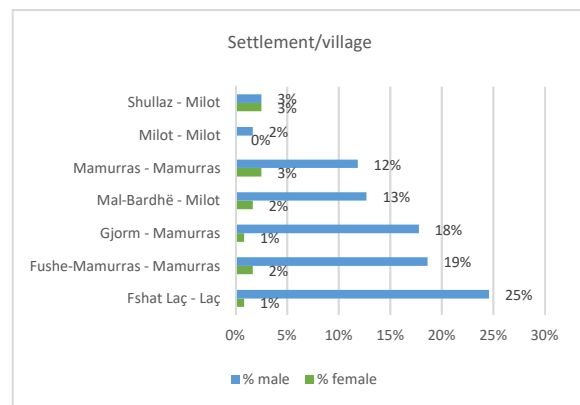
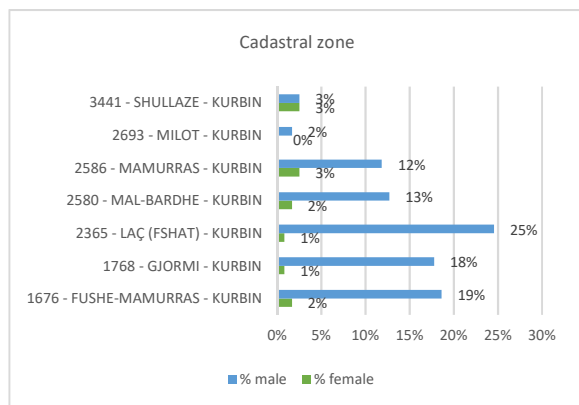


Figure 45: Respondent by Settlement/village and AU Kurbin Municipality

Lezhë: The majority of respondents in Lezhë municipality come from Ishull Lezhë, which accounts for 18% of the total. Notably, this municipality is characterized by a high number of settlements and cadastral zones, with 18 settlements and 19 cadastral zones. In terms of female-headed households, women are represented in the majority of settlements.

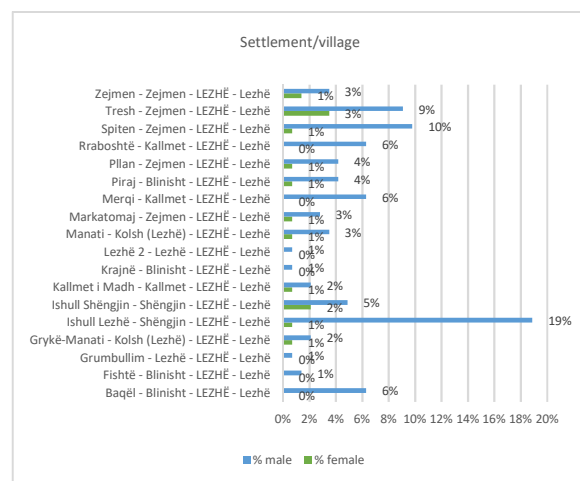
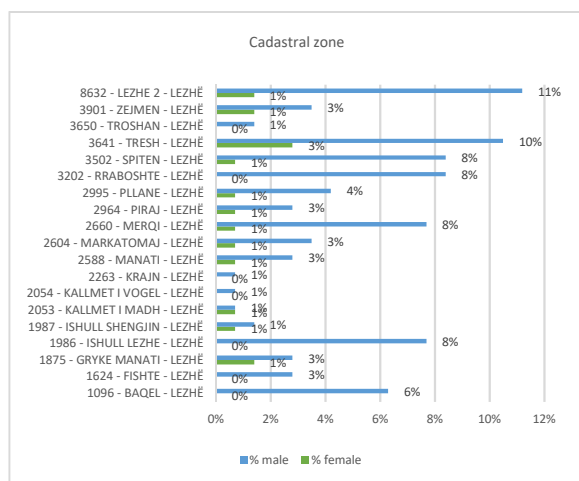


Figure 46: Respondent by Settlement/village and AU Lezhë Municipality

Vau Dejës: The majority of respondents in Vau Dejës municipality come from the following areas: 43% from Kaç, 36% from Hajmel, and 15% from Nënshat. In terms of female-headed households, women represent 4% of the respondents in each of the following areas: Nënshat and Kaç.

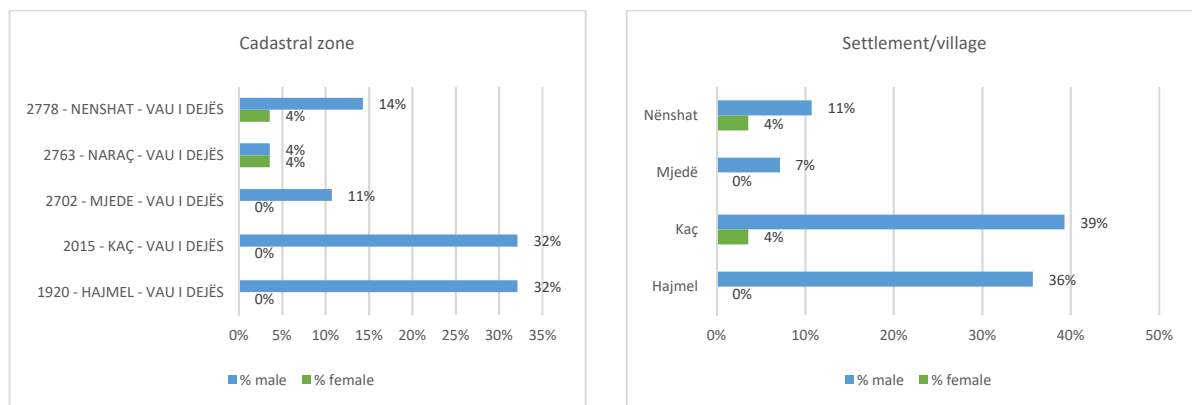


Figure 47: Respondent by Settlement/village and AU Vau Dejës Municipality

Shkodër: The majority of respondents in Shkodër municipality come from the urban area of Shkodër 3, which represents 64% of the total. In terms of female-headed households, women account for 16% of the respondents in Shkodër 3.

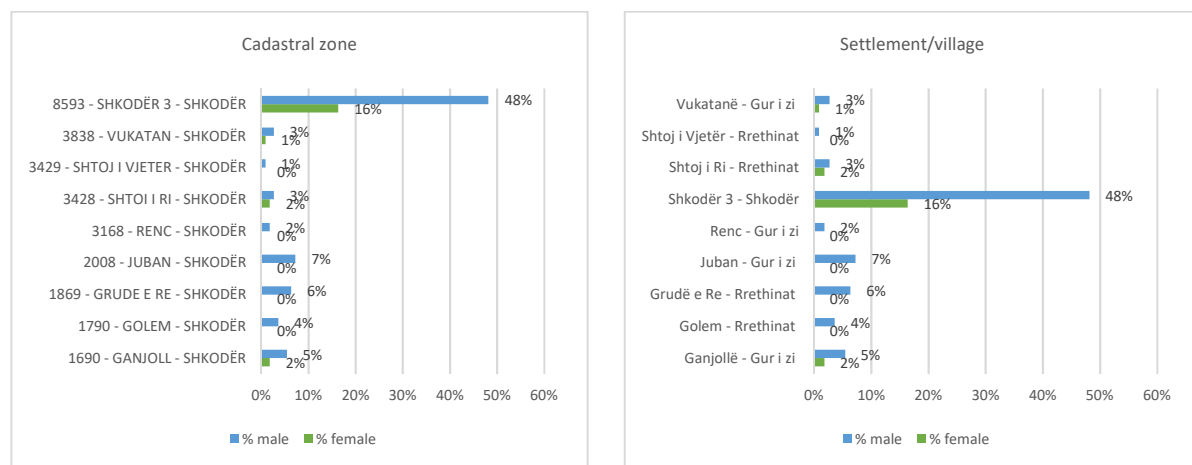


Figure 48: Respondent by Settlement/village and AU Shkodër Municipality

Malësi e Madhe: Respondents in Malësi e Madhe are widely distributed across various settlements and cadastral zones, with the majority coming from Koplik (18%), Allaj (14%), Demiraj (14%), and Vukpalaj (13%). Women are represented in Vukpalaj (5%) and Bajzë (3%).

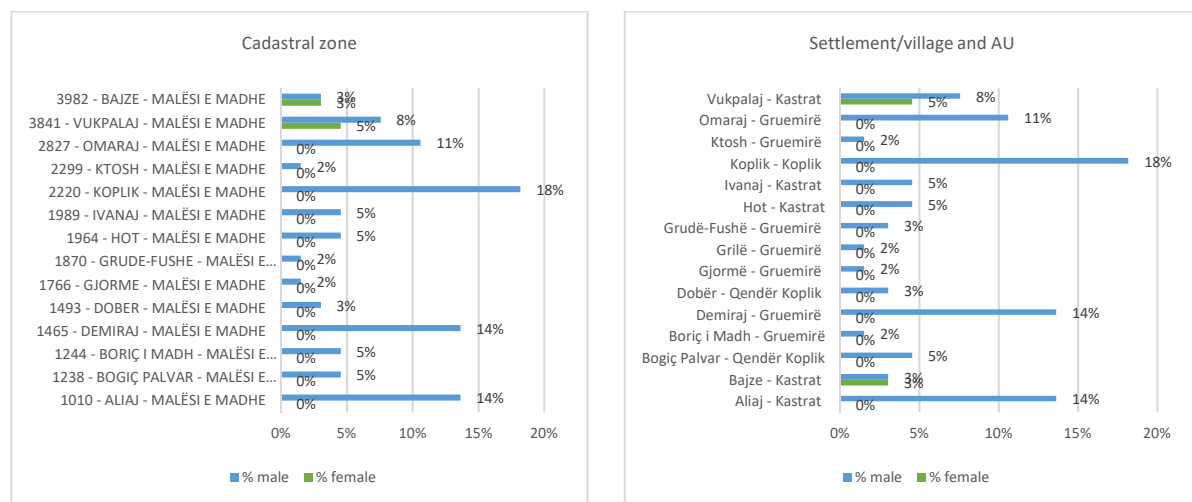


Figure 49: Respondent by Settlement/village and AU Malësi e Madhe Municipality

C. Distribution of Land Ownership/use and Impact in each Municipality

The tables below present gender-disaggregated data on the total number of land plots and the number of plots not affected by the project, as reported by survey respondents from each municipality. By organizing this data by gender, we aim to provide a clear understanding of how the project impacts male and female respondents differently.

Building on this data, the purpose of further analyses is to evaluate the extent of the project's impact on land ownership and identify potential vulnerabilities within the affected population. Specifically, this analysis will assess the effects of increased land demand driven by the project and its influence on the livelihoods of local households. Additionally, it will explore the capacity of these households to mitigate the impacts of land acquisition or displacement through alternative income sources. This will provide valuable insights into the broader socio-economic consequences for the affected communities and inform strategies to enhance their resilience to potential disruptions.

The main findings from the analysis of these data for each municipality are as follows:

- **Vorë:** 50% of respondents own or use one plot of land, while 50% report having no plots of land unaffected by the project.
- **Krujë:** 25% of respondents own or use one plot of land, while 25% report having no plots of land unaffected by the project.
- **Kurbini:** 50% of respondents own or use one plot of land, while 51% report having no plots of land unaffected by the project.
- **Lezhë:** 41% of respondents own or use one plot of land, while 41% report having no plots of land unaffected by the project.
- **Vau Dejës:** 4% of respondents own or use one plot of land, while 7% report having no plots of land unaffected by the project.
- **Shkodër:** 73% of respondents own or use one plot of land, while 75% report having no plots of land unaffected by the project.
- **Malësi e Madhe:** 6% of respondents own or use no plot of land, 19% own or use one plot of land, while 50% report having no plots of land unaffected by the project.

The figures below provide more detailed data on these findings.

► VORË

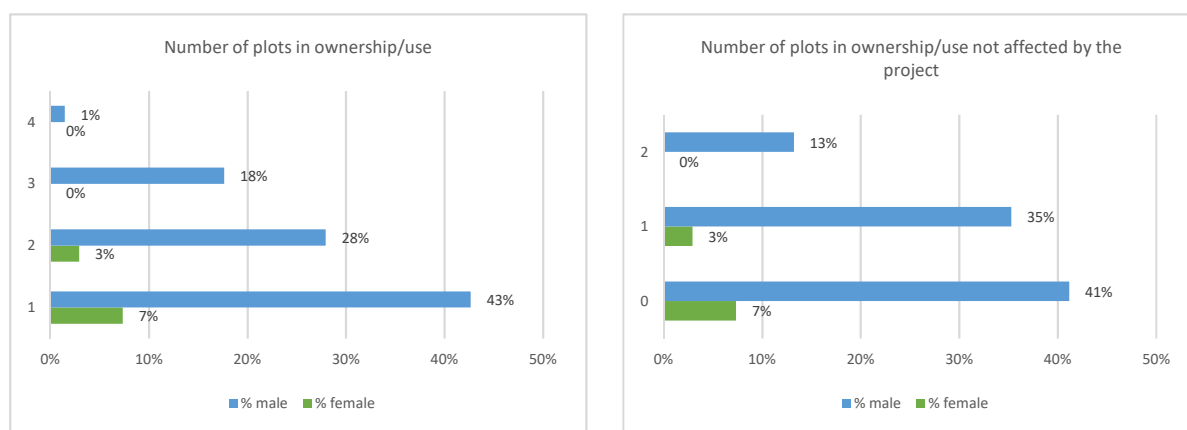


Figure 50: The proportion of plots owned/used and those not affected by the project Vorë municipality

KRUJË

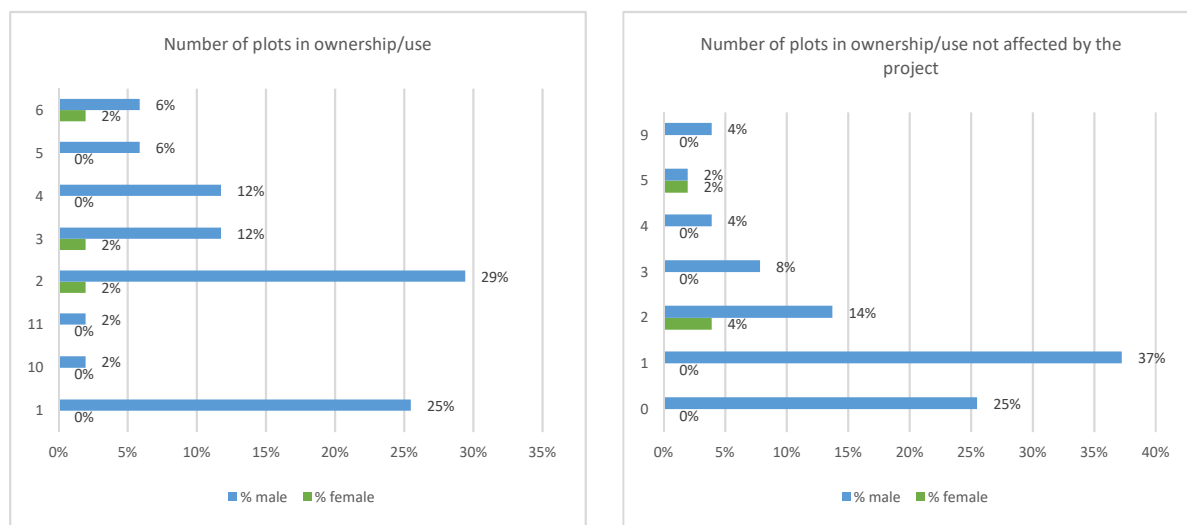


Figure 51: The proportion of plots owned/used and those not affected by the project Krujë municipality

KURBIN

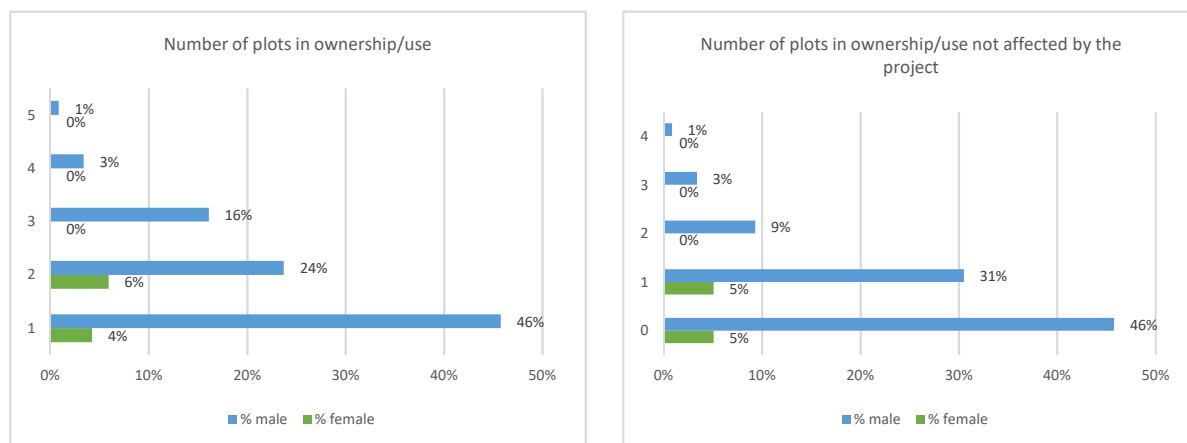


Figure 52: The proportion of plots owned/used and those not affected by the project Kurbin municipality

LEZHË

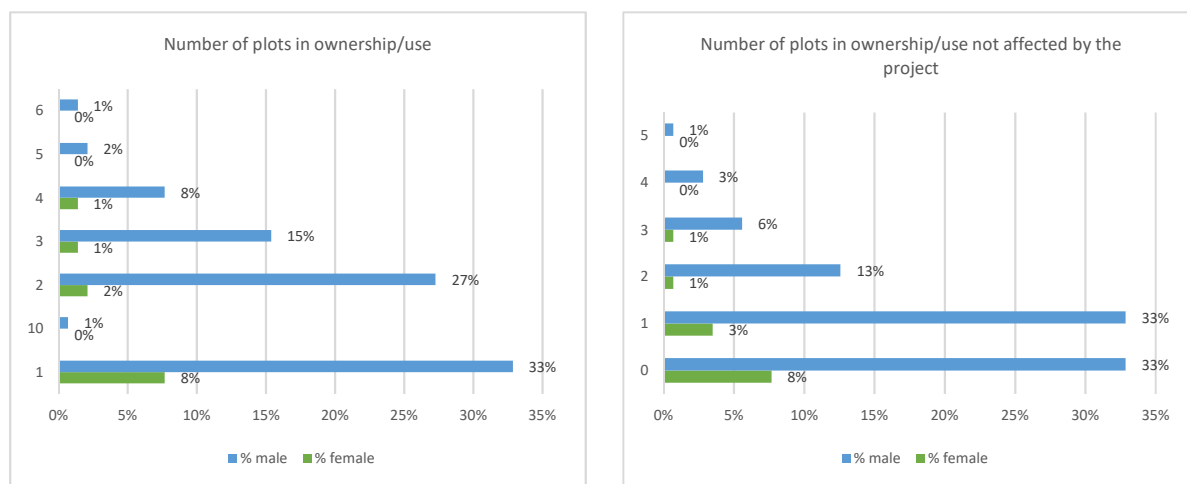


Figure 53: The proportion of plots owned/used and those not affected by the project Lezhë municipality

► VAU DEJËS

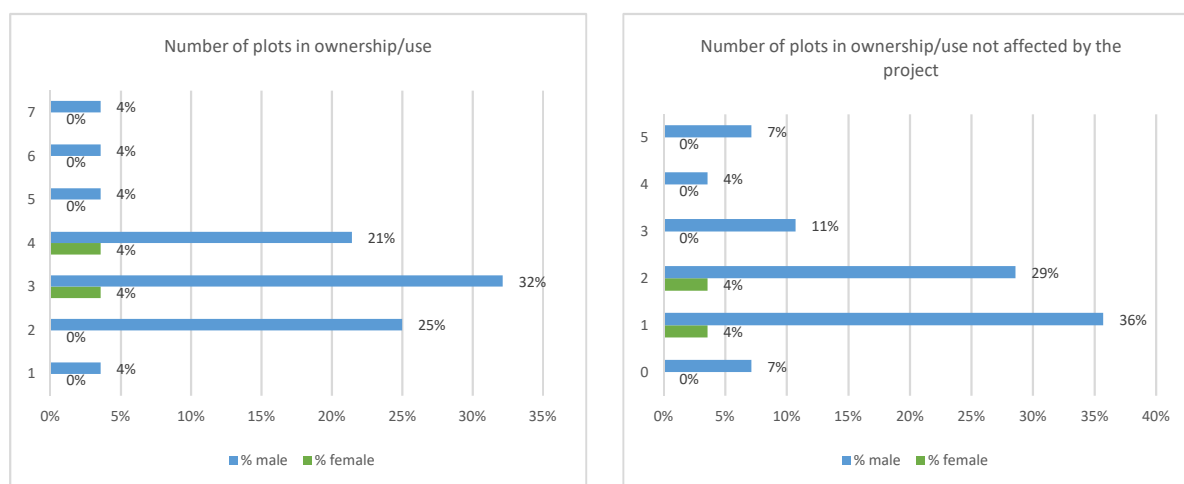


Figure 54: The proportion of plots owned/used and those not affected by the project Vau Dejës municipality

► SHKODËR

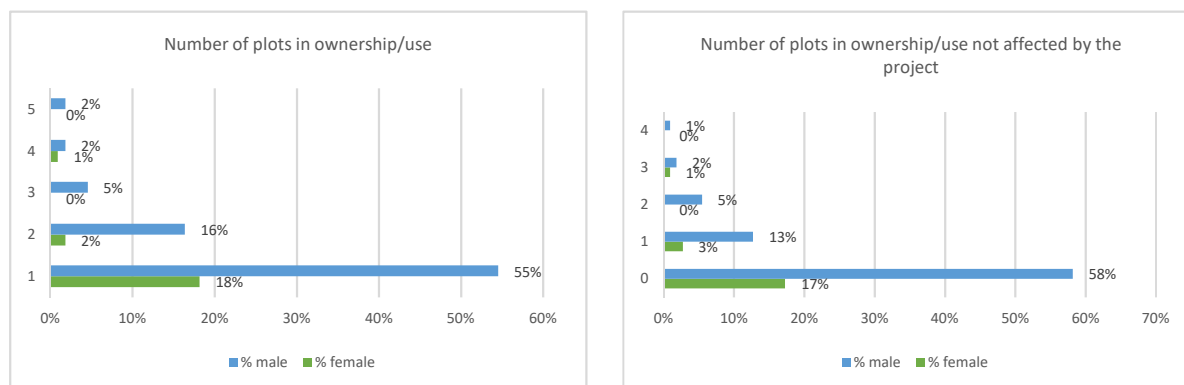


Figure 55: The proportion of plots owned/used and those not affected by the project Shkodër municipality

► MALËSI E MADHE

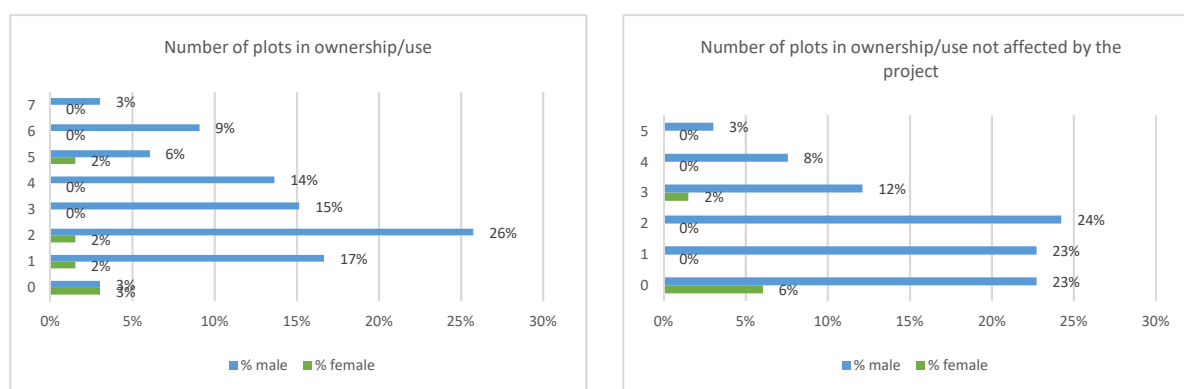


Figure 56: The proportion of plots owned/used and those not affected by the project Malësi e Madhe municipality

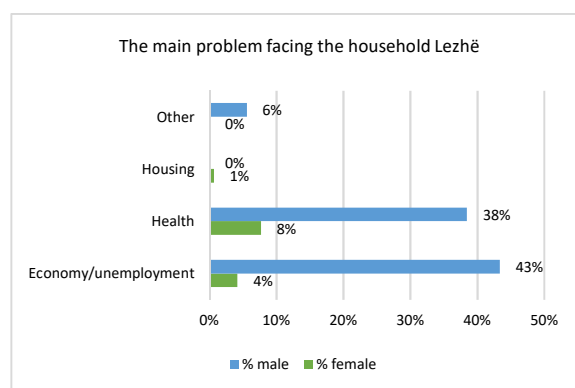
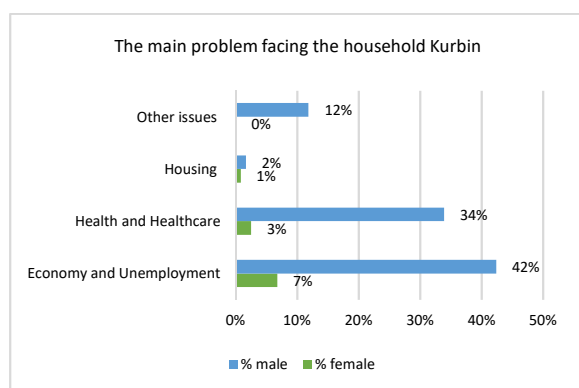
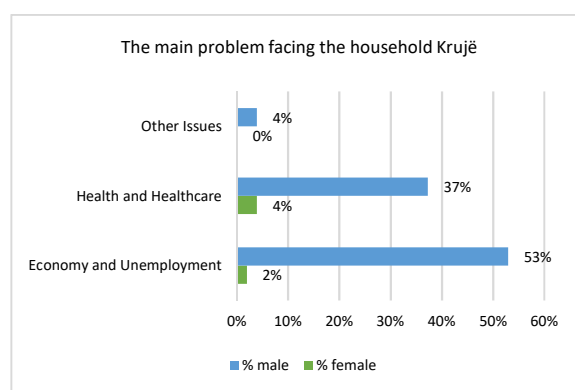
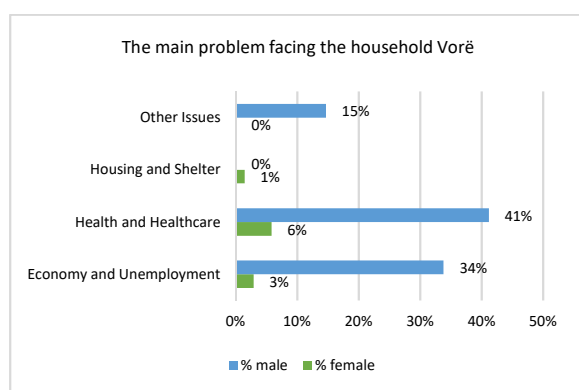
4.2.4.3. Health and Social Welfare

These questions aim to explore various aspects of health and social welfare, providing a comprehensive understanding of individuals' experiences and challenges related to both personal health and access to social services. Among the interviewees, only a small number reported having an orphan in their family, suggesting that this is a relatively uncommon situation within the surveyed population.

Health and healthcare are consistently identified as the primary issues faced by households across all municipalities, with varying levels of concern in each area. The main findings from the data are as follows:

- **Vorë:** 47% of respondents identify health and healthcare as the main issues, while 37% highlight the economy and unemployment as the primary concerns.
- **Krujë:** 41% of respondents identify health and healthcare as the main issues, while 55% highlight the economy and unemployment as the primary concerns.
- **Kurbin:** 37% of respondents identify health and healthcare as the main issues, while 49% highlight the economy and unemployment as the primary concerns.
- **Lezhë:** 46% of respondents identify health and healthcare as the main issues, while 47% highlight the economy and unemployment as the primary concerns.
- **Vau Dejës:** 65% of respondents identify health and healthcare as the main issues, while 36% highlight the economy and unemployment as the primary concerns.
- **Shkodër:** 40% of respondents identify health and healthcare as the main issues, while 57% highlight the economy and unemployment as the primary concerns.
- **Malësi e Madhe:** 40% of respondents identify health and healthcare as the main issues, while 42% highlight the economy and unemployment as the primary concerns.

These findings highlight a significant concern regarding health and healthcare across all municipalities, with economic and unemployment issues also prominently affecting respondents, particularly in specific areas. Further details are provided in the figures below.



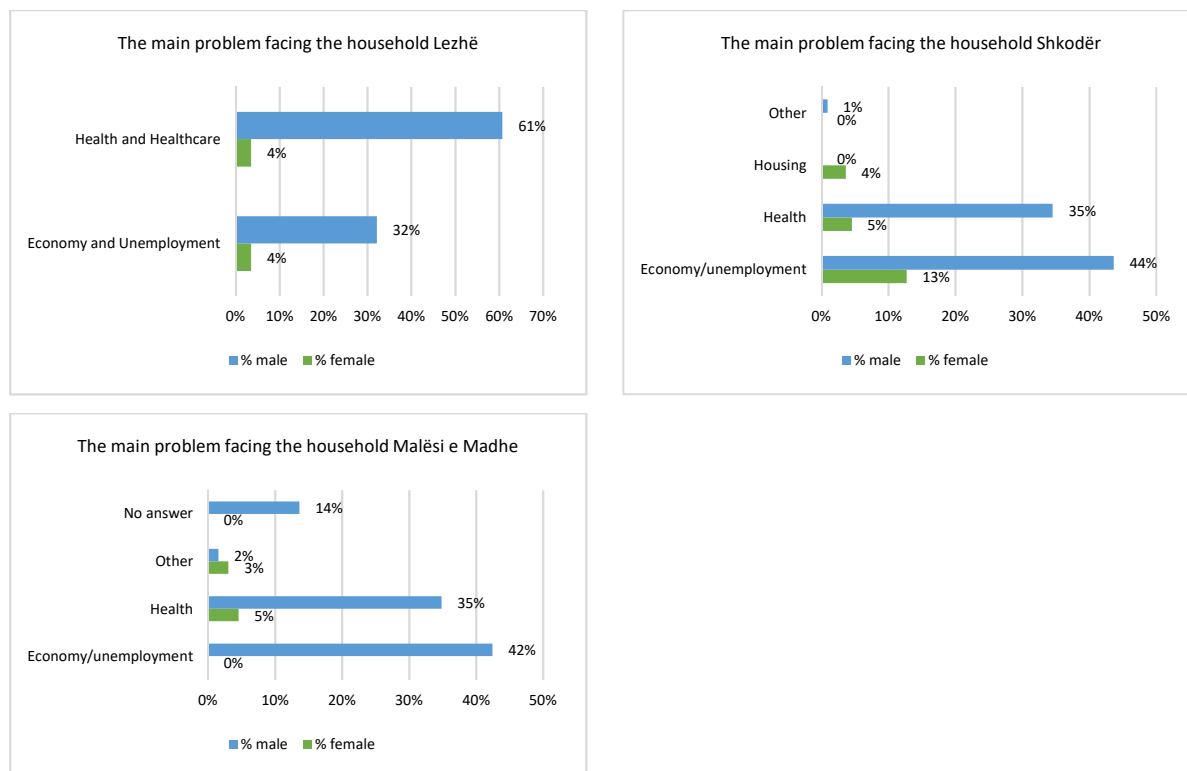


Figure 57: The main problems facing households in each municipality, according to respondents

In addition, the responses indicated that a limited portion of respondents are benefiting from the economic support scheme. This suggests that the social assistance program may be reaching only a small segment of the population, and its broader impact on the community appears to be relatively modest.

