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Western Balkans Investment Framework Infrastructure Project Facility Technical Assistance 11 (IPF 11)

AA-010358

WBEC-ALB-TRA-01 Electrification of the railway line Durres – Tirana PTT – Tirana CCS and link to Tirana Airport

Land Acquisition and Livelihood Restoration Plan – Addendum covering electrification of the railway line

*) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

COWI | IPF11
In consortium with CeSTRA, GOPA, Detecon, TRENECON

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

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CONTENTS

Tables

Figures

ABBREVIATIONS

Abbreviation	Title
ALT	Additional Land Take
CCS	City Centre Station
CW	Contact Wire
DCM	Decision of Council of Ministries
EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ESA	Environmental and Social Assessment
ESIA	Environmental and Social Impact Assessment
EU	European Union
GLP	General Local Plan
GM	Grievance Mechanism
HSH	Albanian Railways (Hekurudha Shqiptare)
HH	Households
IFI	International Financial Institution
IPA	Instrument for Pre-accession Assistance
IPF	Infrastructure Project Facility
LALRP	Land Acquisition and Livelihood Restoration Plan
MIE	Ministry of Infrastructure and Energy
MTE	Ministry of Tourism and Environment
MW	Messenger Wire
NEA	National Environmental Agency
OCL	Overhead Contact Line
PAP	Project Affected Parties
PIU	Project Implementation Unit
PTT	Public Transport Terminal
PR	Performance Requirements
SCA	State Cadastral Agency
SCADA	Supervisory Control and Data Acquisition
SPN	Sectioning Post with Neutral Section
TIA	Tirana International Airport
TEN-T	Trans-European Transport Network
TPS	Traction Power Substation
WBIF	Western Balkans Investment Framework

Introduction

The present LALRP Addendum Report supplements the previously developed and approved Land Acquisition and Livelihood Restoration Plan[1] document prepared by Albanian Railways for the Rehabilitation of the existing railway line Durres-Tirana and construction of a new railway line from Tirana PTT to Rinas airport, which was approved by the EBRD in September 2022 and the Addendum Land Acquisition and Livelihood Restoration Plan for Albanian Railways Stations Building[2] (March 2023).

This document aims to assess and address all impacts related to land acquisition in conformance with:

- The laws and regulations in force in Albania,
- EBRD's Environmental and Social Policy 2019[3], particularly Performance Requirement (PR) 5: 'Land Acquisition, Restrictions on Land Use and Involuntary Resettlement'.

Following approval, parts of the present LALRP Addendum will be translated into Albanian and publicly disclosed to the broader public to enable local communities to be fully informed about the potential impacts and mitigation measures. HSH will disseminate such information and provide explanations of the mechanisms and procedures, as well as the overall process of the compensation program.

[1] Annex 2

[2] Annex 4

[3] https://www.ebrd.com/home/news-and-events/publications/institutional-documents/environmental-and-social-policy-2019.html#

1 Project and Assignment description

1.1 Project background

Durres-Tirana PTT and link to Tirana Airport railway line forms part of Pan European Corridor VIII that will link southern Italy with the east coast of Bulgaria on the Black Sea (see Figure 1). The corridor comprises both road and rail links as well as the ferry crossing from Italy to Durres.

Figure 1 Pan European Corridor VIII and Project scope

The length of the section considered for this assignment is approximately 34.7 km for the reconstruction of the Tirana PTT - Durres railway line and approximately 7.4 km for the construction of the new railway line Tirana PTT – Rinas airport.

The Tirana – Durres line is at present the busiest section of the Albanian railway network, providing a connection between the capital city and Durres, Albania's second largest city, as well as with the port of Durres, a major maritime gateway, and lies along relatively flat topography, with hilly regions located in the wider Vorë area and in Rrashbull.

The existing Durres — Tirana railway infrastructure was in very poor condition, resulting in very slow operating speeds. Signalling was almost non-existent or obsolete. The line was modernised in 1997 by means of concrete sleepers and welded rail, but currently, a 60kph limit is in place imposed by poor track conditions and frequent unauthorised level crossings. All of this resulted in the poor and irregular railway service, and low attractiveness of the railway connection between the city and the port of Durres, especially after the abolishment of the Tirana Central Railway Station (2013).