The table below illustrates the number of respondents, disaggregated by gender, who reported not receiving any social support for their household:

- **Vorë:** Female 7%; Male 85%
- **Krujë:** Female 6%; Male 92%
- **Kurbin:** Female 6%; Male 92%
- **Lezhë:** Female 12%; Male 83%
- **Vau Dejës:** Female 7%; Male 93%
- **Shkodër:** Female 21%; Male 77%
- **Malësi e Madhe:** Female 8%; Male 92%

The small number of families with orphans and the low participation in the social support scheme may reflect the socio-economic conditions of the area, where such programs may not be widely accessed or sufficient to address the needs of all vulnerable groups. The figure below provides detailed data about the households with economic support for each municipality.

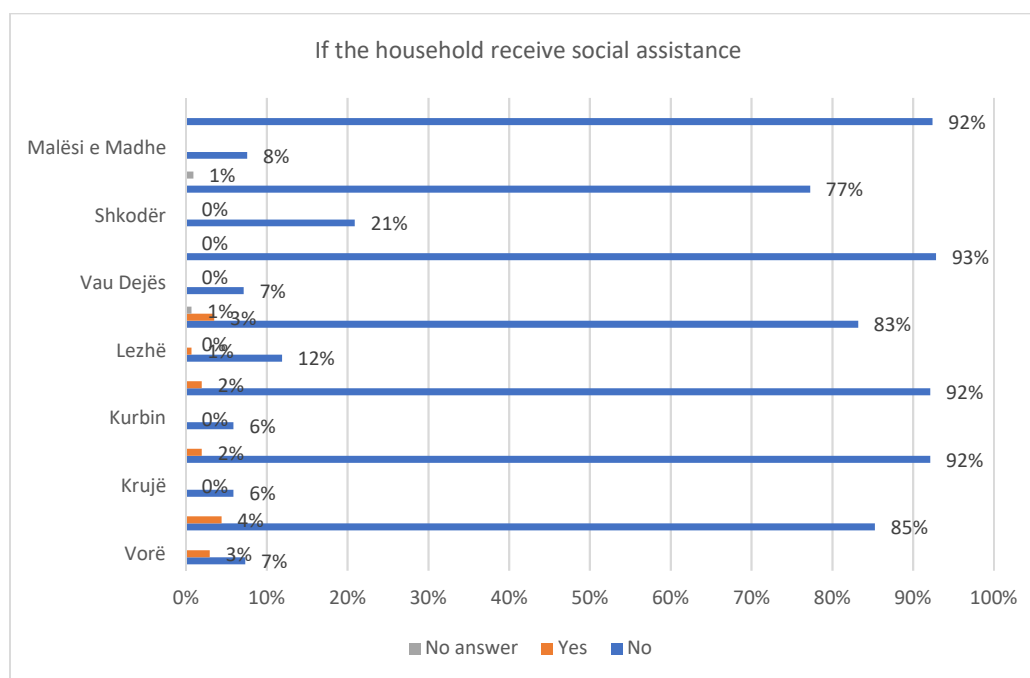


Figure 58: The answer of respondents in each municipality if the household receives social assistance

4.2.4.4. Agriculture Economic Activity

Agriculture Production for Household Consumption: More than half of the respondents in each municipality reported that their agricultural production is primarily intended for household consumption rather than for sale or commercial purposes. This suggests a shift towards subsistence farming, where crops and livestock are primarily cultivated or raised to meet the food needs of the family, rather than for profit or market exchange. This trend may also indicate that many households rely on agriculture for basic food security, rather than as a primary source of income. The figure below provides detailed data for all municipalities.

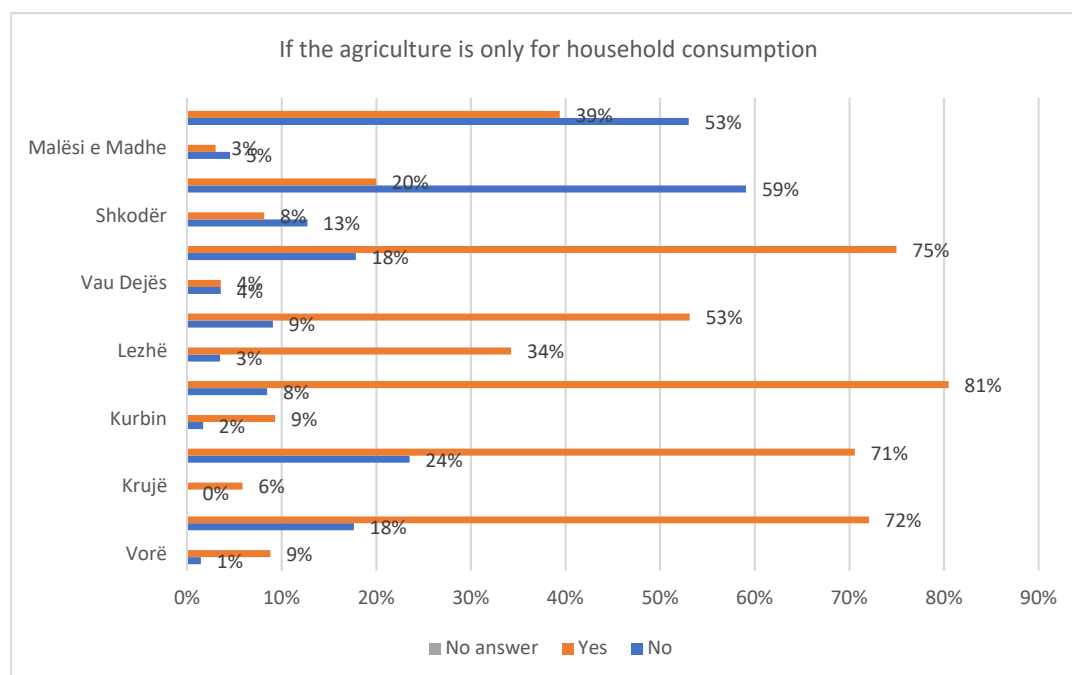
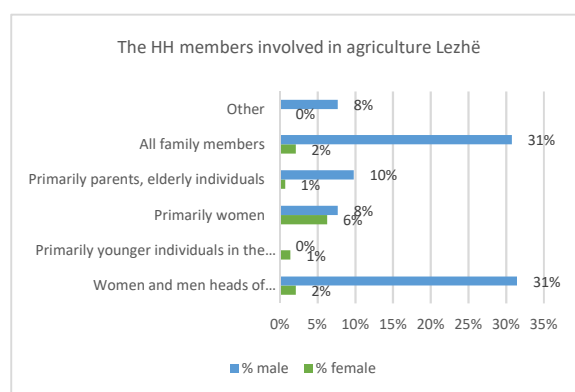
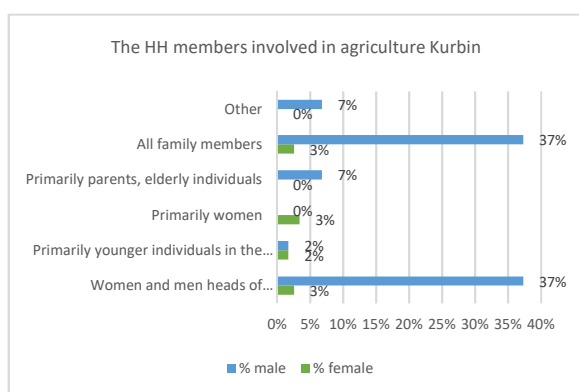
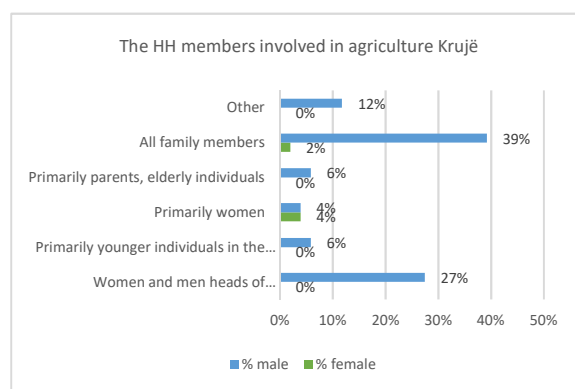
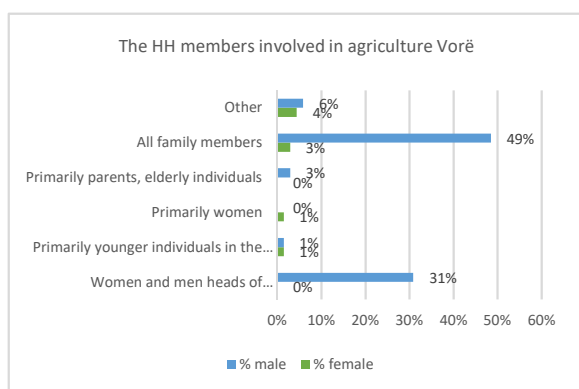


Figure 59: Respondents' answers on whether agriculture is only for household consumption in each municipality

Lack of Youth Participation in Agriculture: A key observation is the limited involvement of young people in agricultural activities. This highlights a broader challenge, as agriculture is not perceived as an attractive or viable livelihood option for younger generations. This trend is prevalent in many rural areas, where agriculture is often viewed as labor-intensive, low-paying, and lacking opportunities for upward mobility or modernization. The following data illustrates the extent of family involvement in agriculture across various regions:

- **Vorë:** 52% of respondents indicate that all household members involved in agriculture are family members, while 31% report that both men and women serve as heads of the household.
- **Krujë:** 41% of respondents state that all household members involved in agriculture are family members, and 27% mention that both men and women head the household.
- **Kurbin:** 41% of respondents note that all household members involved in agriculture are family members, with 41% reporting joint leadership by men and women.
- **Lezhë:** 33% of respondents say that all household members involved in agriculture are family members, and 33% report shared leadership between men and women.
- **Vau Dejës:** 61% of respondents indicate that all household members involved in agriculture are family members, while 33% report joint leadership by men and women.
- **Shkodër:** 60% of respondents state that all household members involved in agriculture are family members, with 11% indicating that both men and women head the household.
- **Malësi e Madhe:** 59% of respondents mention that all household members involved in agriculture are family members, and 19% report that both men and women serve as heads of the household.

The tables below provide detailed information for each municipality.



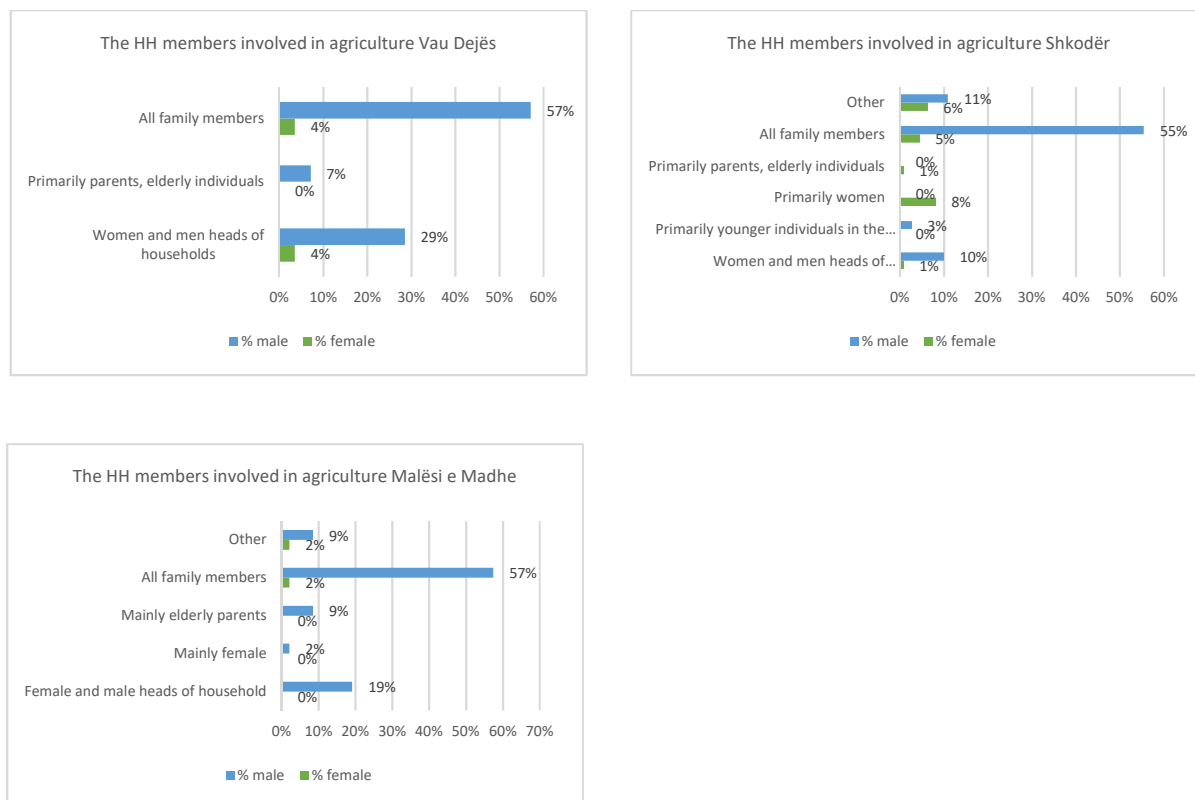


Figure 60: The household members involved in agriculture in each municipality

4.2.4.5. Household income, expenses and living conditions

Regarding employment status, it is noteworthy that only a small proportion of the respondents are self-employed across the municipalities. The figures are as follows:

- **Vorë:** 15% of respondents are self-employed.
- **Krujë:** 8% of respondents are self-employed.
- **Kurbın:** 7% of respondents are self-employed.
- **Lezhë:** 1% of respondents are self-employed.
- **Vau Dejës:** 7% of respondents are self-employed.
- **Shkodër:** 20% of men and 13% of women are self-employed.
- **Malësi e Madhe:** 21% of respondents are self-employed.

In contrast, retirees and individuals employed in other sectors represent the dominant groups in all municipalities. This suggests that, for most interviewees, land is not a primary tool for livelihood or income generation. Instead, individuals are more likely to depend on retirement benefits, government pensions, or income from other forms of employment.

These findings highlight the limited role of self-employment, particularly in agriculture or land-based activities, across the affected regions. The data suggests that non-agricultural sectors, such as services, trade, and industry, are likely to play a more significant role in local economies.

The majority of respondents report monthly incomes ranging from 5,000 to 25,000 ALL, indicating that a significant portion of the population faces financial constraints. A smaller group of respondents earn between 25,000 and 50,000 ALL per month, reflecting a moderately higher, though still modest, income level. Only a limited number of respondents earn between 50,001 and 150,000 ALL per month, highlighting the scarcity of higher-income earners within the surveyed group. This income distribution illustrates the economic challenges faced by most families, who may experience limited financial flexibility and potential difficulty in meeting basic living expenses. The accompanying graphs and tables provide a detailed breakdown of respondents' employment status and income levels across municipalities, offering further insight into these trends.

- **Vorë:** 40% of respondents report employment as their primary source of income, while 37% indicate an income range of 5,000 to 25,000 ALL.
- **Krujë:** 27% of respondents cite employment as their primary source of income, 25% report receiving a pension, while 49% have an income ranging from 5,000 to 25,000 ALL.
- **Kurbin:** 42% of respondents report employment as their primary source of income, while 45% indicate an income level between 5,000 and 25,000 ALL.
- **Lezhë:** 34% of respondents report employment as their primary source of income, 35% rely on pensions, while 23% have an income ranging from 5,000 to 25,000 ALL.
- **Vau Dejës:** 22% of respondents cite employment as their main income source, 43% receive pensions, and 15% report an income in the range of 5,000 to 25,000 ALL.
- **Shkodër:** 25% of respondents report employment as their primary income source, while 27% have an income between 5,000 and 25,000 ALL.
- **Malësi e Madhe:** 35% of respondents cite employment as their primary income source, while 20% report earning between 5,000 and 25,000 ALL.

None of the municipalities surveyed report income from agriculture as a primary source of livelihood. However, in the Malësi e Madhe municipality, approximately 6% of respondents indicate that their income is derived from land rental. The absence of agricultural income across all municipalities suggests a limited reliance on farming or agricultural activities as a primary economic activity in the region. This could reflect a shift towards other sources of income or the availability of alternative livelihood options.

► VORË

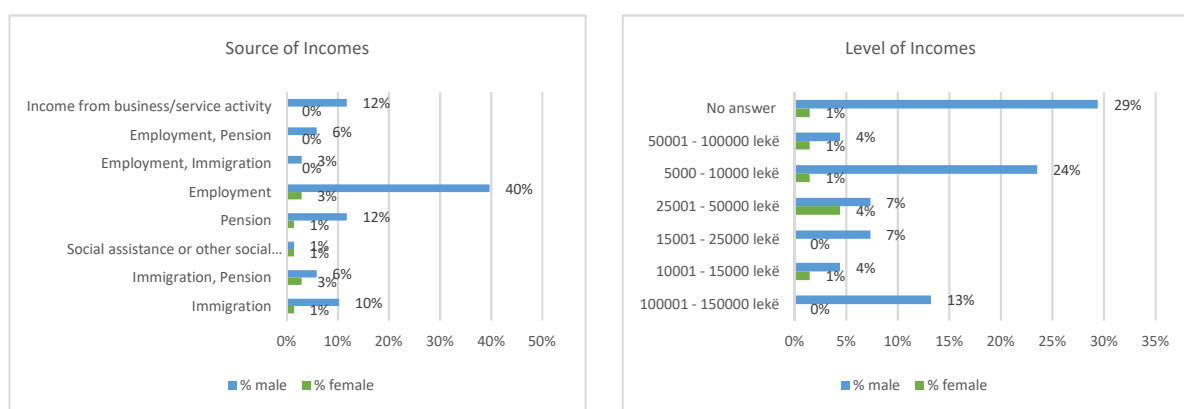


Figure 61: Source and level of income Vorë Municipality

► KRUJË

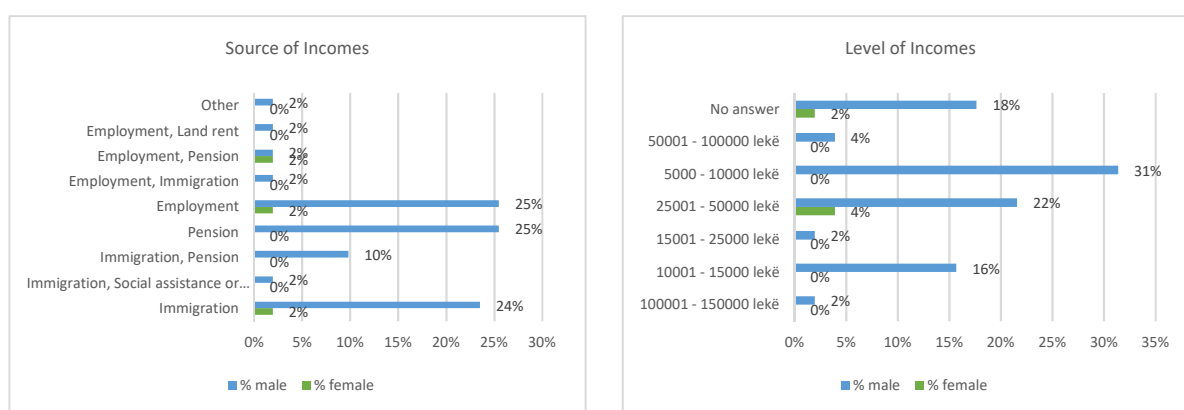


Figure 62 Source and level of income Krujë Municipality

KURBIN

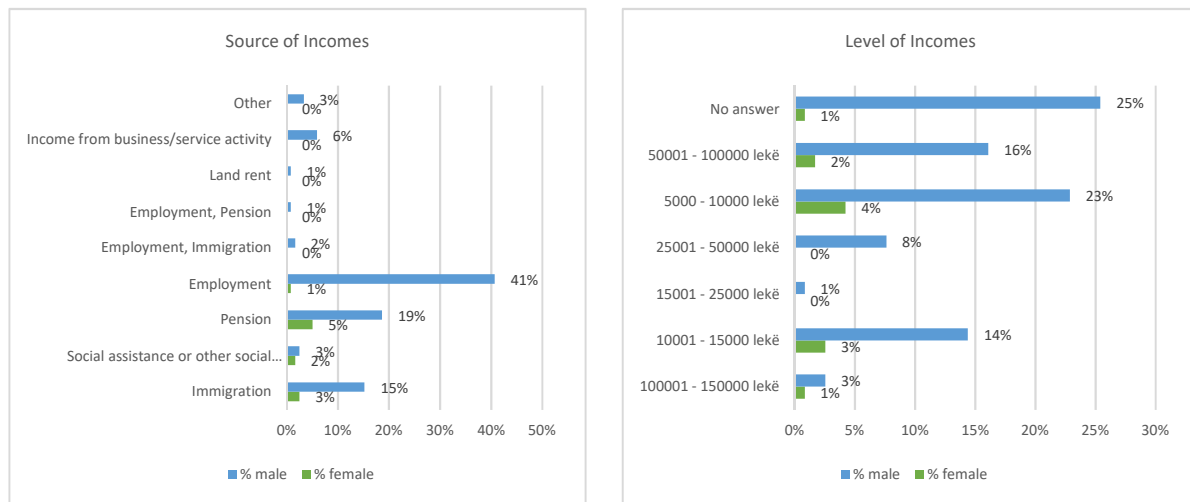


Figure 63: Source and level of income Kurbin Municipality

LEZHË

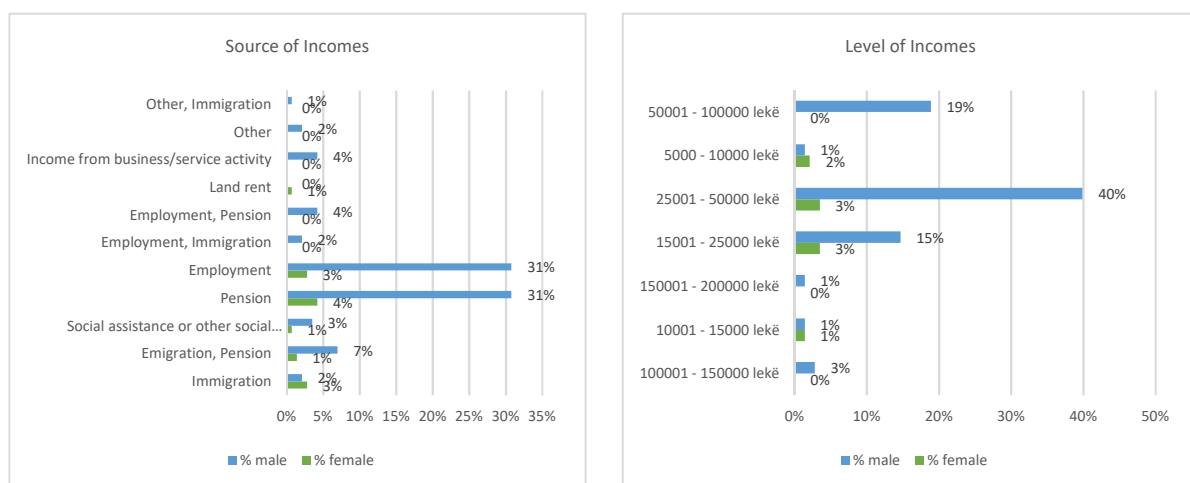


Figure 64: Source and level of income Lezhë Municipality

VAU DEJËS

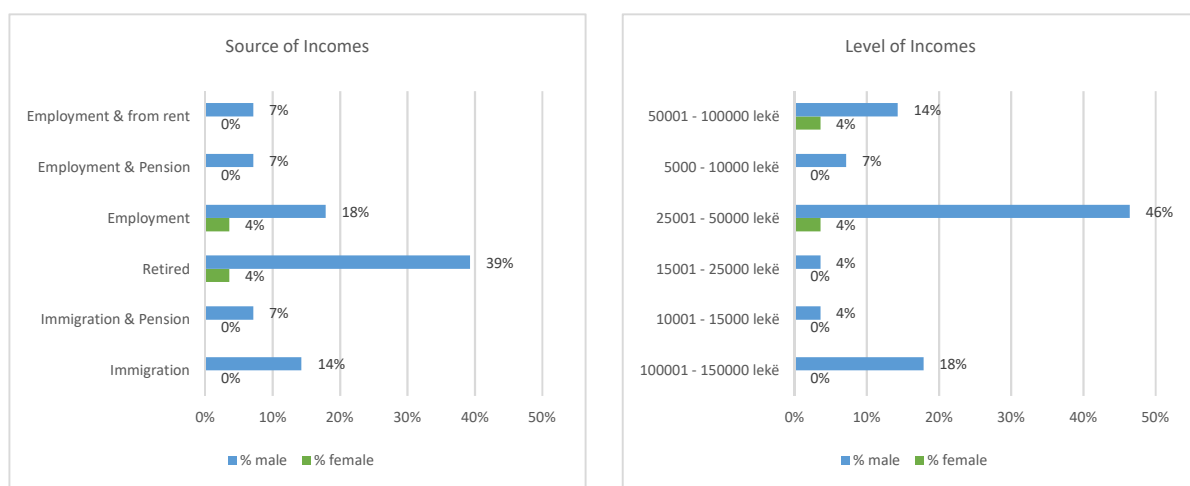


Figure 65: Source and level of income Vau Dejës Municipality

► SHKODËR

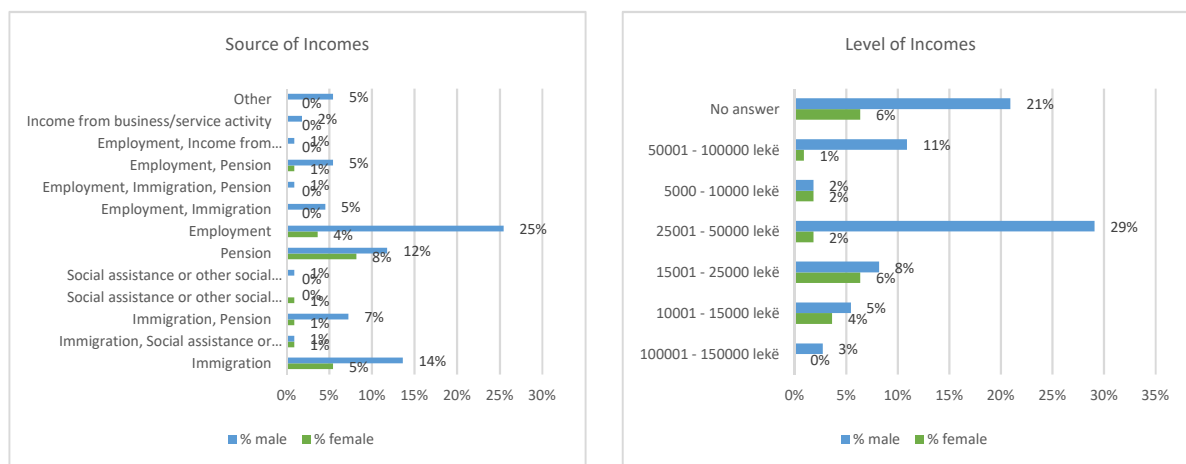


Figure 66: Source and level of income Shkodër Municipality

► MALËSI E MADHE

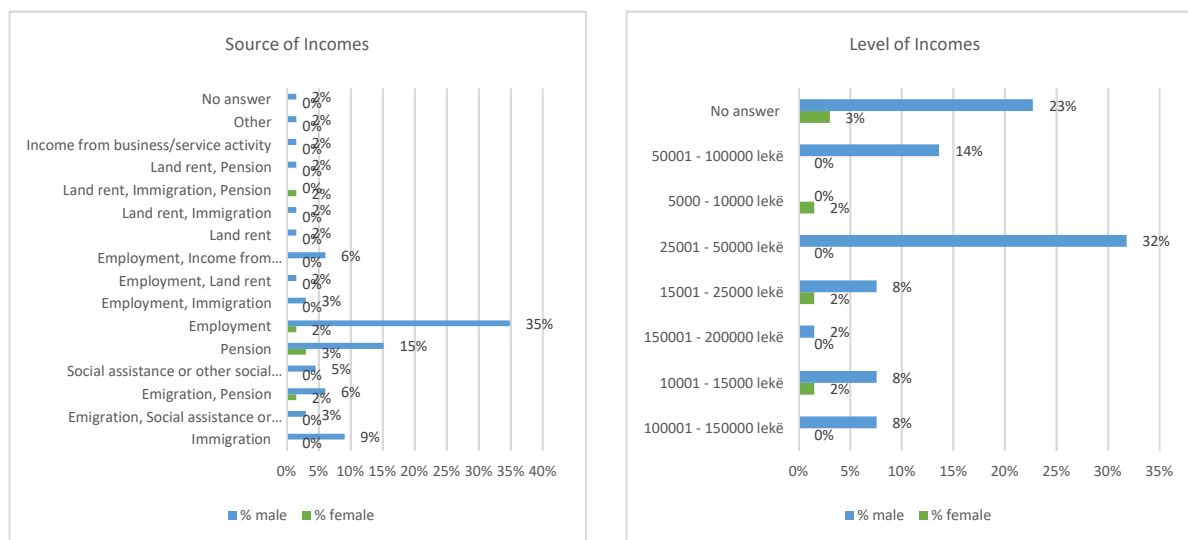


Figure 67: Source and level of income Malësi e Madhe Municipality

4.2.4.6 Vulnerability analysis

A. Economic vulnerability

The survey data reveals that retirement and unemployment are the primary employment statuses across municipalities, with retirement especially prevalent in Vau Dejës (68%), Krujë (51%), and Lezhë (52%). This high rate of retirees indicates a significant portion of the population relies on pensions or limited income sources. Similarly, high unemployment rates, particularly in Kurbin (23%) and Krujë (16%), emphasize challenges in local labor markets with few job opportunities. Economic concerns, particularly unemployment, are major issues, especially in Krujë and Kurbin, where 55% and 49% of respondents, respectively, cite these as their top concerns.

- Many households, particularly retirees, may lack an active income source and rely on pensions or external support, making them vulnerable, especially if the project leads to land acquisition or resource access loss.
- Unemployed or retired individuals may struggle with changes like relocation, limiting their ability to benefit from railway development.

- High unemployment, particularly in rural areas, may lead to social exclusion, reducing integration into broader economic activities.
- Targeted social protection programs, such as vocational retraining or income support, are essential to prevent further marginalization.
- Economic hardship, exacerbated by high unemployment, may also impede access to healthcare, exacerbating vulnerabilities.