In 2016, EBRD provided a sovereign loan of 36.78 million EUR to fund the project of the rehabilitation of the Tirana PTT - Durres railway line (34.7km) and the construction of a new railway line, Tirana PTT - Rinas airport (7.4km). The loan was amended several times since 2016, including rehabilitation of the existing railway line Durres-Tirana Public Transport Terminal (PTT) and construction of a new railway line from Tirana PTT to Tirana International Airport.

The railway line starts at Durres, in the close vicinity to the coastline. The shortest distance between the railway line and the coast amounts to 420 meters, at which point the railway line is at 2.7 meters a.s.l. The railway line segment Durres – Tirana PTT – Rinas Airport consists of:

- Seven railway stations at Durres, Shkozet, Sukth, Vorë, Rinas (Tirana Airport), Kashar and Tirana PTT
- about 34 km of single open track between Durres and Tirana PTT
- the Domje junction and Epoka stop
- the new railway connection from the Domje junction to Rinas Airport (appx. 7 km long).

The railway line stretches from Durres to Tirana as indicated in the figure below.

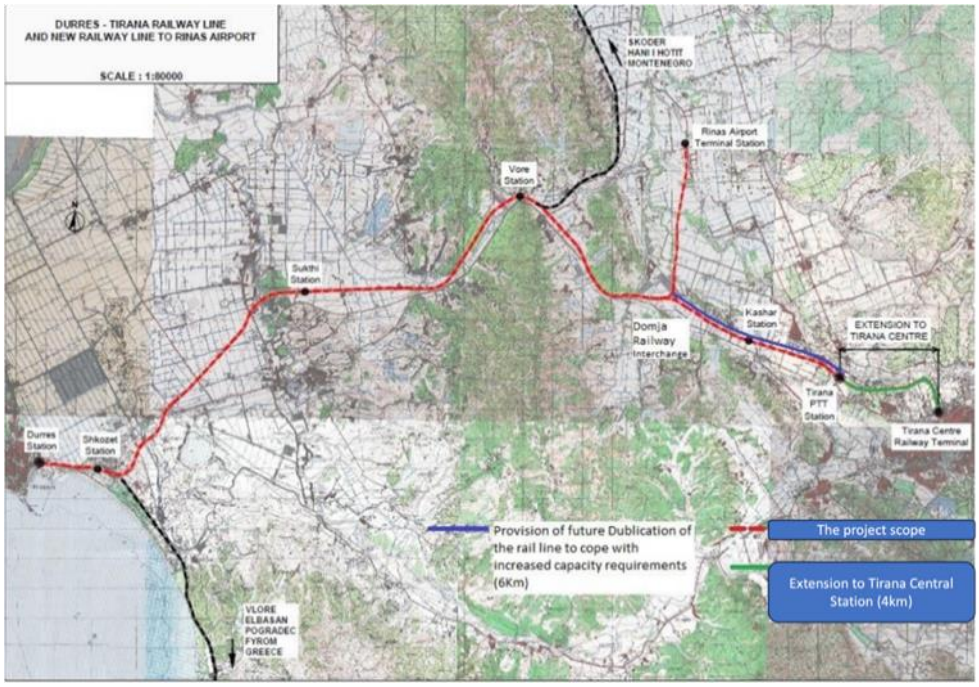

Figure 2 Project area layout

The loan and planned segments implementation cover the region with a population of 1,076,000, i.e. 37% of the country's population, which generates 49% of the GDP. Rehabilitation will allow for speeds of 100-120km/h, and contemporary signalling and telecommunication systems will be installed. The connection of the main line with Rinas airport will have similar standards. The alignment includes an intermodal Public Transport Terminal (PTT) developed in the vicinity of the Mezez Fushe area, at about 4 km from the city centre, that will serve all public transport modes (intercity/suburban railway, maybe tram as in FS, buses, and taxis). According to the initial scope, traction was planned to rely on diesel engines, with no electrification installed.

Figure 3 Overview of the railway alignment

1.2 Overall Project Staging Framework

The project, forming part of Pan-European Corridor VIII, is implemented through three interrelated but contractually and temporally distinct stages:

- **Stage 1 – Railway Alignment (Reconstruction and New Line Works)**

Rehabilitation of the existing railway line between Durrës and Tirana PTT and construction of the new link to Tirana International Airport, including track, civil works, bridges/culverts, earthworks, drainage, foundations for OCL, and signalling and telecommunications systems.