Agriculture, once a central economic activity, now plays a minor role, with minimal employment in the sector. The highest agricultural employment rates are in Krujë (12%) and Vau Dejës (7%), indicating a shift away from farming, possibly due to changing practices, urban migration, or the growth of other sectors. Young people are largely disengaged from agriculture, seeing it as low-paying and labor-intensive, with limited mobility prospects.

- Rural households once dependent on agriculture now face limited job opportunities, and land acquisition for the railway could worsen their economic vulnerability.
- The decline in agricultural employment highlights a lack of alternative industries and skills, with older generations continuing farming while younger generations seek opportunities elsewhere.
- The reduced involvement of youth in agriculture could lead to the loss of traditional farming knowledge and practices, further hindering innovation in agriculture.
- As seen in Malësi e Madhe (8%), emigration is a response to local job shortages, contributing to brain drain.
- The project could create alternative economic opportunities, promoting small industries or training programs to transition workers to new roles related to the railway development.
- Supporting sustainable agricultural practices may alleviate some negative impacts on farming households.

Self-employment rates vary, with higher rates in Shkodër (31%) and Malësi e Madhe (18%) compared to Lezhë (1%), indicating a lack of entrepreneurial activity in most regions, which could reduce local resilience to economic shifts caused by the project.

- In regions like Lezhë, limited self-employment opportunities may increase vulnerability to economic changes, as there are fewer options for independent income generation.
- Areas with low self-employment rates may lack the capacity to absorb new workers or adjust to changes brought by the project.
- Promoting entrepreneurship through grants, low-interest loans, or training could strengthen local businesses and economic resilience.
- Increasing access to markets and business training could support self-employment in rural areas.

Emigration, particularly from Malësi e Madhe (8%) and Shkodër (6%), remains a coping mechanism due to limited local job prospects.

- Emigration leads to a loss of human capital, particularly among younger individuals, which could leave behind an aging population and fewer active workers.
- Families left behind may experience economic hardship due to the loss of remittances.
- Emigration can weaken social structures, with more dispersed communities.
- Programs to encourage migration return or reintegration could help revitalize local communities.
- Diversifying the local economy and creating more job opportunities could reduce emigration.

Household resilience to disruptions largely depends on their economic diversity. Those reliant on land-based livelihoods, such as in Malësi e Madhe, Krujë, and Kurbin, are particularly vulnerable to land acquisition impacts.

- Households with diverse income sources may be more resilient, but female-headed households may face greater difficulties due to limited access to resources and support networks.
- Gender-sensitive strategies should be implemented to ensure women, especially those from female-headed households, are not marginalized during resettlement or compensation.
- Compensation packages should protect land-based livelihoods, particularly in Shkodër, Malësi e Madhe, and Lezhë, where agriculture plays a significant role.
- Community engagement should ensure all landowners, including women and vulnerable groups, are consulted.
- Special assistance should be provided to vulnerable populations such as the elderly, women, and economically disadvantaged groups.

Income data shows that most respondents earn between 5,000 and 25,000 ALL per month, with only a small percentage earning higher amounts. This suggests limited financial flexibility and vulnerability to economic shocks.

- The low-income levels hinder households' ability to cope with emergencies, invest in improvements, or save for the future.
- Limited income may restrict access to essential services like healthcare, exacerbating social vulnerabilities.
- Pensions, which make up a significant part of income in some municipalities, may not be sufficient for a decent standard of living, especially in an aging population.
- No municipality reports agriculture as the primary livelihood source, and a small percentage in Malësi e Madhe (6%) earns from land rental.

B. Social vulnerability

Social vulnerability varies across rural and urban populations. Rural areas often lack access to infrastructure and services, increasing dependence on local resources and vulnerability to project impacts. Urban areas may face displacement, congestion, and job market pressures as the project affects nearby locations.

- Targeted outreach programs for rural areas can ensure they benefit equally from the project's opportunities, such as improved transport and employment.
- Urban areas must also be supported, with adequate compensation or relocation strategies for displaced populations.

Older individuals, especially in municipalities like Krujë, Lezhë, and Vau Dejës, represent a large portion of the population, contributing to vulnerabilities.

- Elderly individuals may struggle with relocation or disruptions to social networks, facing barriers to accessing new opportunities.
- Specific provisions should be made to support seniors, including accessible transport, healthcare, and social services, ensuring their inclusion in decision-making.

Gender imbalances in survey participation, particularly with fewer female respondents, suggest that women may be underrepresented, especially as primary caregivers.

- Women's perspectives may be missing in the decision-making process, leaving them more vulnerable to project impacts.
- Efforts should be made to ensure women's voices are heard at all stages, including planning, implementation, and evaluation. Gender-sensitive consultations should be conducted to gather comprehensive data.

The diversity of land ownership types, including agricultural, residential, commercial, and public properties, may create complications in the compensation and relocation process.

- Mixed land ownership complicates compensation, particularly with both private and state land affected by the project.
- Landowners, especially in regions with high reliance on state land (e.g., Kurbin, Krujë, Shkodër), may face disruption if land is reallocated without adequate compensation.

Gender imbalances in land ownership may result in difficulties for women, particularly in areas like Vorë, where men dominate land ownership, affecting compensation and property rights.

- Female-headed households may face unique challenges, including economic instability or lack of support networks, making them more vulnerable to displacement.
- Gender-sensitive assessments are necessary to address the disproportionate impacts on women, particularly in regions with significant female-headed households.

Educational disparities across municipalities contribute to economic vulnerabilities.

- Lower educational attainment in areas like Lezhë and Vau Dejës may limit access to higher-paying jobs and job training.
- Vocational training and skills development programs can help individuals access new opportunities created by the project. Educational outreach should focus on increasing access to higher education and technical qualifications.

Multi-generational households, common in surveyed communities, may face challenges related to resource distribution, decision-making, and family stability.

- Displacement or relocation may disrupt family structures, particularly in households with elderly members.
- Policies should support multi-generational families, ensuring relocation or compensation processes protect family stability.

C. Health vulnerability

Health and healthcare emerge as the primary concern across all municipalities, with varying degrees of emphasis. The highest concern is in Vau Dejës, where 65% of respondents identify it as the main issue. On the lower end, municipalities such as Kurbin (37%) and Malësi e Madhe (40%) also have significant concerns, but less so than areas like Vau Dejës and Vorë (47%).

- This suggests that households in these regions are struggling with access to adequate healthcare services, whether due to insufficient infrastructure, limited healthcare resources, or socioeconomic factors that prevent individuals from obtaining necessary care. Health inequalities appear to be pervasive, particularly where municipalities with lower healthcare concern scores may face difficulties that aren't as directly apparent.
- A significant vulnerability emerges from the low participation in economic support schemes: For example, in Krujë, Kurbin, and Vau Dejës, over 90% of males report not receiving social support, while a lower, but still substantial, percentage of females report similarly. This trend is consistent across other municipalities.
- The limited participation in social support programs may reflect barriers to access (e.g., awareness, application processes, eligibility) or insufficient coverage of the programs themselves. The fact that males are particularly less likely to benefit from social support schemes might suggest a gender disparity in how such programs are either accessed or targeted, or it could indicate a higher proportion of men not qualifying for support due to employment status or household income.

The gender gap in access to social support is apparent in most municipalities, with males generally having higher rates of non-receipt than females. This discrepancy, particularly in places like Krujë (92% of males not receiving support), highlights potential gender inequalities in how social programs are designed or implemented.

- Women might be more likely to seek or qualify for assistance, especially in households where they are the primary caregivers or heads of household, which could indicate a reliance on social support that may not be fully met. Conversely, the higher rates of non-receipt among men could suggest systemic barriers or a lack of support systems tailored for male-headed households, particularly in rural areas where job opportunities are sparse and economic distress is more pronounced.
- The mention of only a small number of orphaned children in the households surveyed could reflect a broader issue where children without parental care are not a large portion of the general population, or it might indicate that orphaned children are less likely to be included in surveys or assistance programs.
- While the relatively low numbers of orphans may suggest this is not a widespread issue, orphans are an extremely vulnerable group and may face severe socioeconomic hardships without adequate social safety nets or specialized care. There might be gaps in child welfare programs for orphans, which need targeted attention to ensure these children receive the care and support they need.
- There is a regional variation in the level of concern for health, healthcare, and economic conditions. Vau Dejës stands out as having the highest concern about health and healthcare, while Shkodër reports high economic distress (57% highlighting economy and unemployment). These disparities highlight regional inequalities, which could stem from differences in local infrastructure, resource allocation, or historical economic conditions.
- Regions with higher economic and health-related vulnerabilities may require more focused interventions, whether that's improving local healthcare facilities, creating more job opportunities, or ensuring that social support programs are more effectively distributed to reach those who need them the most.

D. Cultural vulnerability

The homogeneity of language (Albanian) and nationality (Albanian) among the respondents suggests a relatively cohesive cultural and social fabric. However, the diversity in religious beliefs, including Catholicism and Islam, may require attention to ensure inclusivity and respect for cultural practices.

- Religious and cultural differences, particularly among Catholic and Muslim communities, may require tailored engagement strategies to ensure that all groups feel included and respected in the process. Ignoring these differences could lead to mistrust or resistance to the project.
- While religious diversity is not a significant source of division, sensitive handling of religious and cultural practices is necessary to maintain social cohesion during project implementation.
- Stakeholder engagement strategies should be inclusive of all religious and cultural groups, ensuring that both Catholic and Muslim communities are equally involved in consultations and decision-making.
- Consideration of local beliefs and practices in the project design and execution can help foster positive relationships and minimize cultural tensions.

4.2.4.6. Community engagement and project impact expectation

The majority of interviewees reported utilizing a diverse range of information channels, with the Internet, social media platforms, and traditional media outlets—such as television, radio, and print newspapers—emerging as the most prevalent sources. Furthermore, local authorities were frequently cited as a significant and reliable information source for the community, underscoring their role in disseminating essential updates and fostering public awareness. This indicates a broad reliance on both digital and traditional media, alongside a recognition of the local government's key role in facilitating communication at the community level.

The main findings from the survey presented in the figures below include:

- **Vorë:** 81% of respondents indicate that mass media are their primary sources of information, 68% prefer formal written communication, and 89% report that they communicate with authorities only regarding major issues.
- **Krujë:** 49% of respondents indicate that mass media are their primary sources of information, 31% prefer formal written communication, and 67% report that they communicate with authorities only regarding major issues.
- **Kurbin:** 38% of respondents indicate that family and neighbors are their primary sources of information, 68% prefer formal written communication, and 89% report that they communicate with authorities only regarding major issues.
- **Lezhë:** 25% of respondents indicate that family and neighbors are their primary sources of information, 50% prefer formal written communication, and 78% report that they communicate with authorities only regarding major issues.
- **Vau Dejës:** 64% of respondents indicate that mass media are their primary sources of information, 75% prefer formal written communication, and 75% report that they communicate with authorities only regarding major issues.
- **Shkodër:** 70% of respondents indicate that mass media are their primary sources of information, 51% prefer formal written communication, and 85% report that they communicate with authorities only regarding major issues.
- **Malësi e Madhe:** 51% of respondents indicate that mass media are their primary sources of information, 50% prefer formal written communication, and 79% report that they communicate with authorities only regarding major issues.

The tables below provide detailed information for each municipality.

► VORË

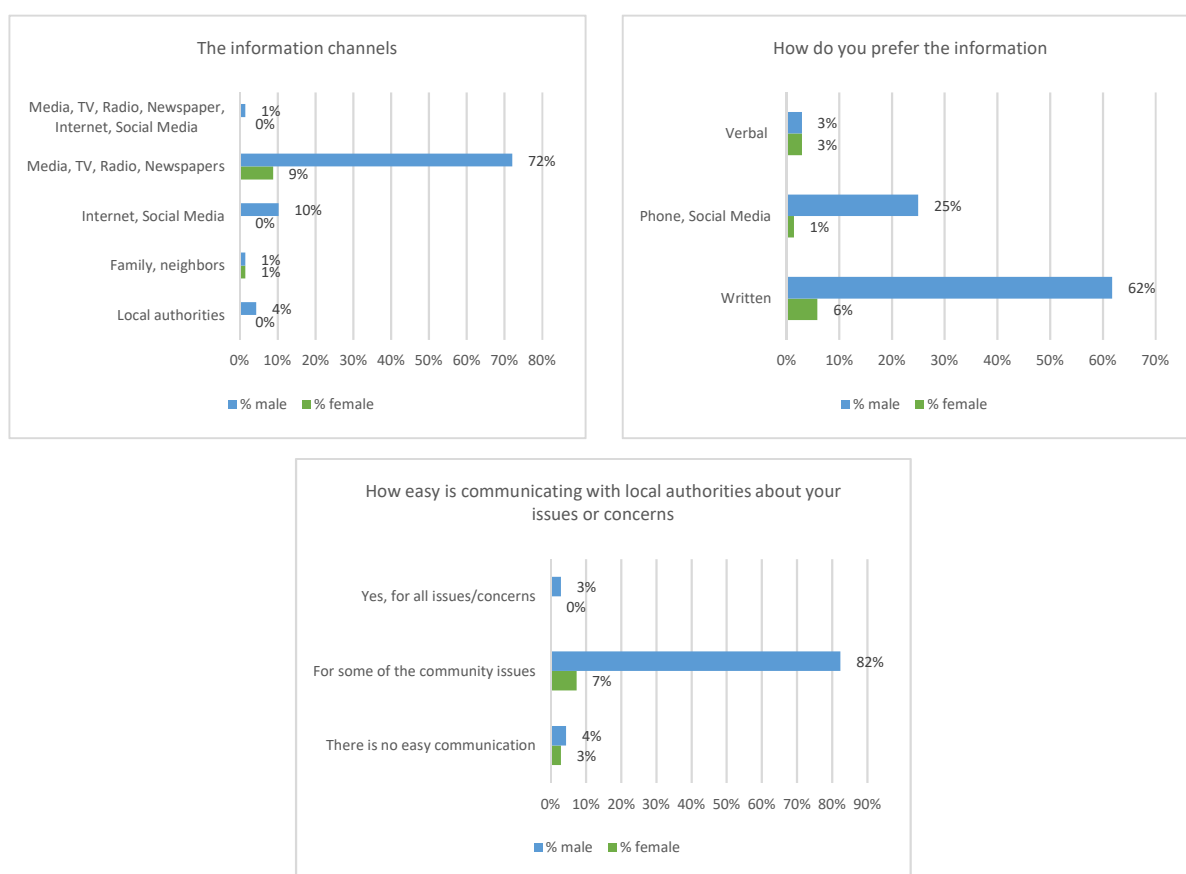


Figure 68: Information Sources, Preferred Communication, and Interaction with Local Authorities in Vorë Municipality

KRUJË

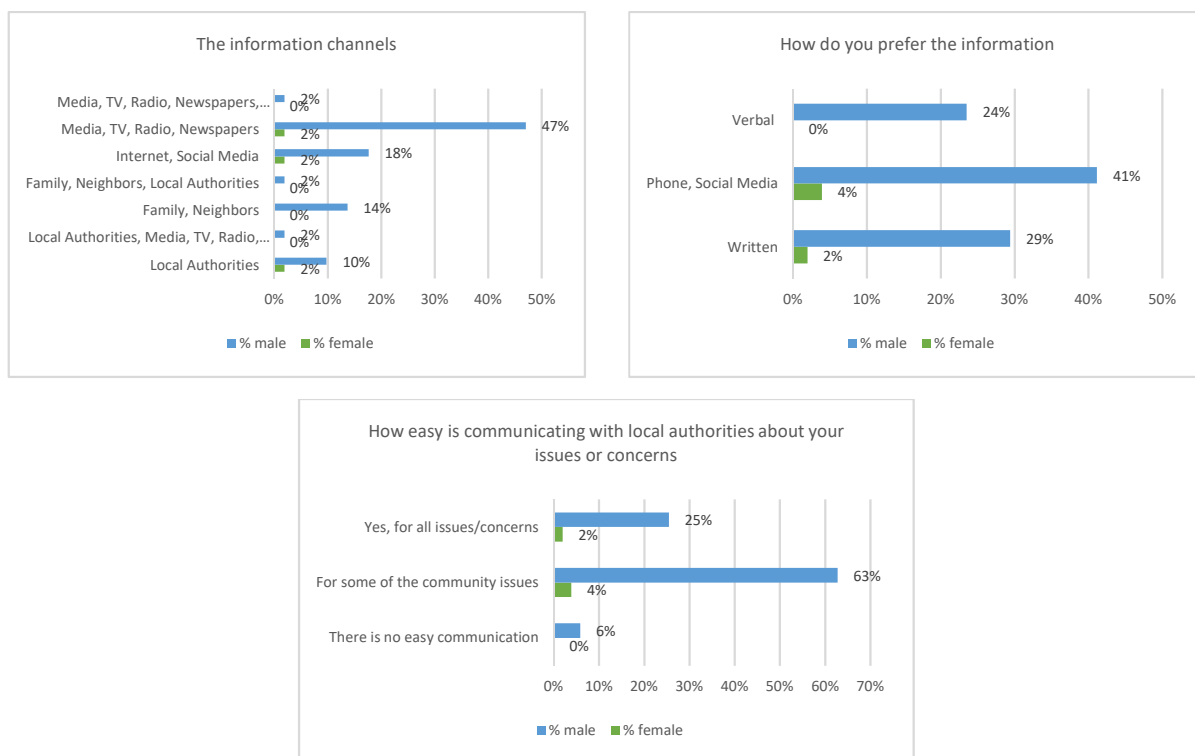


Figure 69: Information Sources, Preferred Communication, and Interaction with Local Authorities in Krujë Municipality

KURBIN

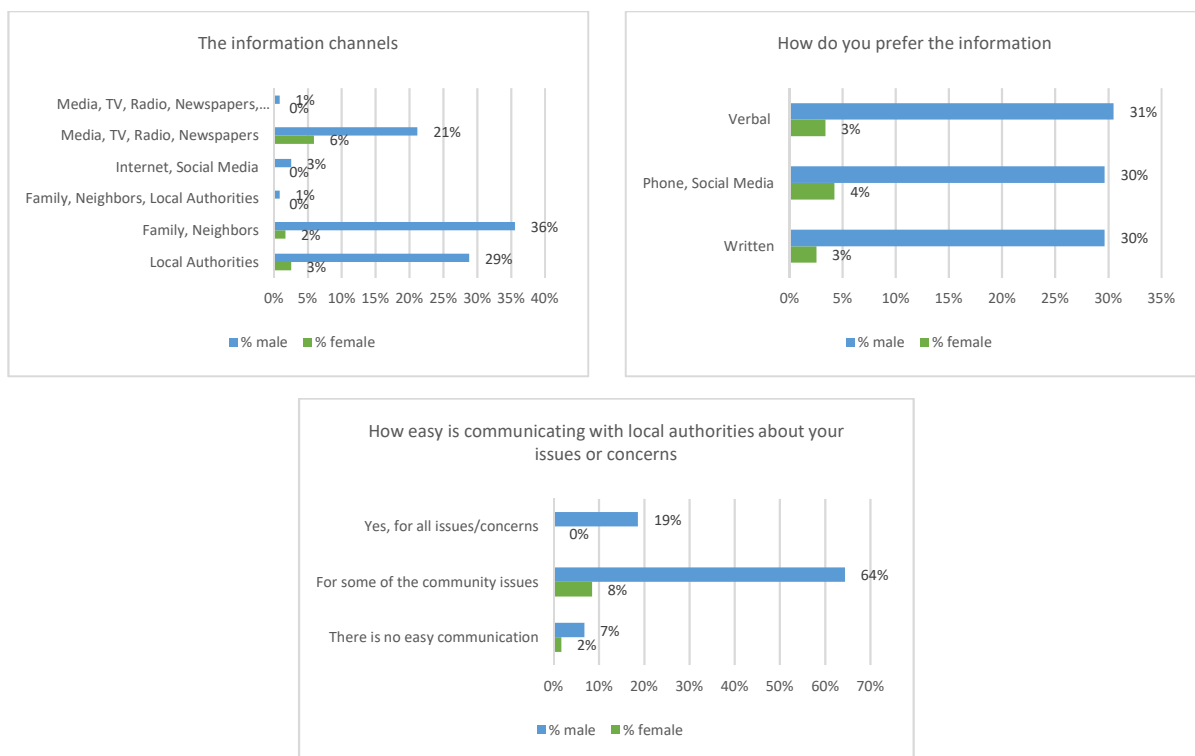


Figure 70: Information Sources, Preferred Communication, and Interaction with Local Authorities in Kurbin Municipality

▶ LEZHË

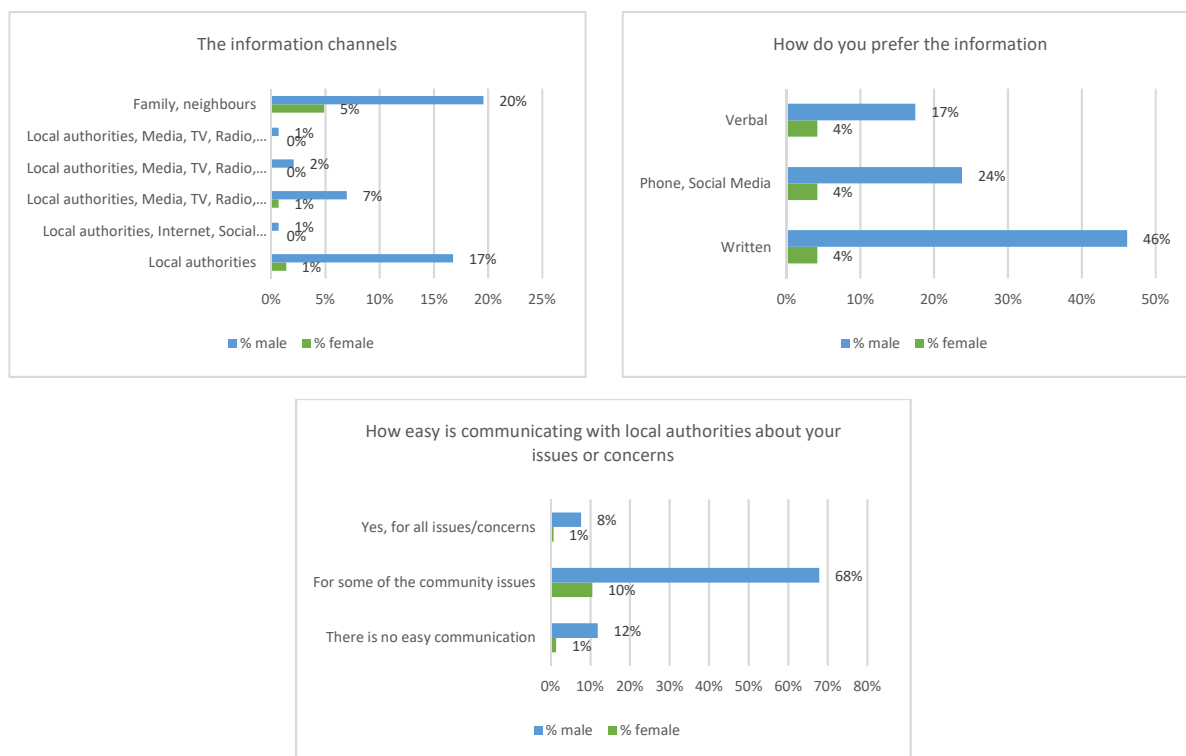


Figure 71: Information Sources, Preferred Communication, and Interaction with Local Authorities in Lezhë Municipality

▶ VAU DEJËS

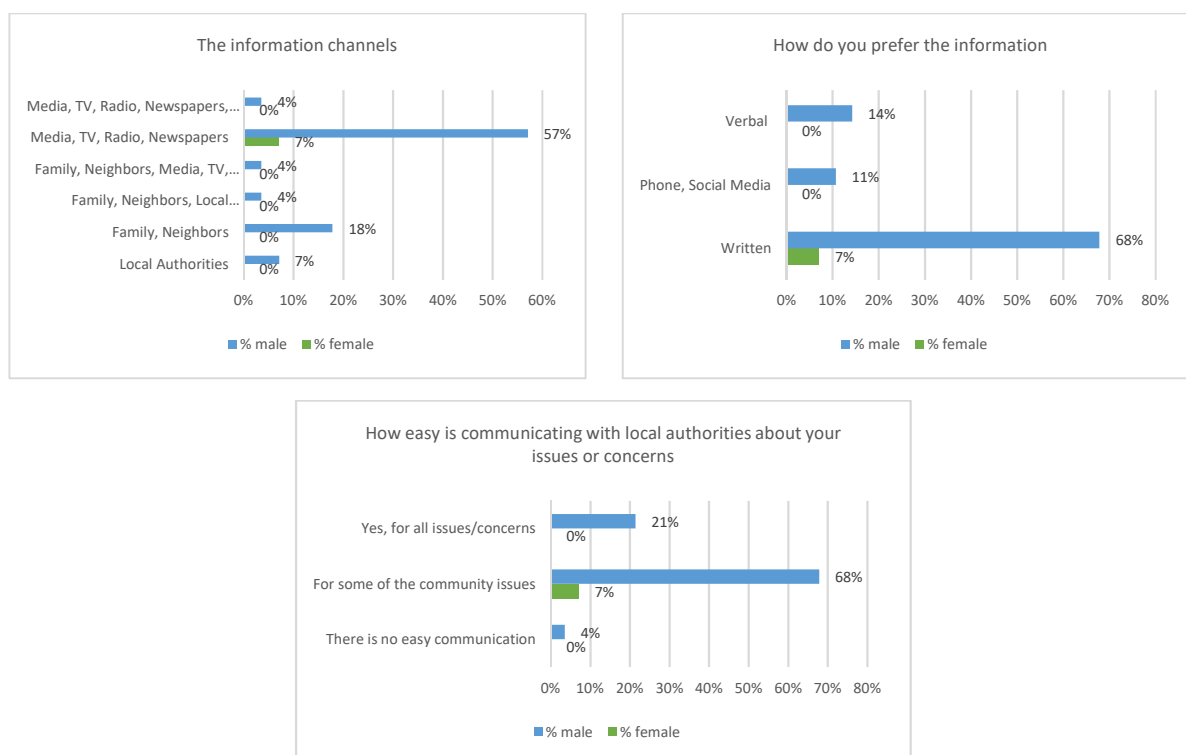


Figure 72 Information Sources, Preferred Communication, and Interaction with Local Authorities in Vau Dejës Municipality

► SHKODËR

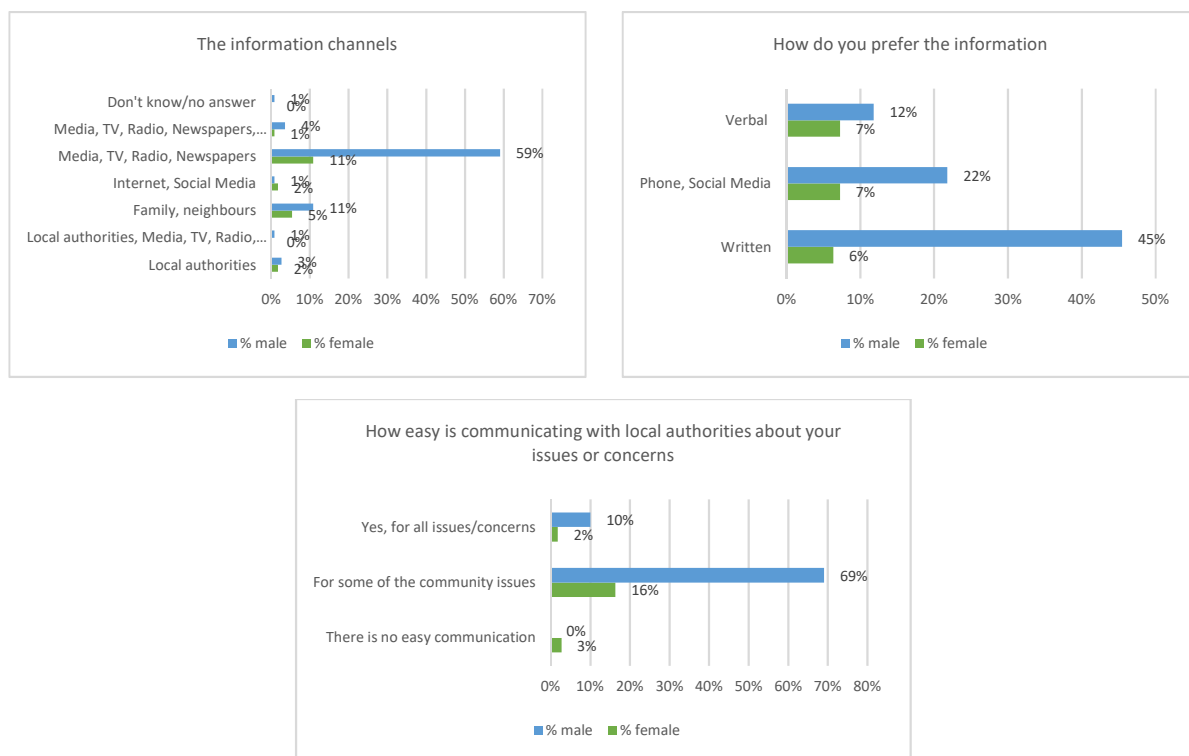


Figure 73: Information Sources, Preferred Communication, and Interaction with Local Authorities in Shkodër Municipality

► MALËSI E MADHE

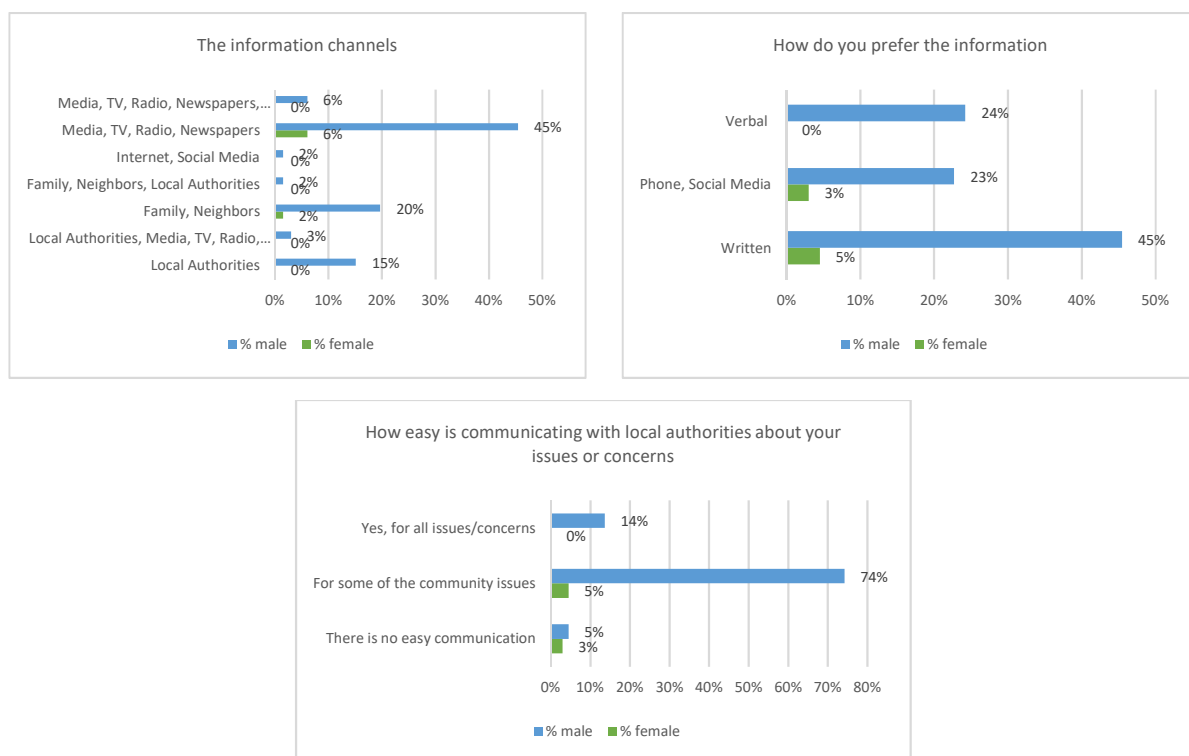


Figure 74: Information Sources, Preferred Communication, and Interaction with Local Authorities in Malësi e Madhe Municipality

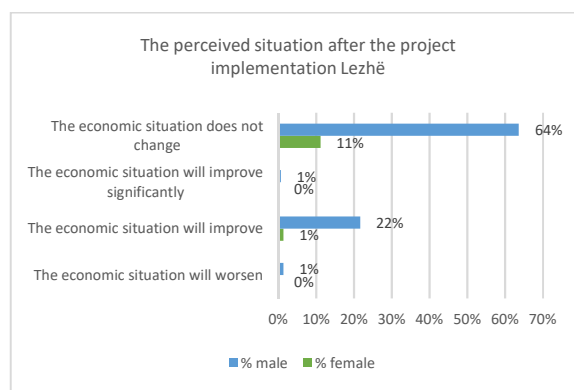
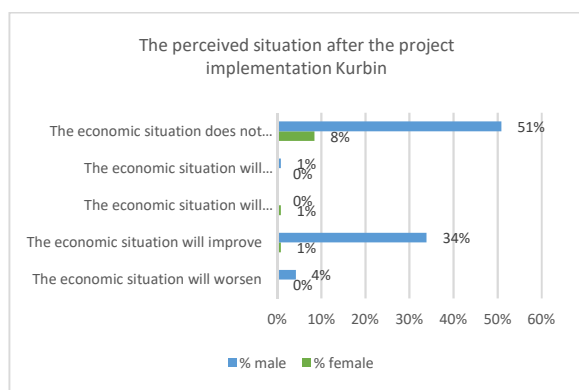
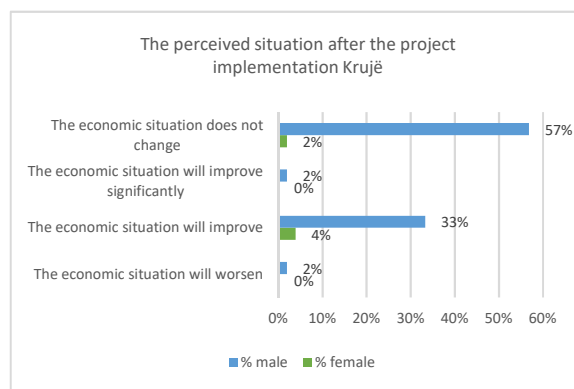
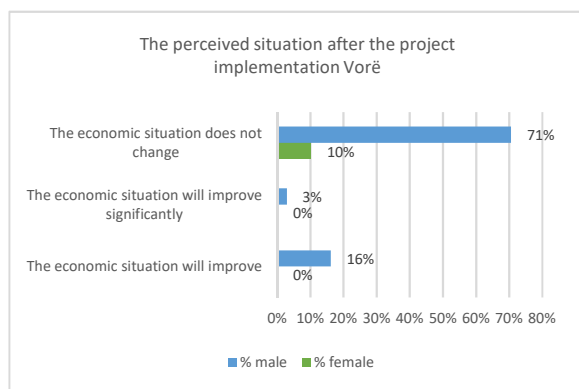
As the conclusion of the above findings:

- Mass media plays a crucial role in information dissemination across most regions, with some variation in local preferences (family/neighbors in Kurbin and Malësi e Madhe).
- Formal written communication is strongly preferred, indicating a desire for official, structured, and clear channels of communication.
- Limited communication with authorities suggests a possible detachment or reluctance to engage with public institutions unless necessary, indicating a focus on important or urgent issues only.

Regarding the economic situation during and after the project's implementation, the majority of respondents across all municipalities report that they do not expect any changes. However, a smaller proportion believes their financial circumstances will improve, with some expressing optimism about significant improvements. Overall, the prevailing sentiment is that the economic situation will remain stable for most individuals. Key findings from each municipality are as follows:

- **Vorë:** 81% of respondents believe the economic situation will remain unchanged, while 16% anticipate an improvement;
- **Krujë:** 59% of respondents expect no change in the economic situation, while 37% foresee an improvement;
- **Kurbin:** 59% of respondents expect no change in the economic situation, while 35% foresee an improvement;
- **Lezhë:** 75% of respondents believe the economic situation will remain unchanged, while 23% anticipate an improvement;
- **Vau Dejës:** 39% of respondents expect no change, while 61% believe the economic situation will improve;
- **Shkodër:** 32% of respondents expect no change, while 66% foresee an improvement;
- **Malësi e Madhe:** 57% of respondents believe the economic situation will remain unchanged, while 39% anticipate an improvement.

The table below provides detailed information about respondents' perceptions of the socio-economic impact of the project on their community in each municipality.



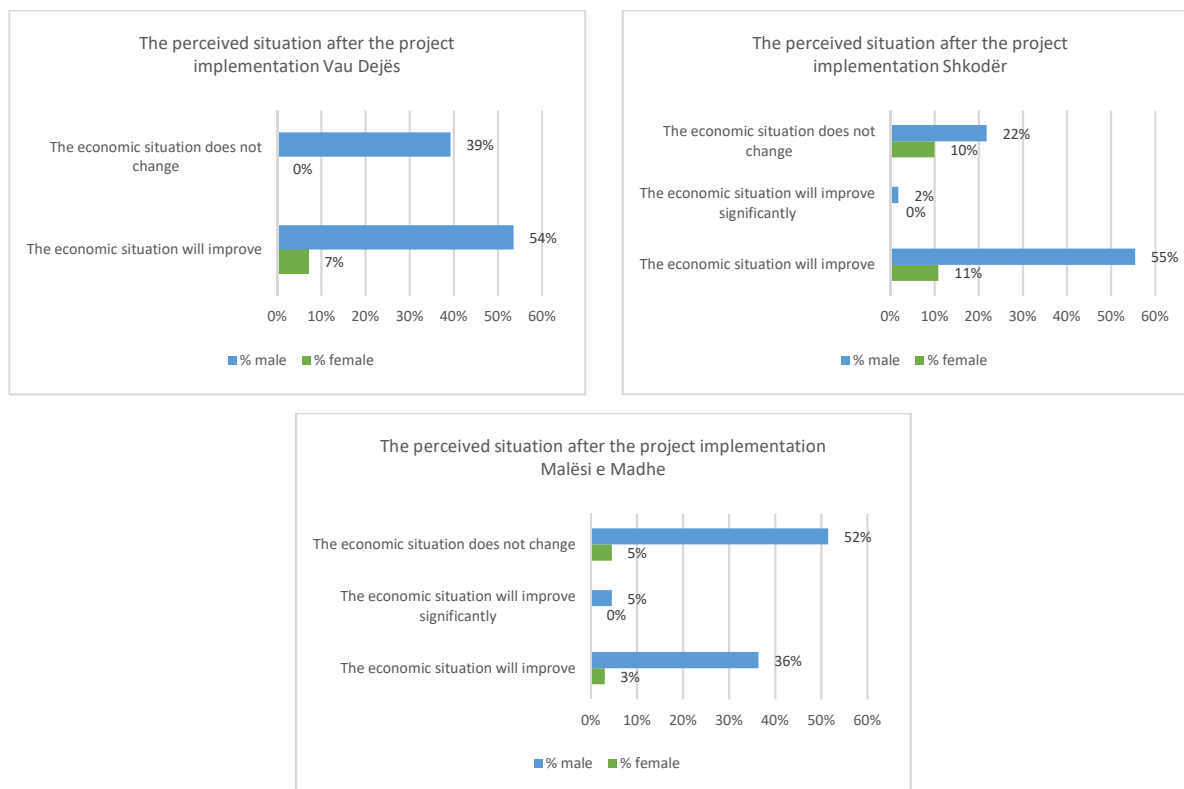


Figure 75: The perceived situation after the project implementation for all municipalities

The conclusions from these findings are as follows:

Across all municipalities, the majority of respondents expect the economic situation to remain stable, with a significant percentage (ranging from 32% to 81%) reporting that they anticipate no changes. This indicates a prevailing sentiment of economic stability or a lack of major economic shifts expected after the project's implementation.

While most respondents expect stability, a notable proportion, particularly in municipalities like Vau Dejës, Shkodër, and Malësi e Madhe, express optimism about potential improvements in their financial circumstances. In Vau Dejës, for instance, 61% expect an improvement, and in Shkodër, 66% hold the same belief. This suggests that, while not universal, there is a segment of the population that is hopeful about economic gains post-project.

The level of optimism for economic improvement varies significantly across municipalities. While some areas like Vau Dejës and Shkodër show higher expectations for improvement (61% and 66%, respectively), other areas, such as Vorë (16%) and Lezhë (23%), show relatively lower expectations for economic gains. This discrepancy indicates that the impact of the project may be perceived differently in various regions.

The diverse responses suggest that the project's impact may be viewed differently across municipalities, possibly due to varying local economic conditions, expectations, or the perceived scale of the project's benefits. While some municipalities are optimistic about improvements, others may view the project as less likely to bring about significant change.

Based on the responses gathered from the survey, the projected changes within the community following the commencement of the project are overwhelmingly positive. The key areas of anticipated impact are centered on significant improvements to local infrastructure, which will enhance the overall functionality and accessibility of the community. Additionally, the project is expected to foster the creation of new employment opportunities, contributing to increased economic stability for local

residents. Alongside these economic benefits, there is also a strong expectation of enhanced social engagement, as the project will encourage greater interaction and collaboration among community members. The following section outlines the specific changes that have been identified in the survey responses from the settlements within municipalities that are most directly impacted by the project.

Common Expectations of Respondents Across Municipalities:

Infrastructure Improvements: The most frequently mentioned expectation is the enhancement of community infrastructure. The improvements are anticipated to directly impact the quality of life, facilitate mobility, and support economic growth by making the region more attractive for investment and business opportunities.

Employment Opportunities: Respondents expect a rise in job opportunities, particularly during the project's implementation phase. This is seen as a crucial factor in reducing unemployment, providing financial stability to families, and fostering skill development through professional training. Many believe that these employment opportunities will contribute to long-term economic resilience.

Boost in Local Economy & Trade: Increased activity from visitors and workers is expected to stimulate demand for local goods and services, supporting small businesses and entrepreneurs. Many respondents anticipate growth in local trade, particularly for region-specific products, as well as an overall increase in commercial activity that will enhance household incomes.

Community Engagement & Social Cohesion: The project is expected to strengthen collaboration among residents, encouraging active participation in social and economic discussions. Many anticipate a revitalized sense of community, with more social activities, local initiatives, and stronger collective decision-making regarding regional development.

Municipality-Specific Considerations:

Krujë: Some concerns about potential loss of economic resources.

Lezhë & Malësi e Madhe: Emphasis on expanding local trade opportunities.

Vau Dejës & Shkodër: Strong expectations for business growth linked to improved infrastructure and visitor influx.

Overall, communities anticipate significant positive changes in infrastructure, employment, economic activity, and social cohesion, with minor concerns about potential negative economic impacts.

5. Stakeholder Engagement

This chapter outlines the approach to engaging with Project stakeholders, specifically related to land access and resettlements. It identifies key stakeholder groups who may be affected by and/or may have an interest in/influence on the Project land acquisition and resettlement; it describes the methods utilized to consult with them and the planned engagement activities going forward.

5.1. Purpose & objectives of stakeholder engagement

The purpose of Stakeholder Engagement in the context of Project Land Acquisition and Resettlement is to ensure that individuals, groups, and organizations who may be impacted by or have influence over the project are actively involved throughout the process. This engagement aims to promote transparency, trust, and collaboration by providing a space for stakeholders to express concerns, negotiate key elements such as eligibility requirements, compensation packages, assistance measures, and resettlement plan activities. It ensures that the project proceeds in a timely, consistent, comprehensive, coordinated, and culturally sensitive way.

A Stakeholder Engagement Plan (SEP) was initially developed for the project in 2021 and subsequently revised and approved by the EBRD in July 2022. The SEP is a dynamic, "live" document that will be continually updated throughout the project's development and implementation stages. It served as a foundation for this tailored stakeholder engagement plan specifically designed to meet the needs of the project's Resettlement Plan.

The primary objectives of Stakeholder Engagement for resettlement planning include:

- **Identification of Key Stakeholders:** Identification and mapping of all individuals, communities, and local / national authorities that have an interest in or may be impacted by the project. This step is crucial to ensure that all relevant voices are heard and that the project addresses the needs and concerns of those directly or indirectly affected.
- **Planning of Engagement Activities:** A clear plan for stakeholder engagement is developed that is consistent with the project timeline. This plan specifies the frequency, methods, and key objectives of interactions with various stakeholder groups in order to ensure consistent communication.
- **Establishment of a Grievance Management Procedure:** Implement a structured process for receiving, addressing, and resolving grievances. This procedure will be accessible, culturally appropriate, and will include mechanisms for documenting complaints and responses, contributing to a transparent accountability system.
- **Meaningful Consultation:** Facilitate open, inclusive, and respectful dialogue with stakeholders. This involves not only informing them but also actively listening to their inputs, concerns, and suggestions, ensuring that their perspectives shape project decisions where feasible.
- **Ongoing Reporting and Updates:** Provide regular updates to relevant stakeholders, keeping them informed of project progress, changes, and how their feedback has influenced outcomes. This continuous communication helps to maintain trust and a sense of shared involvement in the project.
- **Cultural Appropriateness and Inclusivity:** Conduct engagement that respect local cultural practices, with particular consideration for gender-specific needs and the inclusion of vulnerable groups. This approach ensures that all segments of the affected population are respected and able to participate meaningfully in the engagement process.

The information to be shared with stakeholders will include:

- A clear overview of the purpose, nature, scale, and duration of project activities to give stakeholders a comprehensive understanding of what the project entails.
- Potential risks and impacts, alongside the mitigation measures being proposed to address these issues, so stakeholders can assess how the project may affect them and how their concerns will be managed.
- An outline of the stakeholder engagement process, detailing opportunities and mechanisms for public participation to enable active involvement.
- Details on public consultation meetings, including the timing, venue, notification methods, and procedures for summarizing and reporting on these discussions, to promote transparency and inclusivity.
- The grievance management process, which provides stakeholders with information on how to raise and resolve any concerns or complaints they may have throughout the project.

HSH will be responsible for disseminating information about this Resettlement Plan to the public, including holding public hearings upon the completion and approval of the final document. Furthermore, a comprehensive grievance mechanism will be established, culturally appropriate and accessible to the community, to handle concerns or complaints from affected individuals. This process will include thorough documentation of cases and resolutions as part of the project's reporting protocol.

5.2. Stakeholder identification & analysis

The EBRD ESP refers as “stakeholder”³⁰ to various individuals or groups who: (a) are affected or likely to be affected by the project (directly or indirectly); or (b) may have an interest in the project (other interested parties).

During the preparation of the Resettlement Plan (RP), a comprehensive stakeholder identification process was carried out. This process entails identifying all parties affected by or involved in the resettlement as a result of project-related environmental and social impacts, particularly those related to land acquisition, asset loss or damage, land use restrictions, impacts on livelihood, and compensation mechanisms.

The identified stakeholders have been categorised in three main categories as follow:

- 1. Primary Affected Parties:** These include all individuals, households, and communities directly impacted by land acquisition and asset loss. This group involves:
 - *Landowners, Tenants and Land Users:* Those whose land is permanently or temporarily acquired for the project, whether they are formal owners or informal users.
 - *Asset Owners:* Individuals and entities with buildings, crops, or other assets affected by the project. This includes those whose assets may be damaged or destroyed due to construction or related activities.
 - *Vulnerable Groups:* Special attention is given to vulnerable groups, including women-headed households, elderly residents, people with disabilities, economically disadvantaged groups, and indigenous populations, who may face disproportionate impacts from displacement or livelihood changes.
- 2. Secondary Affected Parties:** These are stakeholders indirectly impacted by the resettlement activities. The engagement of Secondary Affected Parties helps ensure a comprehensive understanding of all project impacts, supports more effective mitigation strategies, and strengthens community trust. Their involvement can ultimately contribute to a smoother resettlement process and a more positive long-term impact for all stakeholders involved. This group involves:

³⁰ EBRD ESP (2019), PR10 Information Disclosure and Stakeholder Engagement, paragraph 10, pg.47

- **Neighboring Communities:** Communities adjacent to the project area that might experience disruptions in local infrastructure, or indirect economic impacts.
 - **Local Businesses and Employees:** Business owners and employees affected by shifts in the local economy or infrastructure changes caused by the project.
- 3. External and Institutional Stakeholders:** This group of stakeholders includes decision-making authorities who play regulatory, oversight, and executive roles, as well as institutions and organizations that provide support throughout the development and implementation of the resettlement plan. This group involves:
- **Local Government Units and Municipalities:** Authorities that are responsible for regulating and administering an important aspect of public affairs under their jurisdiction and in the interests of the community they represent.
 - **National Government Institutions:** Authorities overseeing compliance with national laws and policies related to land acquisition, including ministries or agencies responsible for the process of expropriation, compensation, etc.
 - **Civil Society Organizations (CSOs) and Non-Governmental Organizations (NGOs):** Groups advocating for human rights, environmental protection, or community welfare that can provide support to affected populations and help ensure transparency and fairness.
 - **Project Beneficiary:** The Authority responsible for managing, operating, and maintaining the infrastructure and facilities after construction completion. This is the Authority that will benefit directly from enhanced operational efficiency, improved service quality, increased revenue potential, as well as new skills and technologies gained through the project that will strengthen and expand the Authority's capabilities, contributing to the successful achievement of project goals and reinforcing its role in the transportation sector.
 - **Financial Institutions and Project Financiers:** Stakeholders, who provide funding or financial oversight for the project and, through their policies, establish social and environmental standards to guide the resettlement process.
 - **Media and Press:** Important external stakeholders in disseminating information, influencing public opinion, and ensuring project transparency and accountability. Their reporting can amplify the voices of affected communities while also providing oversight, resulting in a more transparent and informed resettlement process.

The identified stakeholders are listed in the table below and their role and potential interest in the Project is outlined, including the engagement methods and stages of consultation and engagement. The list of stakeholders will be updated as the Project moves through the development phases and through construction and operation.

Table 19: List of Stakeholders, Role/Interest on the Project

Stakeholder/ Institution	Interest in the Project	Role in the Project	Stage of Consultation Engagement	Engagement Methods/Tools
All PAPs categories: Land owners, Land users, Tenants, Asset owners. Local businesses	Potential loss of sources of income and/or means of livelihoods. Entitled to compensation and livelihood restoration if affected. Potential temporary loss of access to land or natural resources. Potential loss of shelter.	Provide socio-economic data and asset inventory. Lodge their grievances using the defined Grievance Resolution Mechanism. Provide feedback on proposed	RP development (socio-economic and Asset data collection); RP disclosure and Implementation (compensation disbursement,	Public Meetings; Individual Meetings; Mass Media Communication; Disclosure of Individual Written Notification, Direct meetings with Project

Stakeholder/ Institution	Interest in the Project	Role in the Project	Stage of Consultation Engagement	Engagement Methods/Tools
	Potential loss of business activity.	mitigation measures. Participate and benefit from compensation and assistance as prescribed by the national expropriation procedure and project RP.	additional assistance); Project Construction.	Stakeholder Coordinator.
Vulnerable households amongst the affected people	Potentially disproportionately affected, potentially less able to benefit from opportunities offered by the Project, and potentially present specific difficulties to access and/or understand information about land acquisition impacts and mitigation strategies.	Invited to engage and ask questions about the processes where it is of interest or of relevance to them. Provide socio-economic data and asset inventory. Lodge their grievances using the defined Grievance Resolution Mechanism.	RP development (socio-economic and Asset data collection) RP disclosure and Implementation (compensation disbursement, additional assistance).	Public Meetings Individual Meetings Mass Media Communication. Direct meetings with Project Stakeholder Coordinator.
Neighbouring Communities	To be informed on: - Potential temporary disruptions in access to infrastructure and public services. - Potential changes in land use or natural resources, which may affect neighbouring ecosystems or create environmental risks. - The impact of resettling individuals or shifts in demographic patterns, which could influence social harmony, safety, and community dynamics in nearby areas.	Act as representatives or advocates for issues affecting their daily lives, assisting in flagging potential issues early. Provide feedback on how resettlement activities affect them, helping the HSH to make necessary adjustments. Act as mediators in resolving conflicts or facilitating community acceptance of changes resulting from the project activities.	RP socio-economic data and asset survey. RP development, disclosure and Implementation.	Public Meetings Individual Meetings Mass Media Communication. Direct meetings with Project Stakeholder Coordinator.
Local Businesses and Employees	To be informed on project activities that may temporarily disrupt local supply chains if roads are blocked or other	Advocate for project authorities' support to mitigate negative impact, as well as provide	RP socio-economic data and asset survey.	Public Meetings Individual Meetings

Employer: European Bank for Reconstruction and Development
 Beneficiary: Albania Railway (Hekurudha Shqiptare)
 Project: Rehabilitation of Vore-Hani i Hotit Railway Line

Stakeholder/ Institution	Interest in the Project	Role in the Project	Stage of Consultation Engagement	Engagement Methods/Tools
	infrastructure changes occur. See opportunities for growth based on the potential increased demand for goods and services.	valuable feedback to the project team on the economic impact of resettlement, which will help inform mitigation strategies. Create new jobs opportunities for resettled people, promoting economic integration, and mitigating negative economic effects in the area.	RP development, disclosure and Implementation	Mass Media Communication. Direct meetings with Project Stakeholder Coordinator.
EBRD	Promoting sustainable transportation and inclusive development, boosting local economies, and strengthening economic links between neighbouring countries to promote regional trade and integration. Promoting the modal shift in transport from road to rail and reducing the dependence on higher emitting modes of transportation. The project is implemented in compliance with the EBRD ESP, by implementing the mitigation measures and activities outlined in the ESAP, ESMP, and RP.	EBRD is the lead IFI, which is responsible for assignment implementation coordination and approval of outputs. Provides support to the HSH for the: • Project Implementation and Works Supervision; • Development and implementation of RP, etc. Monitor the project's environmental and social performance, as well as compliance with EBRD PRs, by reviewing environmental and social reports, and oversee the project's ESAP, ESMP, and RP implementation.	RP socio-economic data and asset survey RP development, disclosure and Implementation; Expropriation and compensation process. Implementation of Livelihood restoration measures and activities for transitional support of PAPs.	Regular meetings and official correspondences.

Stakeholder/ Institution	Interest in the Project	Role in the Project	Stage of Consultation Engagement	Engagement Methods/Tools
Albanian Railways S.A (Hekurudha Shqiptare – HSH)	Overall responsibility for planning and implementing land acquisition and resettlement in compliance with national legislation and EBRD policies. Ensure efficient liaison with citizens and Municipality Provide support and coordinate with other institutions in charge of land acquisition processes (property rights registration, sources of data for compensation valuation and land acquisition.	Support RP development (socio-economic baseline data and asset inventory), including status and resolution of property rights. RP implementation (initiate the expropriation, relocation and additional assistance). RP Stakeholder Engagement Planning and Disclosure. Grievance Management.	RP socio-economic data and asset survey RP development, disclosure and Implementation; Expropriation Processes.	Regular meeting and official correspondences; Joint site inspections and individual meetings; HSH website: www.hekurudha.al
Municipalities	The improvement of community mobility through better, alternative public transportation options and reducing traffic congestion. The boost in the local economy through the increased accessibility and job creation by the project.	Support communication with communities and citizens. Support field surveys (socio-economic baseline data and asset inventory). Stakeholder Engagement Planning and Disclosure. Grievance Management.	RP socio-economic data and asset survey; RP development, disclosure and Implementation.	Regular meetings and official correspondences; Joint site inspections and individual meetings.
Council of Ministers	Promote Economic Development and Protection of Human Rights. Compliance Assurance of the Land Acquisition processes with Albanian Policies.	Ultimate responsibility for resettlement procedures under Albanian Law. Approves the Expropriation Decision and asset/compensation details.	RP implementation: Approves the Expropriation.	Official correspondences
Ministry of Infrastructure and Energy	Oversees the expropriation process for public interest in favour of a private entity where investments are in the public interest	Sends the expropriation request to the Council of Ministers	RP Implementation; completion of the expropriation files from the State Agency	Official correspondences

Stakeholder/ Institution	Interest in the Project	Role in the Project	Stage of Consultation Engagement	Engagement Methods/Tools
			of Expropriation	
Expropriation State Agency	Responsible to implement all the procedures for expropriation and temporary use, for public interest, of assets owned from natural and legal persons.	Calculate the final expropriation, extent of expropriation for each property affected by the expropriation process in compliance with national expropriation laws and in compliance with EBRD ESP and PR5 (further presented in this RS). Oversees the progress of the procedures of the expropriation process. Develops and administers the database for all expropriations and disbursement of any expropriation. Enters into negotiations with entities that are expropriated, in terms of the value of compensation Expropriation and payment schedule.	RP socio-economic data and asset survey, including compensation calculations; RP development, disclosure and Implementation (compensation disbursements).	Official correspondences
State Cadastre Agency	Maintain up to date records on properties and their rights.	Provides land/property boundaries and ownership data. Provides property transaction data in the project area to support the Market Value Study. Executes legal title changes of immovable property owners after land acquisition, expropriation. Legalization procedures.	RP development and implementation	Official correspondences.

Employer: European Bank for Reconstruction and Development
 Beneficiary: Albania Railway (Hekurudha Shqiptare)
 Project: Rehabilitation of Vore-Hani i Hotit Railway Line

Stakeholder/ Institution	Interest in the Project	Role in the Project	Stage of Consultation Engagement	Engagement Methods/Tools
Regional Agricultural Extension Agencies	To be informed about the agricultural crops impacted by the project in order to maintain accurate statistics for forecasting agricultural and livestock production.	Provide data on land use, and agricultural production.	RP development and implementation .	Official correspondences
Civil Society Organizations (CSOs) and Non-Governmental Organizations (NGOs)	Uphold human rights and promote social justice, particularly for marginalized populations. Advocate for environmental preservation and sustainable practices. Ensure transparency and accountability in resettlement processes.	Ensure that community grievances, concerns, and priorities are communicated and taken seriously in the planning process. Lobbying for fair resettlement practices.	RP socio-economic baseline; RP development and implementation .	Public Meetings; Mass Media Communication.
Women's and Vulnerable' Advocacy groups	Ensure rights and needs of women's and vulnerable groups are considered during all project stages.	Consulted and Engagement during, RP development and implementation. Help identify potential gender-based risks that could arise from the resettlement process. Offer guidance on gender-sensitive practices to protect women's land rights, access to livelihoods, and involvement in decision-making.	RP socio-economic baseline; RP development and implementation .	Public Meetings Mass Media Communication.
Press and media	Keep the public informed about the project activities, highlighting social, economic, and environmental impacts.	Informing residents in the project area and the public about the Project implementation and planned activities.	RP development and implementation	Public Meetings; Mass Media Communication
Contractors	Successful implementation of construction works.	Conduction of construction works.	Supplemental land acquisition.	Contractor CLOs

5.3. Identification of women and vulnerable groups

Vulnerable groups include people who, by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected by a project than others, and who may be limited in their ability to take advantage of a project's development benefits. The vulnerability of these groups could also be based on a lack of opportunities to participate in local decision-making, as well as on their economic vulnerability.

Vulnerability may be viewed in the context of two stages:

- Pre-existing vulnerability;
- Transitional vulnerability, caused by project related economic displacement.

Pre-existing vulnerability is vulnerability that occurs, with or without the Project development, whilst transitional vulnerability occurs as a result of those directly affected by the Project being unable to adjust to new conditions due to shock or stress related to project activities. In this context households that will be considered likely to be vulnerable comprise those:

- Heavily impacted from the Project;
- Registered as poor with the local social services;
- With women-headed households;
- With elder-headed households ($\geq$ pension age) without any other household member bringing in income; and
- Households headed by disabled people.

In light of the socioeconomic data gathered by the household surveys, several interviewed households shall be recognized under a vulnerable status, given specific relevant economic, health and social indicators. Referring to survey data collected from affected people, no ethnic minorities that might be discriminated against have been identified, therefore ethnicity is not assessed as a potential vulnerability factor in the Project area. However, the following vulnerability factors are relevant:

- Old age is definitely a relevant vulnerability factor in the Project area as it might impair ability to participate in decision-making and consultation and entail physical impairments (sight, hearing, mobility). It is worth noting, however, that in the social structure of rural Albania, elderly people are usually not left in isolation and there is usually a network of relatives, however distant, and neighbours that makes sure that they are not left without support.
- Another relevant vulnerability factor is physical or mental disabilities, as well as chronic diseases.
- Female heads of household could be vulnerable due to their limited decision-making capability and the fact that they will often be chaperoned by a male relative, who might be tempted to abuse their position when it comes to compensation.
- Poverty is also a relevant factor of vulnerability in the Project area. There are several safety nets in Albania for the neediest people, including NE (Ndihma Ekonomike), which provides allowances of about EUR 60 per month to the poorest households, as well as partial coverage of utility bills for the poorest disability allowances, and maternity allowances for young mothers in poverty.

5.4. Stakeholder engagement activities during RP development

5.4.1. Project information engagement

Following the data review (Task 1), the consultant identified and listed all affected villages, including the relevant administrative units and municipalities overseeing them. With support from HSH, official letters were sent to each municipality, informing them of the project's current phase and upcoming activities for the preparation of the Resettlement Plan (RP). To announce the start of field surveys (census, socio-economic survey, and asset inventory), Abkons produced and distributed posters and brochures (see Annex 3), placing posters prominently on the premises of each municipality and administrative unit.

Consultation meetings were organized by HSH and consultant from 17 July to 23 July 2024 in each municipality along the Vore-Hani i Hotit railway line, with representatives from municipalities, administrative units, and village heads. During these meetings, the consultant presented the project scope and next steps of RP preparation, ensuring stakeholders were informed and prepared for the field surveys. The agenda for the presentation included:

- Brief description of project, and the elements of interventions that will result in private land acquisition and/or loss of assets;
- The actual phase of the project and the next steps they will follow before the start of the construction works;
- The steps that will be followed for the preparation of the Resettlement Plan for the project;
- Description of the key principles of EBRD policies that will be followed for the preparation and implementation of RP;
- Description of the consultants' next activity in the preparation of the RP, which consists of identifying the PAPs and meeting with them face-to-face to collect the necessary data for the census survey, socioeconomic survey, and asset inventory;
- Provision of contact details where communities and people may request information, ask questions and raise concerns or grievances about the RP activities or general project information.