- **Stage 2 – Railway Stations and Public Transport Terminal**

Construction of station buildings and passenger-related facilities at defined locations (Durres, Shkozet, Sukth, Vorë, Kashar, Tirana PTT, Epoka stop and Rinas).

- **Stage 3 – Railway Electrification**

Design and installation of the Overhead Contact Line (OCL) system and traction power supply (substations, feeder stations, return circuits), enabling electric traction along the entire corridor.

1.3 LALRP Framework, Reference Documentation, and Stage-Based Scope

1.3.1 Reference Studies and Documentation

Due to the complexity of the Project, its phased implementation, and the long preparation period, a number of studies and planning documents have been prepared since 2016. These documents form the technical, environmental, and social basis for preparation of this LALRP Addendum and the overall land acquisition and livelihood restoration framework for the Project.

The key reference documents considered are:

- Land Acquisition Framework (November 2016), prepared within *Detailed Design of railway line Durres–Tirana PTT and new connection to Rinas Airport and financial/economic appraisal of the whole Albanian Railway Network*
- Land Acquisition and Livelihood Restoration Plan (September 2022), addressing impacts caused by railway alignment works on Segment 1, prepared by HSH (Annex 2)
- Addendum to Land Acquisition and Livelihood Restoration Plan (March 2023), addressing impacts caused by construction of railway stations on Segment 1 (including stops), prepared by an external consultant funded by EBRD (Annex 4)
- Stakeholder Engagement Plan (September 2016)
- In-depth Environmental Impact Assessment (February 2021), prepared within *Railway Line Durres–Tirana, the Public Transport Terminal (PTT) and the new railway line to Rinas Airport*
- Detailed Design for the rehabilitation of Railway line Durres–PTT Tirana and new railway connection to Rinas Airport – Overhead Contact Line (January 2022)
- Preliminary (Tender) Design for the Electrification Sub-system (including SCADA for the entire network) for the Vorë–Hani i Hotit Railway Line (April 2023)
- Preliminary Design Electrification of the railway line Durres–Tirana PTT and link to Tirana Airport (June 2024), prepared within Assignment WBEC-ALB-TRA-01

1.3.2 LALRP Architecture and Relationship to Project Stages

The LALRP is conceived as a **phased and modular instrument**, reflecting the staged implementation of the Project. It consists of:

- Core LALRP (Annex 2) – covering Stage 1 impacts
- LALRP Addendum for Stations (Annex 4) – covering Stage 2 impacts
- LALRP Addendum for Electrification (this document) – covering Stage 3 impacts

Together, these documents form **one integrated LALRP system**, ensuring consistency of principles, eligibility criteria, entitlements, valuation methodology, compensation procedures, livelihood restoration measures, and grievance redress mechanisms across all Project stages.

Each addendum supplements, but does not replace, the Core LALRP and addresses only **new or incremental impacts** introduced by subsequent stages.

Table 1 Summary of project stages and LALRP Components

Project Stage	Main Physical Scope	Key Reference Studies / Documentation	Corresponding LALRP Component	LALRP Coverage Focus
Strategic / Preparatory Phase (2016)	Corridor definition, conceptual and detailed design, financial/economic appraisal	Land Acquisition Framework (Nov 2016)	Land Acquisition Framework (LAF)	Defines policy principles, eligibility, entitlements, valuation approaches, institutional roles, and grievance mechanisms applicable to all subsequent LALRP instruments
Stage 1 – Railway Alignment (Rehabilitation and New Line Construction)	Rehabilitation of Durres–Tirana PTT line; construction of new line to Rinas Airport; earthworks, structures, track, foundations for OCL, signalling and telecom	In-depth EIA (Feb 2021)	Land Acquisition and Livelihood Restoration Plan – Sept 2022 (Annex 2)	Permanent and temporary land acquisition; loss of assets and crops; physical and economic displacement; livelihood restoration related to railway alignment and new track
		Stakeholder Engagement Plan (Sept 2016)	(Applies to all LALRP components)	Stakeholder identification, disclosure, consultation, and grievance redress
Stage 2 – Railway Stations and Stops	Station buildings, platforms, access roads, forecourts, parking, intermodal areas	Addendum to LALRP – March 2023 (Annex 4)	LALRP Addendum – Stations	Additional land acquisition and livelihood impacts associated with station footprints and associated facilities

1.4 Project scope

The electrification of the railway line is in line with the strategic decision of the government of Albania to electrify the railway network in compliance with the priorities set for the TEN-T network (i.e. electrification of the railway network by 2030).