Furthermore, the consultant has explained the term “full replacement cost”, “livelihood restoration”, as well as the meaning and the function of the term “cut-off date”.

During the meetings, local authorities (municipalities, administrative units, and village heads) were invited (based on their preferences and availability) to participate in the field surveys and provide assistance in identifying the PAPs as well as insights into any local issues that the consultant and HSH were unaware of at that stage in the project.

The list of the initial consultation meeting is shown in the table below, while the Minutes of Meetings, the list of the attenders and photos are presented in the Annex 4. Based on questions and feedback gathered during these meetings, a Question and Answer (Q&A) leaflet (see Annex 3) was created, reviewed, and agreed upon with HSH.

Table 20: Consultations meetings with local authorities

No.	Venue	Date	Participants
1	Vore Municipality	17.07.2024	Vore Municipality; A.U. Preze; Albania Railway; Abkons
2	Kurbin Municipality	18.07.2024	Kurbin Municipality; A.U. Mamurras; A.U. Milot; Albania Railway; Abkons
3	Lezhe Municipality	18.07.2024	Lezhe Municipality; A.U. Zejmen; A.U. Kolsh; A.U. Shengjin; A.U. Kallmet; A.U. Blinisht; Albanian Railway; Abkons
4	Malesi e Madhe Municipality	19.07.2024	Malesi e Madhe Municipality; A.U. Guremire; A.U. Qender; A.U. Kastrat; Heads of affected villages; Albanian Railway; Abkons
5	Vau i Dejes Municipality (A.U. Bushat)	22.07.2024	Vau i Dejes Municipality; A.U. Bushat; A.U. Hajmel; Heads of affected villages; Albanian Railway; Abkons
6	Shkoder Municipality	22.07.2024	Shkoder Municipality; A.U. Guri i Zi; A.U. Rrethinat; Albanian Railway; Abkons
7	Kruje Municipality (A.U. Bubq)	23.07.2024	A.U. Bubq; A.U. Thumane; Albanian Railway; Abkons

From July 23 to July 31, 2024, as part of the initial consultation and prior to the start of field surveys, the consultant held on-site meetings with heads of the affected villages. During these meetings, brochures announcing the start of field surveys and the Q&A leaflet were distributed to local leaders and the affected community. Additionally, the preliminary list of affected parcels and initial data, including maps and the project footprint, were shared with the administrative units. HSH also officially sent the project design documents to each municipality.

5.4.2. Socio-economic survey and asset inventory engagement

In alignment with EBRD PR5, the consultant conducted the necessary field surveys as part of the RP preparation, including:

- Census survey
- Socio-economic survey
- Inventory of assets

The socio-economic survey was conducted concurrently with the census and asset inventory to avoid duplication of efforts. The consultant engaged experienced field experts to interview all individuals affected by economic and/or physical displacement.

To collect socio-economic data, the consultant developed a structured questionnaire, which was used during the field surveys, with a focus on gathering socio-economic information pertinent to land acquisition and resettlement.

For the socio-economic surveys, the consultant employed a mix of quantitative household-level surveys (questionnaire-based) and qualitative methods to collect information on the affected persons' current living standards, income levels, and livelihoods. Special attention was given to the specific socio-economic characteristics of affected groups, including vulnerable individuals, women, children, and business owners.

Additionally, a "Grant of Consent" template was prepared, which each PAP/interviewee signed to consent to the collection and processing of their personal data for socio-economic analysis and RP preparation.

As communicated during initial meetings with local authorities and through distributed posters and brochures, the consultant commenced the field surveys on August 1, 2024. The surveys continued for three months, concluding on November 1, 2024.

5.5. Future stakeholder engagement activities and schedule

Effective stakeholder engagement is an essential part of good business practices. The objective is to earn the stakeholders' trust and establish a two-way dialog throughout planning, construction, and operation. To assure an effective and meaningful stakeholder engagement, HSH promotes:

- a) awareness and understanding;
- b) sharing and exchange of knowledge and lessons learned;
- c) participatory communication (i.e. an open two-way flow of information);
- d) transparency; and
- e) accountability.

In regard to future stakeholder engagement activities, the HSH:

1. identifies individuals, households, communities and other entities that may be adversely affected as well as other stakeholders who have an interest in this process (regulative bodies, local governments, NGOs etc.);
2. engages with these stakeholders in a dialog through regular, free, prior and informed consultations;
3. pays particular attention to disadvantaged, marginalised, vulnerable and/or poor populations and tailors the consultation process around their preferences;

4. enters into good faith negotiations that satisfy the interest of all parties;
5. discloses information at local level in local languages and in a manner that is accessible, understandable and culturally appropriate;
6. involves directly affected stakeholders into the monitoring and/or reports back to stakeholders on the environmental and social performance when external monitors are used to enhance transparency and credibility; and
7. establishes an accessible grievance redress mechanism to address and potentially solve grievances, complaints, and reports of non-compliance in a timely, impartial and transparent manner.

All stakeholder engagements of HSH are:

- free of manipulation, interference, coercion, and intimidation;
- targeted to maximise the use of time of all participants;
- conducted early enough to have an effect on decisions to which they relate;
- conducted on the basis of timely, relevant, understandable, objective and accessible information (incl. an explanation of potential uncertainties);
- meaningful to those consulted because the content is presented in a readily understandable format, the techniques used are culturally appropriate and the range of potential outcomes/consequences of stakeholder inputs clarified;
- two-way so that both sides have the opportunity to exchange views and information, to listen, and to have their issues addressed;
- gender-inclusive through awareness that men/women often have differing views/needs;
- localized to reflect appropriate timeframes, context, and local languages;
- documented to keep track of who has been consulted and the key issues raised;
- reported back in a timely way to those consulted, with clarification of next steps; and
- ongoing (i.e. providing an information on the next regular meeting and providing avenues of what stakeholders can do and whom they can contact to get more information etc. or ask for a meeting etc.).

5.5.1. RP disclosure

The RP will be disclosed on HSH website with a non-technical summary in Albanian. Key institutional stakeholders (including most prominently SAE the State Agency for Expropriation, relevant ministries, and Municipalities) will be notified of the document availability by a formal letter from HSH. If warranted and in case of specific questions or topics for discussion raised by these stakeholders, HSH may organise a half-day workshop in its Tirana premises with relevant institutional stakeholders to present the document, the legal framework, and specific details in greater depth.

Key topics for discussion and consultation at the time of RP disclosure include, but are not limited to, the following:

- Presentation of project and key project impacts to land and assets;
- Legal framework;
- Eligibility criteria and cut-off date;
- Entitlements;
- Compensation rates;
- Physical displacement;
- Grievance mechanism, with contact details and description of process;
- Role of contractor in temporary land acquisition;
- Further steps and implementation schedule.

Upon disclosure of the RP, HSH will contact local authorities at the level of Administrative Units to inform them of the document availability. Administrative Units will post a notice in their offices to inform affected people of the document's availability and where can be accessed. HSH staff in collaboration with the local authorities will deliver copies to the vulnerable households at their home and explain the document to them.

Further engagement with PAHs will be following the start of the Expropriation process, with the expropriation notice published in the official gazette and official website of the State Expropriation Agency (SEA). Although the engagement at this stage is led by the SEA, HSH will play an active role by post on its website the Expropriation Notice and supporting the SEA in one to one notifications, providing information, recording, assessing and responding to the requests for information and to any potential claim.

5.5.2. Engagement during RP implementation

Stakeholder engagement on all land acquisition related issues will continue through a variety of processes and activities and information on the Project will be regularly provided to stakeholders playing a role in these processes. This will ensure key government stakeholders, local community, NGOs, and PAPs are well informed and involved in the project development, and improve the cooperation level. These stakeholders include: National Ministries/Agencies; International, Regional and Local Institutions, Officials and Agencies; National and local environmental and human rights NGOs; various media, Local Leaders and Groups.

Periodical engagement with various Municipality departments and administrative unit staff, Cadastre Office, community representatives and other groups should be undertaken to verify ownership and asset information for land affected by the Project, and share updated information on project design, process, schedule and impacts.

Future Stakeholder Engagement activities covering the period of RP implementation are shown below, including methodologies and form employed. This schedule will be periodically reviewed, and adapted according to project needs and stages of development.

Table 21: Future Stakeholder Engagement activities

Methodology & Stakeholder Group	Format	Frequency
General Consultations		
Information to EBRD on progress (including presentation of compensation matrix, etc.)	Regular meetings and written correspondence	Quarterly/As Required
State Agency for Expropriation (SAE) regarding expropriation process, compensation values and matrix	Written correspondence as required	As required
Briefing for Ministries/National and Local Agencies and authorities	Initial formal meeting followed by written correspondence	Quarterly
Focus group meetings with special interest groups including Civil Society Groups (NGO), Business, Women Groups (e.g. Albanian Civil Society Foundation, Independent Women's Forum, Women's Network 'Equality in decision-making', Albania Community Assist, etc.)	Initial formal meeting followed by individual meetings as required	One-off /as required
Land Acquisition and Compensation Processes (prior Construction Phase)		
Face to Face meeting with the households including women to present Compensation Offer	Household visit	One-off
Further visits to households for offer/resettlement option sign-off and engagement for identified vulnerable PAHs	Household visits (2 nd meetings, as required)	Biweekly (one-off)
Signing Voluntary Agreement to Notary with households.	Meeting	As required

Employer: European Bank for Reconstruction and Development
 Beneficiary: Albania Railway (Hekurudha Shqiptare)
 Project: Rehabilitation of Vore-Hani i Hotit Railway Line

Methodology & Stakeholder Group	Format	Frequency
Engagement during Expropriation Process, in case of not signing Voluntary Agreement (it might be for various reasons unrelated to compensation)	Formal correspondence and individual meetings	As required from the Expropriation procedures
Compensation disbursement	Formal Communication	One-off
Engagement with PAHs having submitted requests for information or grievance to the Project if required	Formal and individual meeting	As required
Construction Phase		
Engagement with PAHs to perform Stake-out and sign Land Entry Form	Household visit	During construction as required
Engagement with PAHs to confirm land reinstatement and sign Land Exit Form (in case of temporary land take)	Household visit	During construction / post-construction as required
Engagement with PAHs having submitted requests for information or grievance to the Project if required	Formal and individual meeting	As required
Livelihood and Vulnerable Programs (with start of Construction)		
Livelihood and Vulnerable Programs information on eligibility, types of programs, and timings	Household visit as part of Sign-off process	As required

6. Project Impacts

6.1. Land-related impacts

The total length of the Vore–Hani i Hotit railway is 120 km. Additionally, approximately 112 km of unpaved service and connectivity roads are required for the project. The total intervention of the project covers about 270 hectares of land, with approximately 195 hectares impacted by railway line rehabilitation (including stations) and an additional 75 hectares affected by the construction of local road networks.

The railway line rehabilitation involves upgrading the existing route, with only minor adjustments to the horizontal alignment to meet the required design speed. Regarding the stations, the majority (8 stations) will be reconstructed at their existing locations, 4 stations will be slightly relocated within the railway boundary, and only one station (Lezha 2) will be a completely new station. As a result, about 74% of the affected land (roughly 155 hectares) of the area affected by railway body improvements lies within the existing railway corridor, which is public property owned by Albanian Railways (HSH) or the state.

In contrast, the construction of service roads primarily affects privately owned land, as these roads are mostly new and out of railway property boundary. Even where existing roads are present, they do not meet the necessary technical specifications and require widening to comply with the project requirements for service road categories. According to preliminary analysis, using the data collected during field survey, approximately 67% (roughly 50 ha) of the land affected by the construction of the local road network is private land used by either formal or informal users.

In total, based on the analysis of the official cadastral data available to date, it has been determined that 3,024 properties will be affected by the project. Of these, 52% (1,574 properties) are registered as public properties (in the name of the state or municipalities), approximately 33% (993 properties) are privately owned, and the remaining 15% (457 properties) have no information, either due to a lack of cadastral data in the official records of the State Cadastre Agency or because the information may exist but was not found at the time of preparing this document.

The absence of cadastral data and discrepancies between existing records are common issues in Albania, caused by various factors described in [section 3.5](#). However, during field surveys, the consultant was able to gather information about landowners, land users, for 163 properties that previously lacked cadastral data. Among these:

- 96 properties are used by private land users who claim to possess old, unregistered documents.
- 77 properties are state-owned, but 45 of these have been found to be informally occupied by users who admitted during the survey that they lack any legal documentation for the land.

Annex 6 contains a map with the project footprint overlaid on the cadastral map, as well as a generated list of affected properties, available cadastral data, and the affected area.

It is important to note that the above figures represent the assessed impact scenario based on the cadastral data available to date. As presented in [section 3.5](#), this data contains discrepancies when compared to the actual situation on the ground for various reasons. A significant indication of the inconsistencies between cadastral data and the actual situation on the ground emerges from the general analysis of the privately-owned or used land that will be permanently acquired by the project. Based on data collected from the field surveys, this area amounts to approximately 55 hectares (owned or used by formal or informal users), compared to 34 hectares when relying solely on the cadastral map and official data provided by the SCA to date. To illustrate the discrepancies, Annex 7 presents a map showing the project footprint overlaid on the property boundaries as determined by the terrain survey and census data. A transparent layer is also included to display the cadastral property boundaries. This indicative map provides a clear overview of the discrepancies between the actual property boundaries and those recorded in the cadastral map. A comprehensive list of identified properties affected during field survey but resulting not affected as per cadastral map have been presented in Annex 9.

6.2. Impact on crops, fruit trees and livelihoods

The railway line Vore-Hani i Hotit crosses a flat terrain dominated by agricultural lands. As results the project will impact annual and perennial crops cultivated in the properties along the railway. The inventory of agricultural crop has been conducted during the filed survey and the lists are provided in the Annexes. Based on the inventory of cultivated crops the [section 7.7.2](#) provides the calculated compensation rates for each type of annual and perennial crop.

6.3. Impact on structures

The project implementation will result in impacts to structures built in both sides of railway line. The categories of affected structures and the quantity is presented in the table below:

Table 22: Categories of affected structures

#	Structure type	Quantity
1	Residential buildings (Houses)	19 in total
1.1	Houses where the impact is most likely unavoidable	10
1.2	Houses where the impact is most likely avoidable	9
2	Socio-economic units (Businesses)	21 in total
2.1	Businesses where the impact is most likely unavoidable	12
2.2	Businesses where the impact is most likely avoidable	9
3	Auxiliary/secondary structures	159 in total
3.1	Auxiliary structures where the impact is most likely unavoidable (147 in total)	
3.1.1	Sheds, barns, garages, warehouses etc.	87
3.1.2	Greenhouses	8
3.1.3	Private wells	18
3.1.4	Concrete layers of courtyards	31
3.2	Auxiliary structures where the impact is most likely avoidable (15 in total)	
3.2.1	Sheds, barns, garages, warehouses etc.	14
3.2.2	Greenhouses	1
4	Outer structures/assets (walls/fences/gates)	373 in total

Full details for each affected structure have been provided in Annex 11.

Table 23: List of identified house buildings that will be impacted by the project.

#	Unik ID	Village/ Municipality	Structure type	Usage	Affected by	Impact level	Coordinates WGS84(DMS)
1	165	Preze / Vore	House	Uninhabited (earthquake damaged - uninhabitable)	Railway	Partially affected	41° 25' 31.0" N 19° 41' 05.2" E
2	189	Preze / Vore	House + Business (small shop)	Permanently	Access Road	Partially affected	41° 24' 33.1" N 19° 40' 48.3" E
3	221	Muçaj / Vore	House	Seasonally (temporarily at certain times of the year)	Access Road	Completely affected	41° 24' 00.8" N 19° 39' 45.8" E
4	261	Fushe-Mamurras / Kurbin	House	Permanently	Access Road	Completely affected	41° 35' 19.1" N 19° 41' 19.6" E
5	881	Mamurras / Kurbin	House	Permanently	Railway	On the verge of the intervention	41° 34' 59.1" N 19° 41' 20.9" E

#	Unik ID	Village/ Municipality	Structure type	Usage	Affected by	Impact level	Coordinates WGS84(DMS)
6	876	Milot / Kurbin	House	Seasonally (temporarily at certain times of the year)	Access Road	On the verge of the intervention	41° 40' 34.4" N 19° 42' 27.6" E
7	399	Lezhe 2 (city)	House	Seasonally (temporarily at certain times of the year)	Access Road	Partially affected	41° 46' 32.8" N 19° 38' 20.1" E
8	878	Lezhe 2 (city)	House	Permanently	Access Road	Partially affected	41° 46' 55.5" N 19° 38' 18.5" E
9	879	Lezhe 2 (city)	House	Permanently	Access Road	Partially affected	41° 46' 56.7" N 19° 38' 18.4" E
10	458	Lezhe 2 (city)	House + Business (small shop)	Permanently	Railway	On the verge of the intervention	41° 47' 06.1" N 19° 38' 23.7" E
11	880	Lezhe 2 (city)	House	Permanently	Access Road	On the verge of the intervention	41° 46' 57.1" N 19° 38' 18.5" E
12	492	Baqel / Lezhe	House	Permanently	Access Road	Completely affected	41° 53' 59.6" N 19° 39' 03.5" E
13	658	Juban / Shkoder	House	Seasonally (temporarily at certain times of the year)	Access Road	On the verge of the intervention	42° 01' 39.7" N 19° 33' 36.1" E
14	798	Shkoder 3 (city)	House	Seasonally (temporarily at certain times of the year)	Railway	Completely affected	42° 03' 27.8" N 19° 31' 38.7" E
15	751	Shkoder 3 (city)	House	Seasonally (temporarily at certain times of the year)	Access Road	On the verge of the intervention	42° 04' 16.3" N 19° 31' 46.2" E
16	787	Shkoder 3 (city)	House	Permanently	Railway	On the verge of the intervention	42° 03' 28.6" N 19° 31' 38.5" E
17	823	Shkoder 3 (city)	House	Permanently	Railway	On the verge of the intervention	42° 03' 42.7" N 19° 31' 40.8" E
18	827	Shkoder 3 (city)	House	Permanently	Access Road	On the verge of the intervention	42° 03' 45.8" N 19° 31' 41.6" E
19	534	Hot / Malesi e Madhe	House	Uninhabited (very old building)	Railway	Completely affected	42° 20' 04.0" N 19° 26' 15.4" E

Table 24: List of identified business buildings that will be impacted by the project

#	Unik ID	Village/ Municipality	Type of business	Usage	Affected by	Impact level	Coordinates WGS84(DMS)
1	131	Muqine / Kruje	Mini market	Not used (closed business)	Access Road	Completely affected	41° 29' 29.9" N 19° 39' 44.9" E
2	157	Preze / Vore	Collection center for agriculture inputs	Permanently	Access Road	Partially affected	41° 25' 34.3" N 19° 41' 03.9" E
3	168	Preze / Vore	Barbershop	Permanently	Railway	Completely affected	41° 25' 35.9" N 19° 41' 04.4" E
4	169	Preze / Vore	Wood processing and pellet production	Permanently	Access Road	Partially affected	41° 25' 35.8" N 19° 41' 04.8" E
5	186	Preze / Vore	Mini market	Seasonally (temporarily at certain times of the year)	Railway	Completely affected	41° 24' 32.2" N 19° 40' 48.1" E
6	192	Preze / Vore	Car wash	Permanently	Railway	Completely affected	41° 24' 29.2" N 19° 40' 39.0" E
7	208	Sharge / Vore	Car sales and rentals	Permanently	Railway	Completely affected	41° 24' 14.4" N 19° 40' 03.6" E
8	212	Sharge / Vore	Construction company	Permanently	Railway	Completely affected	41° 24' 20.4" N 19° 40' 13.9" E

#	Unik ID	Village/ Municipality	Type of business	Usage	Affecte d by	Impact level	Coordinates WGS84(DMS)
			(building materials warehouse)				
9	214	Sharge / Vore	Construction company (office container)	Permanently	Railway	Completely affected	41° 24' 21.4" N 19° 40' 16.4" E
10	406	Lezhe 2 (qytet)	Mini market	Permanently	Access Road	On the verge of the intervention	41° 46' 49.8" N 19° 38' 21.7" E
11	409	Lezhe 2 (city)	Store (haberdashery)	Permanently	Access Road	On the verge of the intervention	41° 46' 49.3" N 19° 38' 22.9" E
12	426	Lezhe 2 (city)	Mini market	Seasonally (temporarily at certain times of the year)	Railway	Completely affected	41° 46' 58.0" N 19° 38' 17.6" E
13	460	Lezhe 2 (city)	Metalworking	Permanently	Railway	On the verge of the intervention	41° 47' 04.3" N 19° 38' 21.9" E
14	499	Nenshat / Vau i Dejes	Barbershop	Permanently	Access Road	Completely affected	41° 55' 52.6" N 19° 38' 24.4" E
15	517	Kac / Vau i Dejes	Mini market	Not used (closed business)	Access Road	On the verge of the intervention	41° 58' 37.9" N 19° 37' 28.3" E
16	539	Mjede / Vau i Dejes	Building materials warehouse	Seasonally (temporarily at certain times of the year)	Railway	On the verge of the intervention	41° 59' 46.9" N 19° 36' 34.4" E
17	587	Mjede / Vau i Dejes	Woodworking (Carpentry)	Seasonally (temporarily at certain times of the year)	Railway	Partially affected	42° 09' 50.3" N 19° 28' 08.7" E
18	759	Ktosh / Malesi e Madhe	Dental Clinic E.M Dental	Not used (closed business)	Railway	On the verge of the intervention	42° 09' 53.3" N 19° 28' 07.2" E
19	762	Ktosh / Malesi e Madhe	Material processing Aluminum Duralumin PVC	Not used (closed business)	Railway	On the verge of the intervention	42° 09' 54.1" N 19° 28' 06.8" E
20	764	Ktosh / Malesi e Madhe	Material processing Aluminum Duralumin PVC	Not used (closed business)	Railway	On the verge of the intervention	42° 09' 54.3" N 19° 28' 06.7" E
21	807	Shkoder 3 (city)	Car Service	Permanently	Railway	On the verge of the intervention	42° 03' 55.0" N 19° 31' 40.2" E

6.4. Loss of access

The fencing of the entire railway line and the closure of informal level crossings are components of the project that result in the loss of access to properties, land, houses, businesses, and as well as to the main road network. To address this, the detailed design includes the construction of new local service roads in segments where access loss has been identified.

However, during the field survey, the following cases (table below) were found where houses, businesses, or landowners/users will lose access to their properties. HSH should refer these cases to the Works Contractor, who, during the design review period, should assess them individually, identify any additional cases, and propose optimal solutions.

Table 25: Identified segments the project will cause loss of access to properties

#	Village/ CZ	Progressive Km / Coordinates	Issue / Comment
1	Mamurras / 2586	Km 43+760 – Km 44+000	In this segment, the residences from the eastern side of the railway lose access to the property entrance.
2	Mamurras / 2587	41°35'25.30"N 19°41'19.43"E	The house loses access after the construction of the railway.
3	Gjormi / 1768	Km 46+900 – Km 47+100	In this segment, the residences from the eastern side of the railway lose access to the property entrance.
4	Lac Fshat / 2365	41°37'40.31"N 19°42'6.40"E	The house loses access after the construction of the railway.
5	Lac Fshat / 2366	Km 50+100 – Km 50+500	In this segment, the residences from the western side of the railway lose access to the property entrance.
6	Milot / 2693	41°40'57.78"N 19°42'32.42"E	The owner of the land loses access to the property (agricultural land) after the construction of the railway.
7	Tresh / 3641	41°44'23.27"N 19°40'47.87"E	The house loses access after the construction of the railway.
8	Ishull Lezhe / 1986	Km 66+900 – Km 67+100	In this segment, the residences from the eastern side of the railway lose access to the property entrance.
9	Lezhe / 8232	41°46'37.89"N 19°38'18.10"E	The house loses access after the construction of the railway.
10	Merqi / 2660	41°47'21.30"N 19°38'34.09"E	The house loses access after the construction of the railway.
11	Spathar / 3498	42° 0'27.27"N 19°35'49.44"E	The business loses access after the construction of the railway.
12	Renec / 3168	42° 3'10.50"N 19°31'50.08"E	The house loses access after the construction of the railway.
13	Renec / 3169	42° 3'11.02"N 19°31'49.06"E	The business loses access after the construction of the railway.
14	Shkoder 4 / 8594	Km 103+100 – Km 103+300	In this segment, the residences from the western side of the railway lose access to the property entrance.
15	Shkoder 3 / 8595	Km 104+300 – Km 104+900	In this segment, the residences from the western side of the railway lose access to the property entrance.
16	Shkoder 3 / 8596	Km 105+900 – Km 106+100	In this segment, the residences from the western side of the railway lose access to the property entrance.
17	Golem / 1790	Km 107+400 – Km 108+100	In this segment, the residences from the eastern side of the railway lose access to the property entrance.
18	Boric i Vogel / 1245	Km 111+700	In this segment, the residences from the eastern side of the railway lose access to the property entrance.
19	Dober / 1493	Km 120+200 – Km 120+600	In this segment, the residences from the western side of the railway lose access to the property entrance.
20	Aliaj / 1010	Km 130+400 – Km 130+500	In this segment, the residences from the eastern side of the railway lose access to the property entrance.

7. Entitlement and Compensation Framework

The Entitlement and Compensation Framework specifies all forms of assets and use rights among the people affected by the land acquisition for the project, as well as the compensation strategy for the restriction or loss of assets, access to land, and economic activities.

It provides the basis of all compensation aspects and mitigation in relation to the project Impact; Compensation policies and procedures, for timely and fair compensation to offset all project losses; Improve or at least restore the livelihood of project affected people to a better or at least equal to the pre-project level.

7.1. Eligibility framework and criteria

The RP will define: the entitlements for each type of displacement impact resulting from Project activities; the criteria for determining the eligibility of various categories of PAPs to receive compensation and other forms of assistance; defines how impacts on land and assets will be valued and levels of compensation determined to ensure compensation at full replacement value for loss or disruption of assets.

Eligibility consists of PAP's right to compensation and/or assistance granted for loss or disruption of assets. PAPs include persons, groups of persons, households, families, communities and businesses impacted by the Project's land access requirements.

The entitlement options that will be offered to the affected people, are based on the stakeholder engagements and consultations, analysis of socio-economic and asset surveys. Impact is assessed and the number of people and properties to be compensated is identified.

Based on the information to date, such as impacted land area, census, socio-economic and asset surveys, impacts on land, assets, housing and businesses activities were identified. Livelihood assistance options/mitigations are proposed in the RP as the livelihood impact is deemed significant for a number of PAPs.

7.2. Identification of eligible groups

Any person or group negatively impacted by the Project is eligible for compensation, livelihood restoration or other assistance.

The Project recognises the right to compensation of all persons who experience negative impacts as a result of Project construction, as described in the Impact Section.

Under the EBRD policy, the Project is required to compensate and/or assist persons affected by land acquisition, physical and economic displacement. PR5 classifies as affected persons the following categories and based on the project impacts and the results of the surveys conducted, the following groups are identified eligible for compensation:

a. PAPs who are formal owners, or lessees, or legal users under the provisions of Albanian law.

This group includes individuals and households who have formally registered their land titles to the National Cadastre Agency and holding an Ownership Certificate; lessees that hold a formal lease agreement, and State Entities that may have registered their land rights to the National Cadastre Agency.

b. PAPs who are identified as users, claim to have a recognized title by law for the land and assets they use;

This group includes individuals and households recorded in the register of State Cadastre Agency, as users who dispose a documents that have a recognized title by law (i.e. AMTP, Form nr.6, etc.) but not

able to confirm the validity of the ownership title or receive an Ownership Certificate; or renters of private or public land who have a legal agreement to use the land or asset.

c. PAPs who use land and assets and have no formal rights and no legally recognised rights.

This group includes users of state land, crops/fruit trees and structures affected by the Project and Communities or households whose access to communal assets, services or natural resources is affected by the Project (e.g. markets, grazing areas). Vulnerable groups, including women-headed households, single parents, elderly, disabled persons or those with long-term health problems, and households.

7.3. Entitlement and compensation framework

Table 26: Entitlement matrix

Type of loss	People/entities with rights	Compensation policy
LAND		
Any type of land regardless to severity of loss (whether partial or complete loss), including Orphan Land	Owner with formal title (including those that have a claim to land that is recognised or recognisable under national laws, i.e. AMTP, Form nr.6, etc.)	Cash compensation at replacement costs: market price of property + market price for land infrastructure improvements (i.e. irrigation systems, water management structures, etc.) + moving costs + registration of ownership, administrative and tax fees, if any + transitional allowance
	PAPs without formal title (in possession of land prior to cut-off date)	Compensation: market price for improvements + moving costs
PRIVATE HOUSING AND STRUCTURES		
Any type of structure/building constructed with and without building permit on one's own plot of land, or on somebody else's land or state-owned land.	Owners/users with or without formal title	Cash compensation at replacement costs: Structure at market price + Costs of equipment and inventory relocation and re- installation and moving costs + administrative fees needed for transfer of ownership rights, if any + right to preserve materials without deduction from compensation <i>If immediate accommodation/storage is unavailable, housing/storage rental allowance covering rent for at least 3 months or more if rental requirement period is longer.</i>
Damage to farm infrastructure: e.g. irrigation systems, fencing etc.	Owners or users of affected infrastructure	Immediate restoration of affected infrastructure (or provision of temporary alternative where immediate restoration is not viable). Cash compensation for losses incurred as result of damage to infrastructure
BUSINESSES		
Loss of profits for businesses owing to Project activities	Owners of businesses whose access from/to is impeded due to Project activities	Cash compensation for the proportion of lost business during the period of business interruption (income loss) up to:

Type of loss	People/entities with rights	Compensation policy
		• A maximum of 3-months for temporary loss of business activities; • Until the re-establishment of business/economic activities in another location, a maximum of 12-months for permanent loss of business activities Compensation for legal entity (registered businesses) will be calculated as per the tax declared income. The informal business operators without demonstrable accounting records, compensation will be based on the average national monthly wage for 3 months to restore livelihoods Transitional support for vulnerable households
Loss of wages/employment	Workers, formal and casual employees on affected properties whose incomes and livelihoods are impacted by the Project.	Indemnity for lost wages for the period of business interruption up to a maximum of 3 months for temporary loss of business/employment, and from 3-12 months for permanent loss of business (with proved records for social contribution period) Priority in employment on the Project, if possible and on a case-by-case basis Transitional support for vulnerable households.
FRUIT TREES AND VINEYARDS		
Fruit Trees and vineyards, being registered or unregistered	Owners/users identified with and without formal title	Cash compensation at replacement costs
LOSS OF ACCESS		
Loss of access to usual resources, amenities and community held resources	Communities or households	Renewing public services. Restoring access to conveniences or services to previous levels.
TRANSITIONAL ASSISTANCE		
Transitional Assistance, if applicable	Vulnerable Households	Support to register the titles or complete the documentation required for receiving compensation; Possibility for employment Cash compensation on a one-time basis to net income for one year generated on impacted land plot/property (if no data on income is available, then calculation will be based on minimum wage for 12 months) Enrolment in government social assistance program if not yet enrolled and applicable.