The railway line will be electrified with an Overhead Contact Line of catenary type consisting of a Contact Wire (CW) and a Messenger Wire (MW) designed for speeds of up to 120 km/h. The Overhead Contact Line follows the railway alignment, with pillars being placed along the railway line on the foundations already constructed within the railway alignment construction phase.

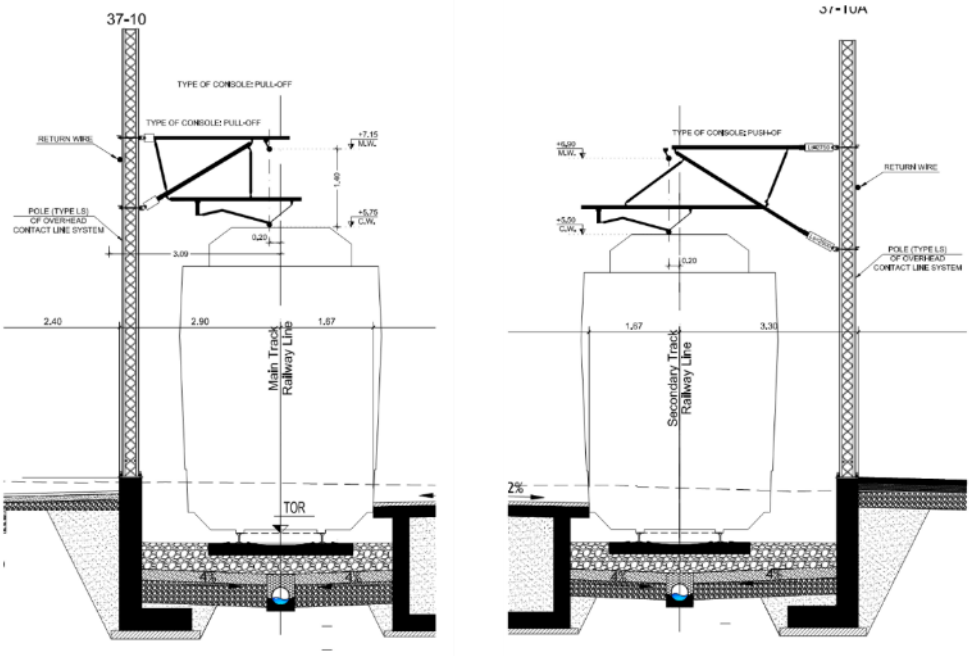

Figure 4 Standard cross-section of the OCL

Traction Power will be obtained from the National High Voltage grid (110 kV) through two Traction Power Substations (TPS) 110/25 kV, 50Hz, and one Sectioning Post with Neutral Section. The two TPS 110/25 kV will be developed through expansion of the existing 110/20 kV electric substations, while the SPN facility will be developed separately on the location envisaged by the technical documentation (Figure 5). These include:

- Traction Power Substation (TPS) "Sallmone" located a few kilometres before the Sukthi railway station (approximately km 8+400);
- Sectioning Post with Neutral Section (SPN) "Vore" around km 18. This Neutral Section separates the feeding zones of TPS "Sallmone" and TPS "Kashar";
- Traction Power Substation (TPS) "Kashar" around km 32, a few kilometres after the Kashar railway station

Part of the Assignment is the SCADA system, a production process control and scheduling automation system which is based on computers. It can monitor and control the running equipment on the spot. The SCADA system consists of a set of devices, equipment, software, and connections able to control, monitor and diagnose the Electric Traction Power installations and the Overhead Catenary System.

The overall layout of the railway line, stations and TPS facilities is provided in the figure below.