7.4. Project compensation principles

EBRD PR5 provides that: When displacement cannot be avoided, the client will offer displaced persons and communities compensation for loss of assets at full replacement cost and other assistance to help them improve or at least restore their standards of living or livelihoods, as provided in this PR. Standards for compensation will be transparent and consistent within the project.

The rate of compensation for lost assets should be calculated at full replacement cost, which is the market value of the assets plus transaction costs.

With regard to land the replacement costs are defined as follows:

Land in urban areas – the market value of land of equivalent area and use, with similar or improved infrastructure and services preferably located in the vicinity of the affected land, plus transaction costs such as registration and transfer fees.

Agricultural land – the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, and transaction costs such as registration and transfer taxes.

7.5. Market value & replacement costs

TEGOVA (The European Group of Valuers' Associations), definition of the Market Value, refers to "The estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller acting independently of each other after proper marketing wherein the parties had each acted knowledgeably, prudently and without being under compulsion."

Decision of Council of Ministers no. 712, dated 12.10.2016 "On the approval of procedures and criteria for licensing the subjects operating in the real estate valuation field", provides that the Albanian evaluators shall adopt the TEGOVA's standards.

Market Value will be determined in the context of real estate, and the "highest best use" of affected lands, including interests and rights in land and buildings, thus the legal, physical, economic and other attributes, of the properties will be analysed and considered in the valuation of the affected land.

The valuation will be determining the market value and then the "replacement costs" for the affected properties, will be calculated by adding any other costs or fees as per compensation entitlement matrix.

In order to reflect the market value and then "replacement value", the selected valuation methods shall take into consideration the following:

- The status quo/designation of the property/land at the time of expropriation (cut of date);
- Use strong and market data from reliable sources and good or trusted comparable data;
- Estimate all transaction costs and administrative fees.

7.6. Methodology and approach to define market values

The following describes and identifies the procedures conducted in the process of collecting, confirming, and reporting the data used to prepare a valuation which meets the requirements of both Albanian Legislation and EBRD. This section contains the procedures which are considered the most appropriate for the type of properties and valuation assignment. The associated tasks for the methodology to determine the market value include the following, but are not limited to:

Site Inspection

With HSH and Municipality assistance a physical inspection is performed in the project area/affected properties and in the neighbourhood.

The Municipalities and administrative unit analysis are based on the information available on the Municipalities' websites and the data published from INSTAT.

The property analysis is based on the physical inspection conducted for consultant, information and documents provided from HSH's team, data from National Cadastre Agency and data regarding territory development.

Research & Data Collection

To support the Valuation, three types of data are gathered:

- General Regional Data are presented to give a context of the development and trends in the affected Municipalities.
- Project Specific Data:
 - Project footprints, showing all the project facilities and land needs;
 - Cadastral information for the project affected properties and ownership information (maps and legal status)
 - Project land use and designation in accordance with General Locals Plans and Detailed Local Plans, where applicable.
- Market Data – sales and listings/published offers for similar properties in the project area/location (Municipalities, administrative units and villages).

Formal structured requests are sent to the governmental entities, to collect the relevant market data, which analysis is used to support developing the valuation approaches, as listed in the following:

- Regional offices of Nation Cadastre Agency of Lezhe, Shkoder are asked to provide the transaction records occurred in the cadastral zones crossed by the project.
- Publications from Real Estate agencies are consulted and a publication map price is prepared for the records of occurred transactions (purchase or rent agreements)
- Data from Agricultural Regional Extension Agency (AREA) with regard to the costs and income for identified standing fruit trees.
- Data from the respective Municipalities about the approved Detailed Local Plans and Developing Permits granted within the territory of project affected land parcels (ePlanifikimi);
- Websites of the Municipalities, Bank of Albania, INSTAT and other official sources are consulted with regard to market conditions, the development trends in the project area, interest rates and yields, construction costs and index, etc.

Analysis

Following the data collection, the analysis of data is performed to assess the applicability of the valuation methods. Specific methods and techniques are determined based on the land designation, data/information collected from reliable sources and their examination, using the experts' experience and previous similar valuation studies.

The Comparative Approach will be the primary approach to be used for categories of the affected properties. Wherever the information the baseline of the sales data and listings in the market is limited and does not provide sufficient data, and cannot be used as evidence in respect of comparable properties in the market, alternative methods will be selected and used.

7.6.1. Urban land valuation

Market Comparative Approach

The most transparent way to determine the urban land market values is by using the Market Comparative Method, whereby the actual price at which land transactions occurred are registered to the National Cadastre Agency, and are available to be consulted as reference data points. The occurred transactions data for similar properties will be analysed, followed by adjustment of the unit values taking into account the differences between the comparable properties and the subject properties.

In addition, to compare the values arrived from the sales comparison, the listings published from the Real Estate Agencies with regard to the similar properties' prices and rents, are collected and analysed as well.

A database with all the information obtained from both sources is created and further analysis is conducted to select the relevant comparable records of both occurred transactions and listings. The analysis is performed including the following characteristics:

- Location of market data as compared with the location of the property to be valued;
- The time factor, i.e., the time that has passed between the transaction in respect of the comparable property and the date of valuation. In principle the most recent transactions provide the best comparable evidence;
- The number of transactions recorded for the areas;
- Characteristics and development potential and imposed restrictions.

For the purposes of calculating the urban land values, the affected urban land parcels have been analysed and sub-categorized using relevant spatial planning categories (urban residential, urban commercial industrial, etc.) and respective development coefficient according to the approved planning documents (General Local Plans, Detailed Local Plans). Provisions about the restricted and allowed land use according to these plans have been also considered for the purpose of the valuation.

Sales and Listings with similar characteristics were grouped by subzones and Unit rates for each subzone were determined. The highest unit rate was used when the result from sales and listings were different.

Development Method (Residual Value) for Urban Land

In absence of Market Data (Sales and Listings), the Development Method (Residual Value) is used for Urban Land. This method determines the value of affected urban land parcels designated for urban development according to the development criteria and features approved by General Local Plans.

The land value using Development Method is calculated by deducting the value of the completed development minus costs of development, including developer's profit.

$\text{Residual Land Value} = \text{Gross Development Value} - (\text{Development} + \text{Developer Profit})$

The development scenarios are based on:

- The characteristics of the existing developments structures in the affected areas will be considered when applying the development scenarios with regard to the types of structures which could be developed (residential single houses or building with apartments or commercial structures) as well as the provided planning aspects/parameters (land use coefficient and intensity of the development structures), as defined in the GLPs.
- The 'Gross Development Value' of the development scenario, is estimated as sales market value for residential developments or rental market value for commercial development, of the completed development.
- All "Development Costs" that will be incurred in putting the property into the form are deducted from the 'Gross Development Value'. These costs include: design costs, infrastructure works, construction costs, professional fees, agency fees and the interest costs of financing the development. In addition, the developer's profit is deducted from Gross Development Value.
- The compensation values calculated in this way would, by definition, reflect the "market value" of the land, and would reflect the required "replacement value" once all Transaction Costs associated with the transaction/compensation are included.
- Data on rents and selling prices have been collected from private entities operating commercial real estate similar with the GPLS' designated developments for the affected land.
- The outcome of the residual value method indicates that the land values result lower than the values deriving from the Comparative Approach, considering the current prices, market demand for

commercial real estates (occupancy level of existing commercial properties), the current construction costs, permitting and professional fees, and other costs associated with a new development. This method is not used in this valuation study.

However, if in any specific area the calculated price per square meter, based on this approach, is lower than the reference prices established for urban land under DCM 89/2016, the DCM prices shall apply. This ensures that the most favourable valuation is granted to the Project Affected Person (PAP)

The calculated compensation rates for urban land in each cadastral zone are provided in Table 26 (Section 7.7.1)

7.6.2. Agricultural land

In Albania, land prices for expropriation compensation are assessed using several direct and indirect methods, taking into account both market and productivity factors. Since the establishment of a free market economy in 1993, there has been an active market for the sale and purchase of agricultural land, including agricultural fields, pastures, and forests. Currently, two primary valuation methods are used: one based on market prices and another based on the productivity of the agricultural area (i.e., the production capacity of agricultural, pasture, or forest products).

Until 2020, most land sales focused on construction rather than agricultural land. Even in transactions aimed at agricultural use, sale values were often skewed by factors such as (i) tax avoidance on the real sale value, (ii) inaccurate valuations recorded in cadastre offices, and (iii) fiscal evasion by businesses in the construction and agriculture sectors.

However, since 2020, new regulations and cadastral reforms have brought significant changes. A requirement now exists for every real estate transaction to be notarized and accurately recorded in the cadastral system. This has improved transparency in real estate transactions, leading to more accurate reflections of actual transaction values in both notarial and cadastral records. Under these conditions, evaluating agricultural land based on comparative market prices has become more feasible and realistic.

In 2012, the Albanian government, through a Decision of the Council of Ministers no.658, approved a methodology for evaluating land and other immovable assets. This methodology is guided by the following principles:

- a) Protection and guarantee of constitutional ownership rights;
- b) Exercising the right to expropriate property with fair compensation;
- c) Legality;
- d) Adherence to international standards for real estate evaluation;
- e) Market-based valuation considering property type and intended use;
- f) Justice and impartiality;
- g) Collaboration with legal and private entities;
- h) Equality and proportionality;
- i) Responsibility in decision-making;
- j) Transparency.

The types of property within the 'Land' category that are evaluated according to this methodology include:

- a) Plots of land, with subdivisions for: i) land, ii) squares, iii) channels, iv) roads, v) tourist plots, vi) industrial land;
- b) Agricultural land, subdivided into: i) fields, ii) olive groves, iii) vineyards, iv) orchards, v) barren lands included in the agricultural land fund;
- c) Forests, meadows, and pastures;
- d) Forest land;
- e) Barren land.

Grouping of data

1. The real estate registry office updates the data on sales contract values monthly. During the last three months of each year, it compiles an annual summary of contracts registered over the previous year for all types of real estate, organized by cadastral areas within each district.
2. Each year, the Real Estate Registration Office submits processed data to the Property Restitution and Compensation Agency. This data, presented in a standardized format, includes details such as cadastral area, plot number, contract date, property type, sale price, and area in square meters. Data processing involves the following steps:
 - a) Identifying the minimum and maximum prices of sales contracts for each property category within the cadastral area;
 - b) Calculating the average price of sales contracts for each property category in the cadastral area;
 - c) Excluding the lowest and highest 5% of sales contract values initially; if this exclusion does not allow for a reliable calculation, the lowest and highest 10% are excluded instead;
 - d) Determining the mode, or most frequently occurring value, for each property category within the cadastral area, based on the total number of contracts;
 - e) Calculating the average price per square meter based on the total number of contracts, representing the average transaction value for a property type within a cadastral area or a group of cadastral areas;
 - f) Finalizing the value calculation for the immovable property.
3. A minimum of three real estate sales contracts is required for each cadastral area, subdivision, or grouping to determine property values. In such cases, the property value is set equal to the average sales contract price.
4. If no transactions exist for a particular property type within a cadastral area or subdivision, the value determination will be based on an indirect method. This method groups sales contracts from the nearest available level in the following order: municipality, municipality group, and district, for that property type.
5. The weighted average of values derived from sales contracts represents the land price according to the direct market method.

Methodology for calculation of agriculture land value

With the official support of the Project Implementation Unit (PIU) of Vore-Hani i Hotit/HSH, it was requested to the State Cadastre Agency data on all real estate sales transactions conducted during 2023 and up to September 2024. The request specified transaction values, cadastral zone numbers, parcel numbers, property numbers, area sold, and dates of sales contracts. In parallel, the Regional Directorate of Land Administration and Protection was asked for the same information to enable cross-referencing. Once received, the data was processed according to the methodology for assessing agricultural, forest, and grazing land transactions.

Data Grouping

Two groups of data were created:

(i) Grouping by Cadastral Area: Data was grouped according to cadastral areas, each representing land with similar characteristics and productive potential. Factors influencing agricultural land prices, such as proximity to markets, infrastructure, water management, and drainage systems, were similar for all plots within each area. Although individual plots vary in land capability, the broader project area shares consistent suitability in terms of climate and other environmental factors. Grouped data included plots within an average distance of ± 500 meters from the railway segment axis.

(ii) Grouping by Productive Potential (Soil Capability): Data was also grouped based on productive potential using a soil classification system (Bonity) developed by the Institute of Soil Studies (1987).

This classification ranks soil fertility across 10 categories, with Category 1 as the most fertile and Category 8 as the least. Categories 9 and 10 represent infertile soils (rocky or muddy areas that do not qualify as soil in the biological sense).

7.6.3. Replacement costs for structures valuation

Cost approach is applied for the affected buildings/structures identified, which reflects a replacement estimation and compensation for structures/buildings. The value achieved through this method represents the cost of purchasing or building another structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labour and contractors' fees. Additional costs related to administrative costs/fees and transfer taxes, are to be included in the compensation to meet the replacement costs criteria.

However, for residential properties, if in any specific area the calculated price per square meter based on this approach is lower than the reference prices established under DCM 457/2023, used by Expropriation agency to determine compensation for houses, the DCM prices will be applied. This ensures that the most favourable value is granted to the Project Affected Person (PAP).

A summary of the construction costs and other taxes or fees associated with a new building is provided in the table below.

Table 27: Summary of construction cost and taxes

Replacement Costs for Buildings	
Building Costs	
Construction Costs	Unit costs for building provided with UCM 3/2016 are indexed with 15.4% increase of building costs since 2016 (INSTAT construction costs indexes)
Additional Costs, applicable only in case of entire building is affected and need to be replaced	
External Works	Usual range 2% - 6% depending on scale
Other Costs (% of build costs)	Contingencies etc. 2% - 3%
VAT included	20% of the building costs
Infrastructure & permitting	Municipality tax 4% -8% depending on Municipality
Professional Fees	Usual range 4% - 8 % depending on complexity & scale
Developers profit (% of cost)	Usual the range is 15 - 20% depending on the scale and agreement with the landowners.

Compensation values for the ancillary structures are calculated according to the cost for their replacement, referring to the approved prices according to the manuals of items of construction works (2015). These prices are indexed with the index of the growth of construction costs from 2015 to the third quarter of 2023, according to publications from the National Institute of Statistics (INSTAT).

Based on the principles of the Resettlement Plan, no depreciation has been applied.

7.6.4. Replacement costs for annual and perennial crops

Before construction, all landowners must be compensated for any damage to annual crops planted on areas that will be permanently used, as well as for any fruit trees that will be removed. After the inventory of affected assets, a list has been compiled detailing the types of fruit trees and annual crops to be compensated, along with their replacement values. The project area lies within the first ecological zone, meaning each plant type will have a single replacement value, as soil suitability is uniform across the area.

Replacement values are based on the annual profit of both annual and perennial crops. Annual profit for these crops, determined by agro-ecological zone and land category, is calculated as the difference between income and expenses. Compensation applies in cases of rented land, production loss due to construction work, or inability to plant crops in affected areas.

Two compensation categories are calculated:

- Damage to planted crops (annual or perennial), equal to the annual profit;
- Damage to perennial crops, such as fruit-bearing trees (e.g., olives, apples, and vineyards), equal to the annual profit plus lost profit.

Lost profit includes (i) the costs of establishing a new orchard and (ii) expenses for nurturing young trees until they reach the age of the orchard damaged by construction (or the cultural care costs for growing trees, multiplied by the number of years required to achieve full production)

Annual Crops

For annual crops, the replacement value is equal to the difference between incomes and expenditures and multiplied by the number of years of compensation. The formula is presented as follow:

*Replacement value = Annual profit * Number of years*

Furthermore, according to the International Standards requirements in the above calculated value must be added the transaction costs.

Replacement values have been calculated for the main crops finding on the census/inventory of planting plant along the railway segment. Expenditures (costs) are based on crop accounts (basic costs, inputs, labour, etc.) calculated by experts of local government authorities assisted by the experts of the Regional Agricultural Extension Agencies. The calculations are based on the mode (most frequently occurring values from the AREB data). The presented replacement values are for one hectare or one square meter for one year. In the case that compensation is required for more than one year the value is multiplied with number of years.

Perennial Crops

The methodology for compensation of perennial crops for public interest is based on the Instruction of the Ministry of Agriculture and Consumer Protection No. 1, date 5.10.2000: "*On the technical criteria for calculating the value of fruit trees that are expropriated for public interest*" and in cases when the declared sale and purchase indicators are missing according the DCM 138, dated 23.3.2000: "*On the technical evaluation criteria and mass calculations the compensation of expropriated private property assets and depreciated assets and the rights of third parties in the public interest*".

The formula used for the calculation of the replacement value for perennial crops is as follow:

Replacement value = Annual profit + Re-planting costs + Maintenance costs during restoration period (or up to production) + Lost profit (cumulative production loss during restoration period)

Factors affecting compensation for perennial crops (trees):

- type of perennial crops (trees);
- yield;
- age of tree;
- production/life-cycle of tree;
- market price;
- production expenses; and

- other.

As we can see, the calculation of replacement values for fruit trees (including grapevine, olives, citrus and nuts) is more complicated than annual crops because of their plurennial life cycle. Their life cycle can be divided into four phases which differ in terms of production (yield):

- Phase 0 – is also called Seedling or Nursery Tree (1st year planting).
- Phase 1 – is also called Crop Growth Phase – Non-Productive (no yield).
- Phase 2 – Yield Growth Phase or Young Productive (increasing yield – a reduced yield compared to full production).
- Phase 3 – Full production phase or Maturity (steady maximum yield – the tree reaches its full production).
- Phase 4 – Decreasing yield phase or Aged (the yields of the trees start to decline as tree become old till it becomes not profitable).

The duration of each phase varies strongly among perennial crops and one unique approach is impossible.

Average and maximum yields over a 5-year period were determined based on statistical data provided by the Regional Agricultural Extension Agencies (RAEAs) of Tirana, Lezha, and Shkodra, which cover the affected administrative units. These yields were also cross-checked against recent data from test plots monitored by Agriculture Technology Transfer Centers (ATTCs), field surveys, and interviews with experienced agronomists in the affected areas (for specific crops). Income and expenditures (production costs) were calculated primarily using crop accounts maintained by RAEAs, which keep records of farm accounting books.

Net profit (or return) is defined as the difference between income and expenses. Replacement value includes the annual profit for trees in production, according to a period approved by the Ministry of Agriculture and DCM. Replanting costs are always added to the replacement value, regardless of whether the trees are in a growing phase or production phase.

Maintenance (or cultural care) costs are calculated annually and increase progressively as the tree matures: in the first year, these costs amount to 60% of the maintenance cost for a mature tree; 80% in the second year; and 90% in the third year. Put differently, maintenance costs are 40% lower than those for a mature tree in the first year, 20% lower in the second year, and 10% lower in the third year. These costs continue to increase until the tree reaches full production, after which maintenance costs stabilize through maturity.

Accumulated lost production is zero until the tree begins production. Once it enters production, accumulated lost production is calculated as the profit multiplied by the years required for the tree to reach full production, minus the profit the farmer earns during the years when the tree is in a young, partially productive stage. The replacement value includes the net profit for the year of replanting, the cost of replanting, maintenance costs, and accumulated lost production.

It is essential to adjust these values on-site to account for variations in cultural care, final product quality, market preferences for the fruit variety, and other factors. Replacement values for perennial crops according to the two zones mentioned above are given in [section 7.7.2](#).

7.7. Project compensation rates/values

7.7.1. Project permanent land acquisition rates

The price rates for agricultural and urban land were calculated using the land valuation methodology outlined in Sections 7.6.1 and 7.6.2. The calculations were based on data collected by the SCA, including transaction costs recorded from the third quarter of 2023 to the third quarter of 2024, as well as selling price data (listings) obtained from private entities operating in the commercial real estate sector, as shown in Annex 13.

For agricultural land, the land category, reflecting soil productivity potential, was taken into account. On the other hand, for urban land, the provisions of GLP features were considered. As a result, urban lands were further sub-categorized based on relevant spatial planning categories and corresponding development coefficients.

The calculated price rates for agricultural and urban land are presented below in Table 28 and Table 29, respectively.

Table 28: Compensation rates for the agricultural land

Region	Municipality	Village	Cadastral Zone	Soil Category	Price ³¹ (Leke/m ²)	Price (Euro ³² /m ²)
Tirane	Vore	Marqinet	2605	III	557.6	5.69
Tirane	Vore	Koder Vore	2183	III	557.6	5.69
Tirane	Vore	Mucaj	2726	II	581.5	5.94
Tirane	Vore	Sharge	3319	II	581.5	5.94
Tirane	Vore	Preze	3049	II	581.5	5.94
Tirane	Vore	Ahmetaq	1006	II	581.5	5.94
Durres	Kruje	Budull	1299	III	355.0	3.63
Durres	Kruje	Bubq	1294	III	355.0	3.63
Durres	Kruje	Mazhe e Madhe	2621	III	355.0	3.63
Durres	Kruje	Murqine	2742	III	355.0	3.63
Durres	Kruje	Derven	1475	II	663.5	6.78
Durres	Kruje	Gramez	1840	II	663.5	6.78
Durres	Kruje	Koder Thumane	2182	II	663.5	6.78
Durres	Kruje	Thumane	3599	II	663.5	6.78
Durres	Kruje	Bushnesh	1332	II	663.5	6.78
Lezhe	Kurbin	Droje	3976	II	537.3	5.49
Lezhe	Kurbin	Shperthet	3412	II	537.3	5.49
Lezhe	Kurbin	Mamurras	2586	II	537.3	5.49
Lezhe	Kurbin	Fushe-Mamurras	1676	II	537.3	5.49
Lezhe	Kurbin	Gjorm	1768	II	537.3	5.49
Lezhe	Kurbin	Laç (village)	2365	II	537.3	5.49
Lezhe	Kurbin	Shullaz	3441	II	537.3	5.49
Lezhe	Kurbin	Mal Bardhe	2580	II	537.3	5.49
Lezhe	Kurbin	Milot	2693	II	537.3	5.49
Lezhe	Lezhe	Pllane	2995	IV	327.7	3.35
Lezhe	Lezhe	Zejmen	3901	IV	327.7	3.35
Lezhe	Lezhe	Markatomaj	2604	IV	327.7	3.35
Lezhe	Lezhe	Spiten	3502	IV	327.7	3.35
Lezhe	Lezhe	Tresh	3641	IV	327.7	3.35
Lezhe	Lezhe	Manati	2588	IV	327.7	3.35

³¹ The price rate in Leke should be used by Expropriation Agency for the calculation of compensation amount for PAPs.

³² Exchange rate: 1 EUR = 98 ALL (the average rate for the 4th quarter of 2024)

Employer: European Bank for Reconstruction and Development
 Beneficiary: Albania Railway (Hekurudha Shqiptare)
 Project: Rehabilitation of Vore-Hani i Hotit Railway Line

Region	Municipality	Village	Cadastral Zone	Soil Category	Price ³¹ (Leke/m ²)	Price (Euro ³² /m ²)
Lezhe	Lezhe	Gryke Manati	1875	IV	327.7	3.35
Lezhe	Lezhe	Ishull Lezhe	1986	III	416.2	4.25
Lezhe	Lezhe	Ishull Shengjin	1987	II	588.9	6.01
Lezhe	Lezhe	Merqi	2660	IV	327.7	3.35
Lezhe	Lezhe	Rraboshte	3202	IV	327.7	3.35
Lezhe	Lezhe	Kallmet i Madh	2053	IV	327.7	3.35
Lezhe	Lezhe	Kallmet i Vogel	2054	IV	327.7	3.35
Lezhe	Lezhe	Piraj	2964	IV	327.7	3.35
Lezhe	Lezhe	Troshan	3650	IV	327.7	3.35
Lezhe	Lezhe	Fishte	1624	IV	327.7	3.35
Lezhe	Lezhe	Baqel	1096	IV	327.7	3.35
Lezhe	Lezhe	Krajne	2263	IV	327.7	3.35
Shkoder	Vau i Dejes	Nenshat	2778	III	405.1	4.14
Shkoder	Vau i Dejes	Hajmel	1920	III	405.1	4.14
Shkoder	Vau i Dejes	Naraç	2763	III	405.1	4.14
Shkoder	Vau i Dejes	Kaç	2015	III	405.1	4.14
Shkoder	Vau i Dejes	Mjede	2702	III	405.1	4.14
Shkoder	Vau i Dejes	Spathare	3498	III	405.1	4.14
Shkoder	Shkoder	Ganjolle	1690	III	405.1	4.14
Shkoder	Shkoder	Juban	2008	III	405.1	4.14
Shkoder	Shkoder	Vukatane	3838	III	405.1	4.14
Shkoder	Shkoder	Guri i Zi	1898	III	405.1	4.14
Shkoder	Shkoder	Rrence	3168	III	405.1	4.14
Shkoder	Shkoder	Golem	1790	III	397.9	4.07
Shkoder	Shkoder	Grude e Re	1869	III	397.9	4.07
Shkoder	Shkoder	Shtoj i ri	3428	III	397.9	4.07
Shkoder	Shkoder	Shtoj i vjeter	3429	III	397.9	4.07
Shkoder	Malesi e Madhe	Boriç i Vogel	1245	III	310.6	3.17
Shkoder	Malesi e Madhe	Boriç i Madh	1244	III	310.6	3.17
Shkoder	Malesi e Madhe	Grile	1864	IV	310.6	3.17
Shkoder	Malesi e Madhe	Omaraj	2827	IV	310.6	3.17
Shkoder	Malesi e Madhe	Grude-Fushe	1870	IV	310.6	3.17
Shkoder	Malesi e Madhe	Gjorme	1766	IV	310.6	3.17
Shkoder	Malesi e Madhe	Ktosh	2299	IV	310.6	3.17
Shkoder	Malesi e Madhe	Demiraj	1465	IV	310.6	3.17
Shkoder	Malesi e Madhe	Dober	1493	IV	310.6	3.17
Shkoder	Malesi e Madhe	Bogiç-Palvar	1238	IV	310.6	3.17
Shkoder	Malesi e Madhe	Pjetrosan	2977	IV	310.6	3.17
Shkoder	Malesi e Madhe	Bajze	3982	IV	310.6	3.17
Shkoder	Malesi e Madhe	Ivanaj	1989	IV	310.6	3.17
Shkoder	Malesi e Madhe	Vukpalaj	3841	IV	310.6	3.17
Shkoder	Malesi e Madhe	Hot	1964	IV	310.6	3.17

Table 29: Compensation rates for the urban land

Region	Municipality	Village	Cadastral Zone	Sub-zone	Price ³³ (Leke/m2)	Price (Euro/m2)
Tirane	Vore	Marqinet	2605	VO1	2,975	30.36
Tirane	Vore	Koder Vore	2183	VO2	6,290	64.18
Tirane	Vore	Mucaj	2726	VO2	6,290	64.18
Tirane	Vore	Sharge	3319	VO2	6,290	64.18
Tirane	Vore	Preze	3049	VO3	4,760	48.57
Tirane	Vore	Preze	3049	VO4	6,073	61.97
Tirane	Vore	Preze	3049	VO5	6,035	61.58
Tirane	Vore	Ahmetaq	1006	VO4	6,073	61.97
Tirane	Vore	Ahmetaq	1006	VO5	6,035	61.58
Durres	Kruje	Budull	1299	KR1	1,955	19.95
Durres	Kruje	Bubq	1294	KR1	1,955	19.95
Durres	Kruje	Mazhe e Madhe	2621	KR1	1,955	19.95
Durres	Kruje	Murqine	2742	KR1	1,955	19.95
Durres	Kruje	Murqine	2742	KR2	1,955	19.95
Durres	Kruje	Derven	1475	KR2	1,955	19.95
Durres	Kruje	Gramez	1840	KR2	1,955	19.95
Durres	Kruje	Koder Thumane	2182	KR2	1,955	19.95
Durres	Kruje	Thumane	3599	KR2	1,955	19.95
Durres	Kruje	Bushnesh	1332	KR2	1,955	19.95
Lezhe	Kurbin	Droje	3976	KU1	2,975	30.36
Lezhe	Kurbin	Shperthet	3412	KU1	2,975	30.36
Lezhe	Kurbin	Mamurras	2586	KU1	2,975	30.36
Lezhe	Kurbin	Fushe-Mamurras	1676	KU1	2,975	30.36
Lezhe	Kurbin	Gjorm	1768	KU1	2,975	30.36
Lezhe	Kurbin	Gjorm	1768	KU2	1,955	19.95
Lezhe	Kurbin	Laç (Fshat)	2365	KU2	1,955	19.95
Lezhe	Kurbin	Shullaz	3441	KU2	1,955	19.95
Lezhe	Kurbin	Mal Bardhe	2580	KU2	1,955	19.95
Lezhe	Kurbin	Milot (qytet)	2693	KU2	1,955	19.95
Lezhe	Lezhe	Pllane	2995	LE1	1,649	16.83
Lezhe	Lezhe	Zejmen	3901	LE1	1,649	16.83
Lezhe	Lezhe	Zejmen	3901	LE2	1,649	16.83
Lezhe	Lezhe	Markatomaj	2604	LE2	1,649	16.83
Lezhe	Lezhe	Spiten	3502	LE2	1,649	16.83
Lezhe	Lezhe	Tresh	3641	LE1	1,649	16.83
Lezhe	Lezhe	Tresh	3641	LE2	1,649	16.83
Lezhe	Lezhe	Manati	2588	LE2	1,649	16.83
Lezhe	Lezhe	Gryke Manati	1875	LE2	1,649	16.83
Lezhe	Lezhe	Ishull Lezhe	1986	LE2	1,649	16.83
Lezhe	Lezhe	Ishull Lezhe	1986	LE3	1,969	20.09
Lezhe	Lezhe	Ishull Shengjin	1987	LE4	1,958	19.98
Lezhe	Lezhe	Lezhe 1 (qytet)	8631	LE5	8,511*	86.85
Lezhe	Lezhe	Lezhe 2 (qytet)	8632	LE5	8,511*	86.85
Lezhe	Lezhe	Merqi	2660	LE6	1,244	12.69
Lezhe	Lezhe	Rraboshte	3202	LE6	1,244	12.69
Lezhe	Lezhe	Kallmet i Madh	2053	LE6	1,244	12.69
Lezhe	Lezhe	Kallmet i Vogel	2054	LE6	1,244	12.69

³³ If the price is accompanied by the symbol (*), it indicates that the value established under DCM 89/2016 has been applied, as the price calculated for the sub-zone using the Development Method (Residual Value) for Urban Land resulted in a lower amount.

Region	Municipality	Village	Cadastral Zone	Sub-zone	Price ³³ (Leke/m ²)	Price (Euro/m ²)
Lezhe	Lezhe	Piraj	2964	LE6	1,244	12.69
Lezhe	Lezhe	Troshan	3650	LE6	1,244	12.69
Lezhe	Lezhe	Fishte	1624	LE6	1,244	12.69
Lezhe	Lezhe	Baqel	1096	LE6	1,244	12.69
Lezhe	Lezhe	Krajne	2263	N/A	1,200	12.24
Shkoder	Vau i Dejes	Nenshat	2778	N/A	1,200	12.24
Shkoder	Vau i Dejes	Hajmel	1920	VD1	1,200	12.24
Shkoder	Vau i Dejes	Naraç	2763	VD2	1,200	12.24
Shkoder	Vau i Dejes	Kaç	2015	VD2	1,200	12.24
Shkoder	Vau i Dejes	Mjede	2702	VD2	1,200	12.24
Shkoder	Vau i Dejes	Spathare	3498	VD2	1,200	12.24
Shkoder	Shkoder	Ganjolle	1690	SH1	2,300	23.47
Shkoder	Shkoder	Juban	2008	SH1	2,300	23.47
Shkoder	Shkoder	Vukatane	3838	SH1	2,300	23.47
Shkoder	Shkoder	Guri i Zi	1898	SH1	2,300	23.47
Shkoder	Shkoder	Rrence	3168	SH1	2,300	23.47
Shkoder	Shkoder	Shkoder 4 (qytet)	8594	SH2	12,223*	124.72
Shkoder	Shkoder	Shkoder 4 (qytet)	8594	SH3	12,223*	124.72
Shkoder	Shkoder	Shkoder 3 (qytet)	8593	SH2	8,511*	86.85
Shkoder	Shkoder	Shkoder 3 (qytet)	8593	SH3	9,221	94.09
Shkoder	Shkoder	Shkoder 3 (qytet)	8593	SH4	8,511*	86.85
Shkoder	Shkoder	Golem	1790	SH4	4,922	50.22
Shkoder	Shkoder	Golem	1790	SH5	3,101	31.64
Shkoder	Shkoder	Golem	1790	SH7	2,069	20.90
Shkoder	Shkoder	Grude e Re	1869	SH6	3,101	31.64
Shkoder	Shkoder	Grude e Re	1869	SH7	2,069	20.90
Shkoder	Shkoder	Shtoj i ri	3428	SH6	3,101	31.64
Shkoder	Shkoder	Shtoj i ri	3428	SH7	2,069	20.90
Shkoder	Shkoder	Shtoj i vjeter	3429	SH7	2,069	20.90
Shkoder	Malesi e Madhe	Boriç i Madh	1244	MM1	1,200	12.24
Shkoder	Malesi e Madhe	Omaraj	2827	MM2	1,100	11.22
Shkoder	Malesi e Madhe	Grude-Fushe	1870	MM2	1,100	11.22
Shkoder	Malesi e Madhe	Gjorme	1766	MM2	1,100	11.22
Shkoder	Malesi e Madhe	Ktosh	2299	MM2	1,100	11.22
Shkoder	Malesi e Madhe	Koplik (qytet)	2220	MM3	2,100	21.43
Shkoder	Malesi e Madhe	Bajze	3982	MM4	600	6.12
Shkoder	Malesi e Madhe	Ivanaj	1989	MM4	600	6.12
Shkoder	Malesi e Madhe	Vukpalaj	3841	MM4	600	6.12

7.7.2. Project fruit trees and vineyard values/rates

Compensation values for annual and perennial crops have been calculated based on crop categorization, using the methodology outlined in [section 7.6.4](#). These values are presented in the tables below.

Table 30: Annual crops compensation values

Crop	Replacement value (ALL/m ² /year)
Wheat	11.00
Maize	15.05
Barley	8.80

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Crop	Replacement value (ALL/m2/year)
Durum Wheat	4.95
Oat	28.50
Alfalfa	47.00
Clover	13.50
Green Fodder	4.85
Forage Maize	5.00
Forage Cabbage	18.50
Dry Fodder	14.50
Forage Beet	4.60
Soybeans	11.75
Beans	42.00
Potato	115.00
Sunflower	32.40
Tobacco	218.00
Tomato, field	209.00
Pepper, field	125.00
Cucumbers, field	198.00
Watermelon	65.00
Melon	58.00
Eggplant	169.00
Okra	95.00
Green Beans	85.00
Peas	65.50
Faba beans	63.40
Lentils	33.40
Garlic	54.00
Onion, fresh	37.00
Onion, dried	54.00
Leek	105.00
Carrot	39.50
Lettuce	24.00
Spinach	77.00
Cabbage	120.00
Cauliflower, broccoli	44.40
Celery	55.50
Turnip	84.20
Chicory	81.00
Sage	61.00
Thymus	68.50
Mountain Tea	71.80

Table 31: Perennial crops compensation values

Crops	Age (years)	Price (ALL/m2)	Price (ALL/tree)
Almonds	0-1	55.2	1,105
Almonds	2-4	82.5	1,650
Almonds	>5	451.3	9,026
Apple Extensive	0-1	102.8	2,569
Apple Extensive	2-5	122.3	3,058
Apple Extensive	6-9	309.9	7,747
Apple Extensive	9-25	740.4	18,511

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Crops	Age (years)	Price (ALL/m2)	Price (ALL/tree)
Apple Extensive	>25	516.9	12,922
Apple Intensive	0-1	205.2	1,710
Apple Intensive	2	270.5	2,254
Apple Intensive	3	358.4	2,987
Apple Intensive	4	612.3	5,102
Apple Intensive	5-20	1,007.6	8,397
Apple Intensive	>20	657.6	5,480
Apricot	0-1	79.5	1,987
Apricot	2-5	107.0	2,675
Apricot	>5	462.3	11,559
Blackberry	0-1	202.3	607
Blackberry	2-3	293.3	881
Blackberry	4-10	447.4	1,343
Cherry	0-1	75.2	1,881
Cherry	2-4	115.6	2,889
Cherry	>5	821.4	20,534
Cornelian Cherry	0-5	n/a	1,000
Cornelian Cherry	>5	n/a	1,500
Fig	<5	447.2	1,200
Fig	>5	192.1	3,842
Hazelnut	0-1	109.9	1,832
Hazelnut	2-4	149.3	2,488
Hazelnut	>5	537.0	8,949
Jujube	0-10	n/a	1,500
Jujube	>10	n/a	2,500
Kiwi	4-6	n/a	3,062
Kiwi	7-10	n/a	11,645
Kiwi	>10	n/a	19,740
Lemon	0-1	n/a	3,013
Lemon	2-5	n/a	4,229
Lemon	>5	n/a	25,118
Mandarin	0-1	154.6	2,576
Mandarin	2-5	209.3	3,488
Mandarin	>5	1,458.5	24,308
Mulberry	0-10		2,000
Mulberry	>10		3,500
Medlar (Mespilus germanica)	<5		3,000
Medlar (Mespilus germanica)	5-10		5,000
Medlar (Mespilus germanica)	>10		8,000
Olive tree	0-1	75.4	3,428
Olive tree	2-6	230.3	10,466
Olive tree	7-10	558.8	25,400
Olive tree	11-100	529.0	31,115
Olive tree	>100	626.8	36,872
Orange	0-1	135.6	3,013
Orange	2-5	190.3	4,229
Orange	>5	1,130.3	25,118
Oregano	0 - 1	40.1	n/a
Oregano	2 - 4	87.8	n/a
Oregano	5 - 6	113.1	n/a
Peach	0-1	107.0	2,676
Peach	2-3	145.0	3,624

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Crops	Age (years)	Price (ALL/m2)	Price (ALL/tree)
Peach	4	242.1	6,054
Peach	5-30	388.7	9,717
Peach	>30	413.0	10,324
Pear	0-1	153.5	2,558
Pear	2-5	220.5	3,674
Pear	>5	1,283.8	21,396
Pergola	4-6	n/a	3,062
Pergola	7-10	n/a	11,645
Pergola	>10	n/a	19,740
Persimmon	0-4	34.8	870
Persimmon	>5	110.8	2,770
Plum	0-1	70.3	1,758
Plum	2-4	91.4	2,286
Plum	5-30	561.0	14,025
Plum	>30	490.2	12,255
Pomegranate	0-1	83.9	1,865
Pomegranate	2-5	133.4	2,224
Pomegranate	>5	188.1	3,135
Quince	0-5	32.5	976
Quince	>5	63.7	1,911
Raspberry	0-1	228.3	571
Raspberry	2-3	327.8	819
Raspberry	4 - 10	500.5	1,251
Sage Plant	0 - 1	224.0	n/a
Sage Plant	2 - 4	440.0	n/a
Sage Plant	5 - 6	1,080.0	n/a
Strawberry	0-1	451.6	n/a
Strawberry	2-3	1,338.2	n/a
Table grapes	0-1	220.6	n/a
Table grapes	2-3	247.6	n/a
Table grapes	4	395.4	n/a
Table grapes	5-30	618.8	n/a
Table grapes	>30	719.2	n/a
Thymus officinalis	<5	280.0	2,800
Thymus officinalis	5-10	550.0	5,500
Thymus officinalis	>10	1,350.0	13,500
Vineyard	0-1	195.0	n/a
Vineyard	2-3	222.1	n/a
Vineyard	4	415.3	n/a
Vineyard	5-30	449.0	n/a
Vineyard	>30	493.5	n/a
Walnut	0-1	111.2	4,447
Walnut	2-4	119.4	4,777
Walnut	>5	766.8	30,671
Ornamental trees			
Decorative Palm	<3	n/a	3,000
Decorative Palm	3-10	n/a	9,000
Decorative Palm	>10	n/a	12,000
Eucalyptus	<3	n/a	1,200
Eucalyptus	3-10	n/a	3,000
Eucalyptus	10-20	n/a	6,500
Eucalyptus	>20	n/a	9,500

Crops	Age (years)	Price (ALL/m2)	Price (ALL/tree)
Mediterranean cypress	<5	n/a	1,500
Mediterranean cypress	5-15	n/a	4,000
Mediterranean cypress	>15	n/a	8,500
Oak	0-5	n/a	1,500
Oak	>5	n/a	3,000

7.8. Project transaction costs and additional fees

7.8.1. Income tax

In our case, income tax is not applied in the calculated compensation values. However, this section provides information on income tax in cases in where Voluntary Contracts may be executed between landowners and State Expropriation Agency (SEA), as the law permits SEA to enter into such agreements.

According to the Guidance no.29, dated 30.07.2018, issued by General Directorate of Taxes, "On the taxation of the transfer of the right of ownership of real estate", the ownership transfer of immovable property, land (urban land or agricultural land) and building, is taxed 15 percent of the realized capital profit. The individual who transfers the right of ownership over the immovable property, pays the tax before performing the registration of the act of transfer of the property, in accordance with the legal acts and procedures.

By transfer of ownership, is meant the act of sale, donation or renunciation of immovable property. The term "realized capital profit" means the positive difference between the sale price and the purchase price of immovable property, land and / or building.

The sale value of the immovable property is determined in the notarial contract of sale, which is signed by the parties (seller and buyer). The contract must express the area per square meter of the property subject to the contract, the price per square meter and its value. The contract must have attached a map, planimetry and other documents that serve for the registration of immovable property.

In cases when the ownership of the immovable property is transferred for the second time onwards, for the purpose of calculating the realized capital profit, the difference between the value of the last sale and the purchase value determined in the previous contract of this property will be taken.

Repayment of the value of the property subject to the contract of sale is certified by the documentation submitted to the State Cadastre Agency (SCA), through one of the following forms:

- Receipt of the bank for the transfer of the monetary amount from the buyer to the notary account;
- Receipt of the bank for the transfer of the monetary amount from the buyer to the bank account of the seller;
- The enterprise / order contract between the buyer and the seller (physical / legal person) accompanied by the respective receipts of the customer in favour of the entrepreneur.

7.8.2. Public notary tariffs

As the notary carries out a function of public interest, the remuneration for the notarial service is strictly regulated and is subject to a tariff. The Guidance no.22 date 20/10/2020, issued by Ministry of Finances and Economy, "For determining the tariffs of notarial acts and services" strictly indicates the prices per each of the notarial acts. However, since the number and kind of notarial acts and supplementary documents (including ownership doc) differs, it is difficult to calculate a fixed tariff per each transaction.

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The following table shows the tariffs of the main notarial acts and tariffs of the registration in the State Cadastre Agency (SCA).

Table 32: Notarial tariffs of acts and services

Type of document	Type of service		
	Notarial acts tariff ³⁴	SCA tariffs	Notarial tariff for SCA service
Heritage Act (Inheritance by law)	12,200 ALL	1,000 ALL	1,000 ALL
Special Power of Attorney ³⁵	3,800 ALL	-	-
Ownership Certificate	-	1,500 ALL	1,000 ALL
Property map	-	1,000 ALL	500 ALL
Property Cartel	-	1,000 ALL	500 ALL
Lease Contract	4,400 ALL	3,500 ALL ³⁶	4,000 ALL
Compensation Statement	2,600 ALL	-	-
Statement with other content ³⁷	2,600 ALL	1,000 ALL	600 ALL

³⁴* Includes VAT and stamp price

³⁵* For Power of attorney above 5 persons the tariff is 6,200 ALL

³⁶* Only lease contract of above 9 years' time period is mandatory for registration

³⁷* The statement with other content can be for surface accuracy, name accuracy, loss of ownership certificate etc.

8. Livelihood Restoration

8.1. Livelihood impacts

8.1.1. Project induced impacts

The Project impact in the livelihood of households performing agricultural activities, is expected to be slight, due to the limited extend of permanent land acquisition. The permanent loss of land, it will primarily result from the construction of new access roads, as the engineering and safety improvements to the railway will be implemented on an existing track. However, the loss of land will be partial, affecting only strips of land. In no case will the project require the permanent acquisition of an entire privately owned or used parcel, nor will it leave any household with no or very little remaining agricultural land.

The main negative impacts on livelihoods will be on those whose homes or businesses are affected, resulting in economic and physical displacement.

Based on the analysis of the project's land-related impacts and the socio-economic profile of the affected people, are identified only 16 cases where the affected area of a property exceeds 20% of the total parcel area, as follows:

- **In 8 cases**, the land was uncultivated (abandoned) and not used for any agricultural activity or grazing, meaning no source of income will be lost for those households.
- **In 6 cases**, the affected parcels are relatively small and used for shelter rather than agriculture. The owners have built their houses on these properties, and the project only affects part of the house yard, causing no loss of income.
- **In 2 cases**, the land is used for agricultural purposes, and perennial crops will be affected. However, in both cases, the owners of affected properties have stated that incomes from agriculture are not their primary source of livelihood, and the affected parcel is not the only land they own or use within the project area.

In general, even when the affected area is less than 20% of the total parcel and the project will have an impact on cultivated agricultural products, the households surveyed report very low agricultural incomes, with none reporting agriculture as a primary source of livelihood.

As a result, the project's land-related impacts and the loss of income from agricultural activities in project area have not reported a significant factor in the livelihoods of affected people and will not result in any land-based economic displacement.

On the other hand, the main impacts of the project are on structures such as houses and businesses, which will result in the loss of shelter or business activity for the affected people, leading to both physical and economic displacement. Therefore, the focus of livelihood restoration activities will be on the households losing the house and businesses.

Based on the inventory of the assets the following categories are identified:

- **A total of 19 structures, categorized as houses, will be affected:**
 - In 9 cases, the houses are on the verge of the intervention, where avoidance can be achieved through minor modifications to the project design during the design review by the Construction Works contractor.
 - In 2 cases, the houses are not habitable due to damage and deterioration, and the owners live in other houses built within the same parcel.
 - In 3 cases, the owners live abroad, and the houses are used seasonally.
 - In 5 cases, the houses are permanently occupied by households as their primary and only shelter.

- **A total of 21 structures, categorized as businesses, will be affected.**

- In 8 cases, the businesses are on the verge of the intervention, where avoidance can be achieved through minor modifications to the project design during the design review by the Construction Works contractor.
- In 4 cases, the businesses are used seasonally.
- In 9 cases, the businesses are permanently active, and the owners have reported business income as their primary source of livelihood.

8.1.2. Vulnerable households

Vulnerable groups are defined as people who, by virtue of gender identity, ethnicity, age, disability, economic disadvantage or social status may be more adversely affected by project impacts than others and who may be limited in their ability to claim or take advantage of project benefits. Vulnerable individuals and/or groups also include people living below the poverty line, the landless, the elderly, women and children headed households, refugees, internally displaced people, ethnic minorities, natural resource dependent communities or other displaced persons who may not be protected by national and/or international law. The Project should identify the vulnerable people/groups and should take necessary actions to ensure that these people/ groups are not disadvantaged in the process, are fully informed and aware of their rights, and are able to benefit equally from Project opportunities and benefits.

The vulnerability is viewed in the context of:

- Pre-existing vulnerability; which occurs, with or without the Project development and such households may be less well equipped to deal with the shocks of displacement, or may need additional assistance to engage effectively with the Project, understand their rights, and access potential assistance; and
- Transitional hardship vulnerability, caused by project related economic displacement, that occurs as a result of those directly affected by the Project being unable to adjust to new conditions due to shock or stress related to project activities

Project compensation, combined with supplementary livelihood measures, will be the mechanisms to address project impacts.

Identification of vulnerable households is being determined through stakeholder engagements, and on the basis of the asset and socio-economic surveys analysis and the following categories are identified:

- Household Registered as poor in the local social services, income under the national poverty line (19 cases);
- Women-headed households (67 cases);
- Elder-headed households ($\geq$ pension age) without any other household member bringing in income (107 cases);
- Households headed by disabled people (17 cases).

8.2. Potential assistance / transitional support

Based on the findings and analysis, the project will provide assistance and transitional support measures as follows:

For Households losing shelter:

- In addition to compensation for the structures at full replacement cost (including transaction costs, with depreciation not considered), support will be provided for housing replacement.
- Financial transitional support will be provided for moving costs and rental expenses for 12 months.

For Businesses losing the activity:

In addition to compensation for the structures at full replacement cost, financial transitional support will be provided to cover the loss of income to the businesses and loss of wages to the employees. The compensation will be calculated according to the criteria defined in [section 7.3: Entitlement and Compensation Framework](#).

While project will support the business operators for finding a replacement location to re-establish business activities and cash compensation will be provided for the proportion of lost business during the period of business interruption (income loss), up to:

- A maximum of 3-months of incomes for temporary loss of business activities;
- For the time of the re-establishment of business/economic activities in another location, a maximum of 12-months of incomes for permanent loss of business activities (until the re-establishment of business/economic activities in another location);
- Indemnity for lost wages for the period of business interruption up to a maximum of 3 months, for temporary loss of business/employment, and from 3-12 months for permanent loss of business (with proved records for social contribution period).

Compensation will be calculated on a case-by-case basis, as follows:

- Compensation for legal entity (registered businesses) will be calculated as per the declared income in the tax offices.
- For the informal business operators without demonstrable accounting records, compensation will be based on the average national monthly wage for 3 months to restore livelihoods.
- Lost wages will be calculated as per declared wages to the tax offices and for the unregistered employees based on the average national monthly wage.

For the identified Vulnerable groups support may include:

- Assistance during the land acquisition and negotiation process, including individual meetings at their premises to provide project information, explain eligibility criteria, entitlements, compensation agreement clauses, and grievance mechanisms. Where necessary, transportation assistance for plot inspections and land entry/exit should be provided.
- Support during the payment process, information for opening bank accounts, powers of attorney for those unable to understand or sign their compensation agreements.
- Where specific benefits provided by the government or other institutions exist, but affected vulnerable people are unaware of or unable to access them, the project will coordinate with relevant authorities to link them with these programs. Assistance will also be provided in submitting applications to ensure identified vulnerable individuals can benefit from available support opportunities.
- Support to access employment opportunities created by the Project or to identify and access 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.

8.3. Implementation of livelihood restoration activities

Livelihood restoration activities will be implemented as follows:

- House and Business location replacement: by a dedicated officer (CLO or similar) within the HSH, or external CLO engaged on part-time basis for the period of the pre-construction works.
- Financial Transitional Support: to be provided by HSH, offering lump-sum payments or monthly disbursements to eligible households or businesses to cover transitional support (households: 12 months; businesses: 3-6 months).
- Support to Vulnerable people: to be provided by HSH through a dedicated team of experts, including but not limited to CLOs, social workers, legal advisors. This support may be delivered either by HSH staff or through collaboration with a well-experienced NGO specializing in identifying and assisting vulnerable individuals in the Albanian context, with one part-time staff member allocated to this activity.

9. Grievance Management

9.1. Project grievance mechanism

The Grievance Mechanism (GM) for the Rehabilitation of the Vore-Hani i Hotit Railway Line Project is established to ensure that grievances from PAPs and other stakeholders are addressed effectively and transparently. The mechanism has been designed in compliance with the Environmental and Social Policy of the European Bank for Reconstruction and Development (EBRD) and Albanian legal frameworks, aiming to create an inclusive, accessible, and efficient process.

This mechanism recognizes that grievances may arise during the project's implementation, particularly regarding land acquisition and construction activities. To mitigate any adverse impacts, the GM focuses on encouraging amicable resolutions through open communication and collaborative problem-solving, ensuring all PAPs/stakeholders have equal access to this process without any associated costs and in timely manner. It covers the procedure how Albanian Railway receives, reviews, and responds to any grievances logged to them.

To ensure the Grievance Mechanism functions effectively and consistently, the following principles will guide its implementation:

- **Timely Acknowledgment and Registration:** Any grievance related to land acquisition or other project matters will be promptly registered in the grievance log and acknowledged within 7 (seven) working days of receipt. This acknowledgment serves as a formal confirmation to the complainant that their grievance is being addressed and provides transparency from the outset.
- **Fair and Transparent Review/Appeal Mechanism:** The grievance management system incorporates at least one level of review or appeal to allow for an impartial reassessment of outstanding grievances. This step aims to achieve amicable settlements through collaborative discussions and mutual understanding, avoiding the need for judicial reviews wherever possible.
- **Efficient Processing and Response:** All grievances will be addressed and responded to within 30 (thirty) working days of acknowledgment. This ensures that concerns are addressed in a timely manner, reinforcing trust and demonstrating a commitment to resolving issues efficiently. For grievances requiring longer-term corrective actions, interim updates will be provided to keep complainants informed of progress.

The Albanian Railway will implement a two-tier grievance management approach to ensure that issues are resolved quickly and effectively, while maintaining transparency and confidence among stakeholders.

Tier 1: The internal grievance resolution process is implemented by the Albanian Railway assigned grievance management team.

Tier 2: The external grievance resolution process is implemented by a third-party independent mediator referred to as Grievance Committee in case the complainant is not satisfied with the internal grievance resolution. Because this level requires considerable efforts and engagement of other local/national authorities, this tier will not be used to grievances related to land acquisition impact and compensation, but will only be available to construction work related grievances.

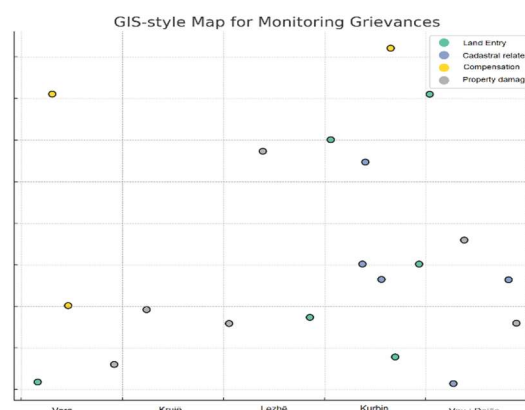


9.2. Expected category of grievances

Although the project's design aims to minimize significant disruptions, auxiliary facilities such as access roads and other supporting infrastructure will impact not only land but also structures. In these condition certain types of grievances are anticipated, including:

- *Cadastral related grievances* which referred to misidentification of properties (allocation of a property to the wrong owner due to wrong cadastral information); unregistered private properties or transactions in the cadastral records; discrepancies in the property boundaries registered in the Cadastral Office with the ones on site; etc.;
- *Compensation-related grievances* in case PAPs may disagree with the compensation amounts and the valuation process for affected land, crops, or structures;
- *Land and property impacts* referring to grievances that may involve damages to agricultural land, restricted access to property, or impacts on buildings and other structures caused by construction activities;
- *Disruption-related grievances* when issues such as noise, dust, increased traffic, or other inconveniences caused by construction activities could lead to complaints from the community;
- *Failure to meet standards and legal requirements*;
- *Expropriation process*;
- *Unauthorized entry onto private property*;
- *Damages occurring during the construction*;
- *Livelihood restoration*;
- *Information and communication gaps* in case stakeholders feel inadequately informed about project plans, timelines, or grievance procedures.

To better understand grievance categories and their distribution, they can be presented graphically using various GIS-based tools that effectively handle real-time data. These tools and services facilitate the collection, processing, visualization, and analysis of real-time information. This capability is particularly useful for monitoring dynamic systems like grievances, where timely insights are critical. GIS-based tools allow users to visualize the geographic distribution of grievances, helping to identify patterns and clusters in specific areas.



One of the key features of GIS-based tools is their ability to generate heatmaps and perform spatial analyses. Heatmaps highlight areas with high grievance density, making it easier to detect hotspots and prioritize interventions. The platform's integration capabilities enable live data updates, ensuring that grievance tracking remains dynamic and relevant. Moreover, GIS-based tools offer an interactive interface where stakeholders can view grievance statuses, response times, and resolution progress in real time. This seamless integration of spatial analysis with real-time data empowers Albanian Railways to monitor grievances efficiently and implement timely solutions.

9.3. Receiving grievance

To ensure accessibility for all stakeholders, multiple channels have been established for receiving grievances. These channels allow individuals to submit their concerns conveniently and securely, ensuring their voices are heard. Complainants will be able to submit a grievance both verbally and in writing in the following ways:

- **In-person submissions:** PAPs/stakeholders can visit the Albanian Railway main office, municipal offices, or designated local offices to file grievances directly.
- **Written submissions:** Grievances can be sent via post, e-mail, grievance box installed at specific locations along the project footprint, or online through the Albanian Railway's official website.
- **Telephone submissions:** A dedicated hotline has been provided, enabling PAPs/stakeholders to lodge grievances verbally if they face challenges in submitting written complaints.

The Grievance Coordinator, assigned by the Albanian Railway, will receive the grievance form (figure 77 below), provide a formal acknowledgment, and record it accordingly in the Grievance Log within 7 (seven) working days. The acknowledgment letter includes a unique reference number, ensuring that each grievance is tracked and monitored effectively throughout the resolution process. In some cases, when necessary, the Grievance Coordinator will assist the complainant to complete and submit the grievance form.

All the documents related to a grievance case will be stored electronically in a shared space, which will serve as a centralized repository where all case-related documents, including grievance forms, correspondence, investigation reports, resolution letters, and follow-up documentation, are stored digitally. By maintaining these records in one location, the system enhances transparency and accountability in the grievance-handling process.

The Grievance Coordinator, as the administrator of this shared space, ensures proper access control to protect sensitive information. Only authorized personnel, such as relevant team members, can access specific files, depending on their role and involvement in the case.

Reference No:		Date:	
Full Name			
Contact Information	☐ By Post: Please provide mailing address: _____ _____ _____		
Please mark how you wish to be contacted (mail, telephone, e-mail).	☐ By Telephone: _____ ☐ By e-mail: _____		
Description of Incident or Grievance:	What happened? Where did it happen? Who did it happen to? What is the result of the problem? 		
Date of Incident/Grievance	☐ One-time incident/grievance (date _____) ☐ Happened more than once (how many times? _____) ☐ On-going (currently experiencing problem)		

What would you like to see happen to resolve the problem?
Signature: _____
Please return this form to: Mr. Eriton Hasaj, Communication and Social Manager HEKURUDHA SHQIPTARE SH.A. (HSH), Rruga Egnatia, Nr. 3 Durres, Email: ankesa-projekte@hekurudha.al Tel / Mob: +355 69 202 9070

Figure 76: Grievance form

A complainant submitting a grievance has the right to request that their identity remain confidential, except in cases where the complainant represents an organization. This ensures that individuals feel safe and secure when raising concerns or complaints. To request confidentiality, the complainant must explicitly include their request within the grievance submission and provide a brief explanation for the need for confidentiality.

Upon receiving such a request, all reasonable efforts will be made to safeguard the complainant's identity throughout the grievance resolution process. This includes limiting access to the complainant's personal information to only those directly involved in addressing the grievance and ensuring secure handling of related documentation. However, confidentiality cannot be guaranteed in situations where disclosure is legally required or critical to resolving the grievance. In such cases, the complainant will be informed beforehand.

Grievances can be submitted to Albanian Railway using the contact details provided below:

Contact person: Mr. Eriton Hasaj, Communication and Social Manager HEKURUDHA SHQIPTARE SH.A. (HSH) Rruga Egnatia, Nr. 3 Durres Email: ankesa-projekte@hekurudha.al Tel / Mob: +355 69 202 9070
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9.4. Grievance steps/process

As mentioned above Albanian Railway has adopted a two-tier grievance management approach ³⁸to ensure that issues are resolved quickly and effectively.

The internal grievance resolution process, referred to as the Tier 1 process, is managed by a dedicated grievance management team appointed by Albanian Railways. This team is responsible for reviewing and addressing grievances raised by complainants. If the complainant, in the case of complaints related to construction works, is dissatisfied with the resolution provided through this internal process, the

³⁸ WB16-ALB-TRA-01 Detailed Design for the Rehabilitation of the Railway Line Vorë – Hani i Hotit Albania- Stakeholders Engagement Plan

grievance escalates to Tier 2, where an independent Grievance Committee acts as a neutral third-party mediator to facilitate further resolution.

Complainants have the right to pursue alternative legal remedies at any stage, including filing a formal judicial appeal, in accordance with the legal framework of Albania.

The figure below provides the grievance management process implemented by Albanian Railway for this project.

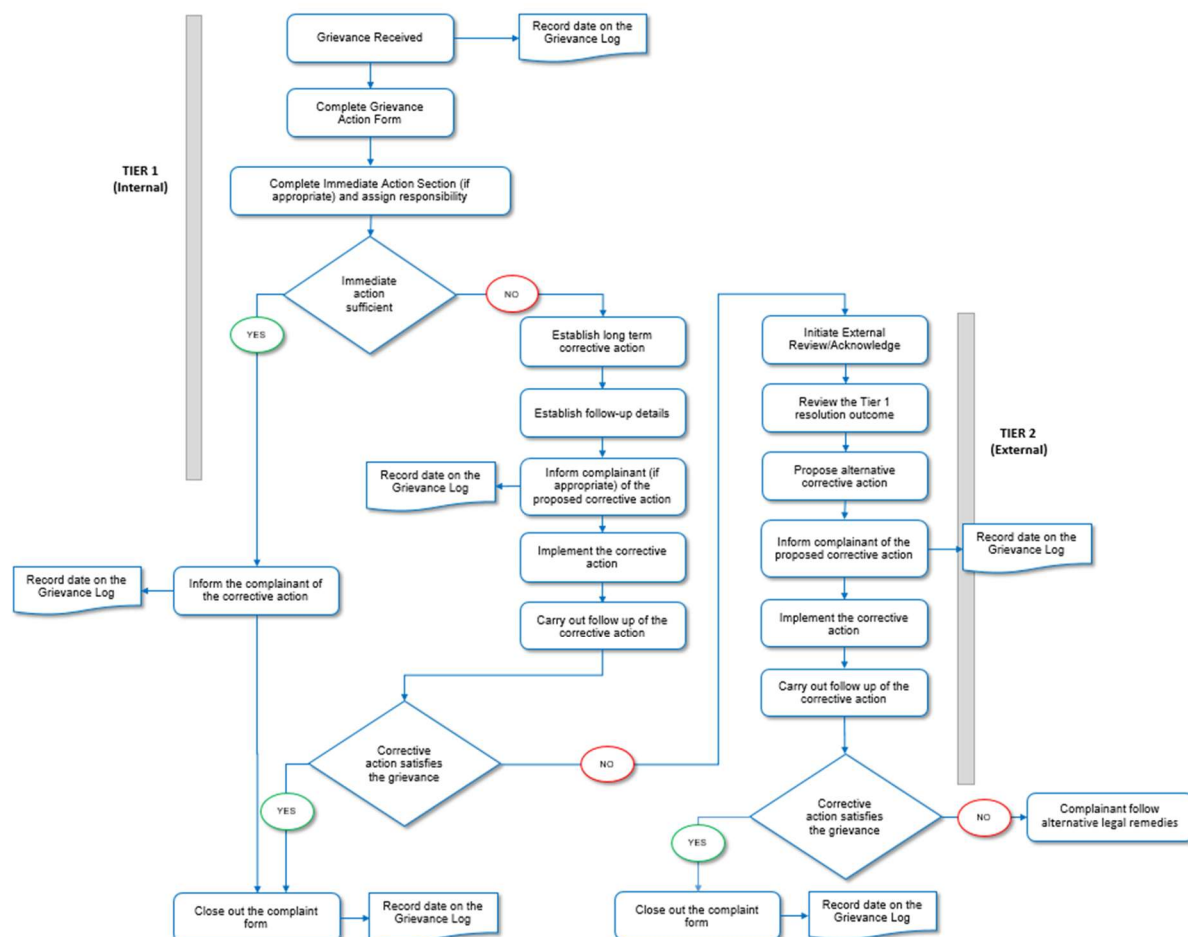


Figure 77: Flow chart of grievance mechanism process

9.4.1. Tier 1 of grievance management

9.4.1.1. Registration

Upon receiving a grievance, the Grievance Coordinator records it in a dedicated grievance registry and assigns it a number. This record includes the complainant's name (unless anonymity is requested), a description of the grievance, the date of submission, and the assigned reference number.

Apart from what mentioned above the grievance registry will also include the date of receipt/acknowledgement returned to the complainant, the description of actions taken (investigation, corrective measures), and the date of resolution and closure/provision of feedback to the complainant.

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

- initial grievance sheet (including the description of the grievance), with an acknowledgement of receipt handed back to the complainant when the complaint is registered;

- grievance monitoring sheet, mentioning actions taken (investigation, corrective measures);
- closure sheet, one copy of which will be handed to the complainant after he/she has agreed to the resolution and signed-off.

9.4.1.2. Assess and Assign

The Grievance Coordinator will thoroughly analyze and assess grievances in coordination with the Head of the Project Implementation Unit (PIU). Using all available information, they will decide if the complaint is directly related to project activity. If it is determined that the grievance is unrelated to the project, the Grievance Coordinator will document the findings, inform the person who raised the grievance, and officially close the grievance in the grievance log.

In case the grievance is found related to the project the Grievance Coordinator assigns a grievance category which may include:

- a) Land Acquisition (CAI, compensation value, expropriation, compensation payment, ownership disputes, land entry, land exit, reinstatement);
- b) Construction (dust, noise, any other damages caused during construction);
- c) Livelihood Restoration Activities (vulnerable assistance, other livelihood impact);
- d) Environment;
- e) Stakeholder engagement (misinformation or lack of information for the project).

The Grievance Coordinator delivers the case to work-stream within Albanian Railway for further investigation.

9.4.1.3. Acknowledgment

An acknowledgment letter is sent to the complainant within seven (7) working days, confirming receipt of their grievance and providing information about the next steps.

9.4.1.4. Review process and propose resolution

For grievances that can be resolved quickly, immediate corrective actions are taken to address the issue. Once the corrective actions are in place, the complainant is promptly informed about the steps taken.

9.4.1.5. Long term corrective action

If the grievance requires further investigation, the Grievance Coordinator will inform the complainant about the proposed timeline and the steps to be taken.

Within 30 (thirty) working days of acknowledgment, a proposed resolution is communicated to the complainant. This includes detailed corrective actions or a justification if no action is deemed necessary. Also, the complainant is provided with details on the appeal process in case he or she does not agree with the resolution actions.

9.4.1.6. Feedback and closure

The complainant is provided with a closure document, summarizing the actions taken and their outcomes.

If the complainant agrees with the resolution, the grievance is considered closed. Otherwise, they may escalate the grievance to the second level (in the case of construction-related complaints).

Table 33: Tier 1 Grievance management steps

Step	Grievance Activity	Description
1	Receive and register the grievance	Receive grievances through all available channels and register them in the Grievance Log.
2	Assess & Assign	Assess whether grievance is related to the project and assign to relevant work-stream.
3	Acknowledge	An acknowledgment letter is sent to the complainant, confirming receipt of their grievance and providing information about the next steps.
4	Investigate and implement immediate corrective action	The relevant work-stream investigates the grievance and when found appropriate implement immediate corrective action. The Grievance Coordinator communicates to the complainant the resolution provided.
5	Investigate and implement long term corrective action	The relevant work-stream investigates the grievance and when found appropriate long-term corrective action. The Grievance Coordinator communicates to the complainant the resolution provided.
6	Resolution agreement	The complainant agrees with the resolution provided by the committee.
7	Close out and follow up	Implement remediation measures, document the closure process, conduct follow-ups, and ensure ongoing monitoring.

Table 34: Timeframes applicable to Tier 1

Action	Timeframe	Responsible
Registration of grievance in the grievance log	Within 7 working days from grievance submission	Grievance Coordinator
Acknowledgment	Within 7 working days from grievance submission	Grievance Coordinator
Issue grievance rejection letter (if required)	Within 30 working days from grievance submission	Grievance Coordinator
Communicate proposed resolution	Within 30 working days of acknowledgment	Grievance Coordinator
Implement long term corrective action	30/60/90 days	Responsible work stream within Albanian Railway
Close out and follow up	Within 30 days after resolution	Grievance Coordinator

9.4.2. Tier 2 of grievance management

9.4.2.1. initiate external review by Grievance Committee

If a complainant is dissatisfied with the resolution at the first Tier, their grievance related with construction works is escalated to an independent Grievance Committee. This committee comprises representatives from local municipalities (one member of each Municipality in which the railway passes through), two representatives of PAPs, one representative of an independent civil society organizations (CSO), or highly regarded lawyer or other person.

9.4.2.2. Review process and propose resolution

The Grievance Committee conducts a thorough review of the grievance, carefully examining all aspects of the issue to ensure a comprehensive understanding. This includes reassessing the actions previously taken to resolve the grievance, identifying any gaps or shortcomings in the process, and exploring alternative solutions that might better address the complainant's concerns. The primary goal of this review is to achieve a resolution that is fair, balanced, and mutually acceptable to all parties involved.

In the end of the review process the committee comes out with proposed action for the resolution of the grievance.

9.4.2.3. Resolution communication

Within 3 (three) months of the initiation of the external review, the committee provides the complainant with a detailed response, including any additional corrective actions or explanations for decisions made.

9.4.2.4. Final outcome

If the complainant remains dissatisfied, they may pursue legal remedies under Albanian law or other appropriate channels.

Table 35: Tier 2 Grievance management steps

Step	Grievance Activity	Description
1	Initiate External Review & Acknowledge	The External Review process is initiated by the Grievance Coordinator with the approval of the Head of the PIU. In the same time the Complainant is informed about additional mediation which will involve their active participation and is also asked about his consent.
2	External review of Tier 1 resolution outcomes	The committee will evaluate the investigation of the initial grievance to determine whether the Tier 1 resolution or proposed actions were appropriate and justified based on the evidence and information provided.
3	Propose resolution	The committee will issue the results of its verification process, either confirming the outcomes of the Tier 1 process or recommending an alternative resolution if it determines that Albanian Railways has not adequately addressed the grievance.
4	Resolution communication	The Grievance Coordinator communicates the resolution provided by the committee to the complainant.
5	Resolution agreement	The complainant agrees with the resolution provided by the committee.
6	Close out and follow up	Implement remediation measures, document the closure process, conduct follow-ups, and ensure ongoing monitoring.

Table 36: Timeframes applicable to Tier 2

Action	Timeframe	Responsible
Initiate external review process and obtain all required internal approvals	Within 30 calendar days since grievance closure by Tier 1 process	Grievance Coordinator
Confirm Complainants consent on external review process		Head of the PIU
Set Up Grievance Committee	Within 30 calendar days upon obtaining complaint from the Complainant	Head of the PIU assisted by Grievance Coordinator
Issue external review resolution decision	Within 10 working days upon completion of external review	Grievance Committee
Implement agreed remediation measures	Depend on the type of remediation and terms of agreement reached with the compliant	Responsible work stream within Albanian Railway

9.5. Grievance close-out

A grievance is formally closed when one of the following occurs:

- The complainant expresses satisfaction with the resolution and signs a closure document.
- The complainant does not escalate the grievance within a specified period after receiving the resolution.
- The Grievance Committee provides a final response, and no further action is pursued by the complainant.

All closed grievances are documented comprehensively, including the steps taken, actions implemented, and feedback received. These records ensure transparency and serve as valuable references for future grievance management.

Once a grievance is closed, it is thoroughly documented to ensure a transparent and systematic record of the process. This documentation includes:

- A detailed account of the actions carried out during the grievance handling process.
- The specific measures or resolutions applied to address the grievance.
- Input from the complainant and other stakeholders about the resolution and process.

Close-out requires the signature of the complainant (if not anonymous) on the Close Out Form. This form serves as an official record that the agreed resolution has been reviewed and accepted by the complainant.

9.6. Resolution evaluation

After the complainant has been provided with a response to their grievance, the Grievance Coordinator ensures that the resolution has been effectively implemented and verifies that the issue is fully resolved to the satisfaction of all involved parties. This follow-up is critical to maintaining transparency, accountability, and trust in the grievance management process.

To support this, the Grievance Coordinator will prepare and manage a structured reporting and evaluation framework, which includes:

I. **Weekly and Monthly Reports:**

The Grievance Coordinator will generate detailed reports for the PIU management, providing a comprehensive overview of grievances. These reports will include:

- The total number of grievances received;
- The status of each grievance (e.g., resolved, pending, escalated);
- Any unresolved or outstanding issues requiring further attention.

These reports ensure that the PIU management remains informed and can take timely actions as needed.

II. **Monthly Reviews During Early Implementation:**

During the initial phases of the grievance procedure, the Grievance Coordinator will conduct monthly reviews to gather performance monitoring data. This includes:

- Tracking key performance indicators (KPIs), such as the time taken to resolve grievances and the percentage of grievances resolved at Tier 1;
- Identifying patterns or recurring issues in the grievance process;
- Performing a gap analysis to uncover any systemic issues that may hinder effective grievance resolution.

This proactive review helps refine the grievance management process and ensures early detection of potential inefficiencies.

III. **Quarterly Evaluations:**

On a quarterly basis, the Grievance Coordinator will carry out a thorough evaluation of the grievance procedure's implementation. This evaluation will assess:

- The overall effectiveness of the grievance resolution process;
- Stakeholder satisfaction with the outcomes and communication;
- Opportunities for improvement in addressing grievances more efficiently and equitably.

Employer: European Bank for Reconstruction and Development
Beneficiary: Albania Railway (Hekurudha Shqiptare)
Project: Rehabilitation of Vore-Hani i Hotit Railway Line

This multi-level monitoring and evaluation process ensures that grievances are not only addressed but that lessons are continuously learned to enhance the overall grievance management system.

10. Monitoring and Evaluation

The monitoring measures are designed to ensure the effective and timely implementation of compensation and resettlement activities. Monitoring is the regular collection of information about all project activities and shows whether things are going according to plan by helping HSH identify and solve problems in time. It keeps track of project inputs and outputs such as:

- Activities;
- Reporting and documentation;
- Finances and budgets;
- Supplies and equipment.

In terms of Resettlement process and based in the activities of this RP the monitoring activities will aim to track and address the following issues:

- Activities assigned under the RP (payment of compensation, monitoring and assessment of damages, etc.);
- Follow-up on the status of the PAP;
- Follow-up on the grievance redress mechanism in order to identify the efficiency of the land acquisition and compensation process;
- Provision of all data needed to produce the RP implementation reports.

The enforcement of the existing Albanian laws is considered to be a major gap between the national framework and the international safeguards. Here, the policies of the EBRD have to be applied and all affected land-users to be fully compensated.

Albanian law does not foresee a monitoring system of compensation payments and monitoring is done as a mere follow up of complaints and lawsuits by PAPs. In order to ensure compliance with EBRD PR5, LARF have recommended to have compensation procedures and payments be monitored internally and externally, as elaborated in the following sections.

10.1. Internal monitoring

Albanian Railways (HSH) will maintain a database for resettlement and expropriation, recording detailed information on affected individuals and properties (including contact information). This database will track each expropriation case and its progress through various stages, such as: submission or signing of expropriation proposals, preparation and delivery of compensation offers to Project-Affected Persons (PAPs), compensation agreements, payment of compensation, additional assistance provided, and any grievances or court proceedings initiated.

The RP implementation is to be conducted by the HSH and include the disclosure of the RP document, the initiation of the expropriation and compensation process, registration of lands (cost-free for PAP), payment of compensations and allowances, documentation of payments and documentation of grievances/complaints. It is crucial that Albanian Railways appoint a dedicated individual responsible for managing the resettlement and expropriation process. This person will coordinate expropriation activities among government agencies, municipalities, and ministries from the early stages of the project.

The HSH PIU will monitor and report to the EBRD on the following tasks via progressive reports:

- Disclosure of the RP document,
- Information disclosure to all PAPs about the procedure of the beginning of expropriation and during all phases of expropriation,
- Registration of lands (cost-free for PAP),
- Secure the compensation fund from government in the state treasure,
- Payment of compensations amounts,

- Providing assistance during resettlement,
- Grievances management.

Albanian Railways should conduct internal monitoring on the status of the Resettlement Plan implementation, including details of any complaints raised and their resolutions. All findings should be included in corresponding progress reports.

It is recommended that HSH closely monitors RP implementation during the construction stage of the project. To ensure policy compliance, HSH, in collaboration with the contractors, should conduct monitoring activities systematically.

The progress reports prepared by HSH should include, at a minimum, the following:

- Grievances received,
- Compensation received by Project-Affected Persons (PAPs),
- Compensation pending for PAPs,
- Complementary consultation and disclosure activities conducted,
- Additional information as needed.

The monitoring reports should document any deviations from RP provisions during implementation and outline remedial measures, specifying the following:

- Type of remedial action,
- Implementation procedures,
- Institutional responsibility,
- Schedule,
- Additional budget (if applicable).

Monitoring of temporary land access for construction works

During construction works the Contractor may need to temporarily occupy privately owned land. The HSH Supervising Consultant engaged to supervise the civil works will be obliged to monitor and report monthly if the need for temporary occupation of land has arisen. The Contractor will be obliged to report to the HSH via the Supervision Consultant informing that temporary occupancy of land is needed and to present the negotiated agreement with the PAP affected by such impact. Such negotiated agreement will be subject to approval by HSH ensuring that the provisions of the contract are in compliance with the principles of this RP. HSH shall keep a database in the form of excel spreadsheets and send semi-annual updates to the EBRD.

10.2. Aspects and key performance indicators

Key indicators that will be utilized for assessment of the progress on RP implementation and adjustment of the work program, are presented in the table below. Such indicators are related to processes, immediate outputs and results.

Table 37: Monitoring indicators

Indicator	Source of Information	Frequency of Measurement
Input indicators		
Number of consultation meetings, focus group meetings, results of consultation activities	Meeting minutes	Biannually
Number of project-affected people/households requiring displacement	Project resettlement database and grievance management records	Biannually
Overall spending on compensation, resettlement and livelihood restoration	Project financial records	Biannually

Indicator	Source of Information	Frequency of Measurement
Reinstatement of land - number of plots complete	Construction contractors' reports and grievance management records	Annually
Timing of implemented activities in comparison to the RP implementation schedule	Compare status of implementation to RP schedule	Biannually
Output indicators		
- Number of compensation contracts signed - Number and % of compensation payments completed	Project resettlement data base and financial records	Biannually
Physical Displacement - number of people/households resettled, type of resettlement assistance provided	Project resettlement database	Annually
Livelihood restoration measures - types of measures implemented, implementation progress, number of beneficiaries	Project resettlement database	Annually
Number and type of outstanding or unresolved grievances and trends	Grievance management records	Biannually
Average time for payment of compensation	Measure time between compensation agreement and payment	Annually
Does compensation represent adequate replacement cost?	Investigate whether recipients of cash compensation were able to purchase a similar property	Annually
Use of compensation	Project resettlement database	Annually
Physical displacement - satisfaction with new homes/assets	Individual meetings with people/households Project resettlement database	Annually
Income/livelihoods: - Changes in income level (maintained, increased, decreased) - Reinvestment in livelihood activities (purchase of land, equipment, skill training, etc.)	Individual meetings with people/households Project resettlement database	Annually

11. Institutional Arrangements, Schedule and Budget

11.1. Arrangements for financing and managing resettlement

In order to ensure that the resettlement process is carried out according to the EBRD Environmental and Social Policy/ and Performance Requirement, HSH shall arrange the allocation and approval of funds, sufficient resources for RP implementation, monitoring of progress and reporting.

Albanian Constitution stipulates the precedence of the international agreement ratified by the Albanian Parliament, which in the event a national law does not reflect, or contradicts the provisions of the international agreement.

Further, the Expropriation Law, article 17(4) stipulates that the compensation measures for properties which are to be expropriated for the implementation of projects and investments pursuant to a legally ratified international agreement, are to be calculated in accordance with the provisions of the agreement, in instances when the agreement stipulates, inter alia, the manner in which compensation is to be calculated.

While the State Cadastre Agency is responsible to confirm and provide cadastral information, verify the property boundaries and the State Expropriation Agency complete the expropriation process and disburse the compensation payments with State Treasury, the HSH PIU, will be managing the RP implementation and monitoring of land acquisition and resettlement (including any transitional support for livelihood restoration or vulnerable households), and coordinate the management of grievances, by specifically:

- Strengthening the capacity of HSH PIU unit with regard to the social matters, in planning, coordination, implementation and monitoring of land acquisition and resettlement, including grievances;
- Performing consultations and ensuring that the PAPs are well-informed on the resettlement and compensation;
- Coordination with the Municipalities, State Cadastre Agency and State Agency of Expropriation, Construction Contractor and EBRD and ensuring implementation of the RP accordingly.

Project Implementation Unit (PIU) at HSH:

The PIU has overall responsibility for addressing social issues (including land acquisition) of the project, through the development and implementation of appropriate management plans (such as this RP). The PIU is also in charge of:

- Identifying land acquisition impacts and ensuring that they are being addressed in accordance with EBRD standards to achieve the aim of improved, or at least restored standards of living and/or livelihoods of affected people to pre-displacement levels.
- Communicate with the Administrative Units and other relevant stakeholder for disclosure and communication on the expropriation processes;
- Ensure the disbursement of the compensation payments to eligible PAPs is provided fully and on time.

The PIU cooperates with other relevant departments, contractor, as well as with relevant external stakeholders, including consultants and EBRD representatives. The PIU also reports to EBRD with respect to implementation of the RP.

PIU Environmental and Social Expert

While the main responsibility and accountability for overall project implementation relies on PIU, the E&S expert will be providing support on environmental and social matters, including RP implementation and taking over the grievance coordination role.

She/he will be organizing:

- the RP disclosure and stakeholder engagement activities on site;
- coordinate with the authorities involved in the expropriation process and compensation disbursement;
- contribute to monitoring RP activities and in reporting;
- act as grievance coordinator.

She/He, will be the primary interface between the Project and the person raising the grievance and part of in-house HSH grievance management team, and will:

- Receive and Record grievances in the Grievance Register;
- Investigate the grievance and suggest corrective actions in consultation with PIU Director;
- Monitor the implementation of corrective measures;
- Verify satisfactory close out of the grievance through completed documentation and confirmation from PAP, to close out the status in the grievance log;
- Initiate the External Review Process, if necessary; and
- Prepare weekly and monthly reports for PIU Management detailing the number and status of grievances and any outstanding issues to be considered.

Consultant (PIU Support)

HSH has already engaged a consultant acting as PIU Support team, supporting PIU Project Management with construction supervisory services and in Environmental and Social matters. The consultant will support PIU in the context of interim auditing/reporting and also prepare corrective action plan, as necessary. It will also provide trainings related to documenting and reporting.

The Construction Contractor:

- Is to engage with PAP through a Community/Social Officer for consultation and information purposes prior to and during construction works, and address any concerns related to access or other disturbances;
- Is responsible to assess and disburse compensation for temporary damages to private properties and assets during construction works in accordance with the provisions of the RP;
- Is responsible to perform Land Entry and Land Exit and keep records;
- Keeps record of assessment and compensation agreements related to temporary land take and damages;
- Receives grievances related to the assessment and compensation of temporary damages and prepares reports to HSH.

11.2. RP estimated budget

The total estimated budget for RP implementation is approximately **EUR 14.93 million**. The total cost and its distribution between the requirements mandated by Albanian law and the additional requirements under EBRD PR5, as outlined in the entitlement matrix (Table 26), are presented in the table below.

Table 38: Overall cost and distribution

#	Topic/Item	Compensation amount	
		ALL	EUR ³⁹
A.	Private properties (993 properties)		
A.1	Compensation for land affected area	348,275,408	3,553,831
A.2	Compensation for affected crops	76,200,170	777,553
	SUM (A)	424,475,578	4,331,383
B.	State-owned properties with private land users claiming land ownership (372 properties)		
B.1	Compensation for land affected area	316,551,102	3,230,113
B.2	Compensation for affected crops	58,426,067	596,184
	SUM (B)	374,977,169	3,826,298
C.	State-owned properties with informal land users (197 properties)		
C.1	Compensation for land affected area	n/a	n/a
C.2	Compensation for affected crops	31,804,398	324,535
	SUM (C)	31,804,398	324,535
D.	Privately owned/claimed properties not listed as affected due to cadastral map issues but identified during field survey (537 properties)		
D.1	Compensation for land affected area	121,513,315	1,239,932
D.2	Compensation for affected crops	53,509,343	546,014
	SUM (D)	175,022,658	1,785,945
E.	State-owned properties, not listed as affected due to cadastral map issues, but identified during field survey as being used by informal land users (32 properties)		
E.1	Compensation for land affected area	n/a	n/a
E.2	Compensation for affected crops	4,671,348	47,667
	SUM (E)	4,671,348	47,667
F.	Compensation of affected structures		
F.1	Compensation of Houses, moving allowance included (19 affected)	161,076,780	1,643,641
F.2	Compensation of Business, moving allowance included (21 affected)	131,487,356	1,341,708
F.3	Compensation of auxiliary structures, i.e. barns, sheds, greenhouses, wells, etc. (159 affected)	84,422,687	861,456
	SUM (F)	376,986,823	3,846,804
G.	Allowance for transitional support (including vulnerable groups)		
G.1	Assistance to vulnerable people (210 cases)	14,700,000	150,000
G.2	Additional implementation costs	16,170,000	165,000
	SUM (G)	30,870,000	315,000
H.	Transaction costs	44,100,000	450,000
	TOTAL RP IMPELEMENTATION BUDGET	1,462,907,973	14,927,632

³⁹ Exchange rate: 1 EUR = 98 ALL (the average rate for the 4th quarter of 2024)

The above categories (A-E) include:

- **Category A: Private Properties** – Include estimated compensation for land and crops on private properties affected according to the cadastral map, owned by landowners with registered land titles. Compared to the categories below, only this group of individuals is entitled to compensation under Albanian Expropriation Law.
- **Category B: State-Owned Properties with Private Land Users Claiming Ownership** – Include estimated compensation for land and crops on state-owned properties affected according to the cadastral map and used by land users claiming ownership, as identified during the field survey.
- **Category C: State-Owned Properties with Informal Land Users** – Include estimated compensation for crops on state-owned properties affected according to the cadastral map and informally used for agricultural purposes by land users (without legal rights on land), as identified during the field survey.
- **Category D: Private Properties Not Listed as Affected Due to Cadastral Map Issues but Identified During Field Survey** – Include estimated compensation for properties not marked as affected due to cadastral issues but identified as impacted during the field survey, including privately owned properties or those with land users claiming ownership.
- **Category E: State-Owned Properties Not Listed as Affected Due to Cadastral Map Issues but Identified During Field Survey as Used by Informal Land Users** – Include estimated compensation for crops on state-owned properties that were not marked as affected due to cadastral issues but were informally used for agricultural purposes by land users without legal land rights, as identified during the field survey.

11.2.1. Estimated expropriation value

This category includes the direct costs for the compensation of affected land and assets that HSH will request through the expropriation request, which will be sent to the State Expropriation Agency and approved by the DCM. The total estimated value for expropriation is **949,873,556 ALL (9,692,587 EUR)** and is comprised of:

- Compensation amount for the land of 993 private properties (as confirmed by cadastral data);
- Compensation amount for the affected crops and fruit-bearing trees (all PAPs categories, regardless of land ownership status);
- Compensation amount for the affected structures and moving allowances (all houses, businesses, and auxiliary buildings, regardless of their legal status).

Table 39: Total estimated value of expropriation

#	Topic/Item	Estimated cost	
		ALL	EUR
1	Compensation for land (category A1)	348,275,408	3,553,831
2	Compensation for crops (categories A2, B2, C2, D2, E2)	224,611,325	2,291,952
3	Compensation for the structures (categories F1, F2, F3)	376,986,823	3,846,804
4	Total Expropriation Cost	949,873,556	9,692,587

11.2.2. Estimated additional support value

In addition to compensation for the loss of land and assets, HSH shall cover transaction costs for PAPs (see [section 7.8](#)), as well as compensate the PAPs for any loss of income, provide moving allowances for physically displaced households and businesses, and assist and support vulnerable people. The total estimated amount for additional support is **74,970,000 ALL (765,000 EUR)**.

While the budget for loss of income and moving allowances will be included in the expropriation budget approved by the Decision of the Council of Ministers (DCM), the remaining costs for additional support

cannot be incorporated into this application, as they are not foreseen under the national legislation guiding the Expropriation Agency. As a result, for these support measures, HSH may either allocate funds within its own institutional budget or require the contractor to establish a dedicated fund for social support, to be used upon HSH's request.

Table 40: Total estimated value for the additional support

#	Topic/Item	Estimated cost	
		ALL	EUR
1	Transaction costs (category H)	44,100,000	450,000
2	Transitional support costs (categories G1, G2)	30,870,000	315,000
3	Total Additional Support Cost	74,970,000	765,000

11.2.3. DCM amendments estimated value

The compensation of land for Category B and Category D cannot be completed until further verification of available documentation, confirmation of land ownership, or correction of cadastral data discrepancies has been carried out. Therefore, the compensation amount for the land calculated for these categories, shall be allocated with DCM amendments. The total amount is estimated at **438,064,417 ALL (4,470,045 EUR)**.

Table 41: Estimated compensation amount for potential DCM amendments

#	Topic/Item	Estimated cost	
		ALL	EUR
1	Compensation for land (category B1)	316,551,102	3,230,113
2	Compensation for land (category D1)	121,513,315	1,239,932
3	Total amount for the DCM amendments	438,064,417	4,470,045

11.2.4. Summary of budget allocation by category

Table 42: Summary of RP Implementation budget and its distribution by category

#	Topic/Item	Estimated cost	
		ALL	EUR ⁴⁰
1	Compensation for land privately owned (status confirmed by State Cadastre Agency data)	348,275,408	3,553,831
2	Compensation for crops (all PAPs categories, regardless of land ownership status)	224,611,325	2,291,952
3	Compensation for the structures (all houses, businesses, and auxiliary buildings, regardless of their legal status)	376,986,823	3,846,804
TOTAL EXPROPRIATION COST (SUM 1)		949,873,556	9,692,587
4	Transaction costs	44,100,000	450,000
5	Transitional support costs	30,870,000	315,000
TOTAL ADDITIONAL SUPPORT COST (SUM 2)		74,970,000	765,000
6	Compensation for state land with private claims and privately owned/claimed properties that remain unaffected due to cadastral issues.	438,064,417	4,470,045
TOTAL AMOUNT FOR DCM AMENDMENTS (SUM 3)		438,064,417	4,470,045
TOTAL RP IMPLEMENTATION BUDGET (SUM 1+2+3)		1,462,907,973	14,927,632

⁴⁰ Exchange rate: 1 EUR = 98 ALL (the average rate for the 4th quarter of 2024)

11.3. RP schedule

The RP schedule with key activities and tentative schedule is presented at the table below:

Table 43: RP implementation schedule

Components	Timeline – Months													
	01	02	03	04	05	06	07	08	09	10	11	12	13	14
Land Acquisition and Resettlement Plan (RP)														
Consult and agree the RP document and Compensation Matrix with EBRD and Authorities														
Update RP, including LRP if required														
Conduct training with relevant staff and conduct stakeholder engagement. Initiate the Expropriation Process														
Voluntary Agreements signed upon the Disclosure of RP														
Payment Compensation Delivery of transition support to vulnerable households, Delivery of livelihood restoration measures if required, Implementation of grievance management process														
Stake-Out and Land Entry to the properties that have not yet been accessed														
Ongoing consultation and engagement with PAPs and key stakeholders. Ongoing implementation of grievance process. Ongoing update of RP (throughout Construction) These activities will occur throughout the life of the RP implementation														

The RP schedule should be integrated with overall project design and construction schedules in order to ensure that sufficient time is provided for consultation and agreement with affected households. All compensation should be paid in advance of construction activities and the livelihood measures and additional assistance are fully designed and ready to be implemented.

The RP schedule will be updated throughout the RP process and Project lifetime.

12. Annexes

Annex 1 – Template of the field surveys questionnaires form

Annex 2 – Statement “Grant of consent for the use of personal data”

Annex 3 – Poster, Brochure and Q&A

Annex 4 – Minutes of meetings during the initial consultations

Annex 5 – List of structures located on the verge of the project's intervention area

**Annex 6 – Section A: Map of the project outline overlaid on the cadastral map
 Section B: Preliminary list of the affected properties**

Annex 7 – Indicative map showing the layout of property boundaries based on the field survey, compared to those in the cadastral map.

Annex 8 – Estimated compensation amounts for landowners and land users for the loss of land and crops on properties affected according to the cadastral map

Annex 9 – Estimated compensation amounts for landowners and land users for the loss of land and crops on properties not listed as affected due to cadastral map issues but identified as affected during the field survey

Annex 10 – Inventory of perennial crops, annual crops, and ornamental trees affected by the project on properties registered as private, based on data from the cadastral records

Annex 11 – Detailed description and valuation for the compensation of affected structures

Annex 12 – List of affected properties registered as forest or pasture

Annex 13 – Detailed Urban Land Valuation Report

Annex 14 – Letters obtained from third party institutions