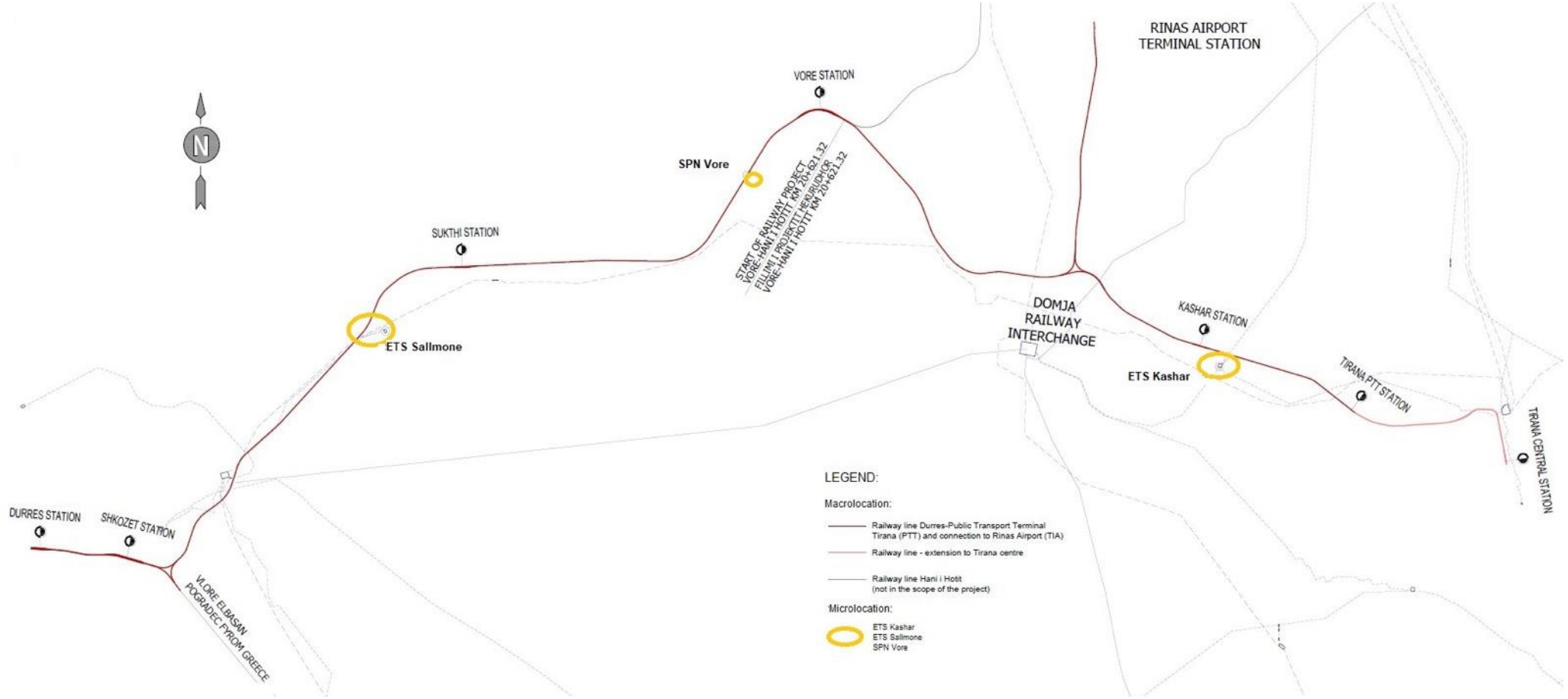

Figure 5 Overall layout

1.5 Subject of the LALRP addendum

This LARP addendum document covers only land acquisition, land use restrictions, and livelihood impacts newly triggered by the electrification of the railway line (Stage 3) as described below. It does not reopen or reassess impacts that were previously identified, compensated, and finalised under earlier project stages.

The installation of the OCL network along the railway alignment, does not result in new land acquisition or access restrictions as the pole foundations and associated underground works were constructed during the railway alignment works (Stage 1). All land acquisition and compensation related to these works were addressed through the Land Acquisition and Livelihood Restoration Plan (September 2022). Consequently, the installation of the OCL equipment itself does not trigger additional land take, land use restrictions, or economic displacement.

In contrast, the construction of electric traction facilities (traction power substations and sectioning post), and the associated connection infrastructure, introduces new land acquisition and temporary land use impacts that were not covered under previous LALRP instruments. These new impacts are the subject of this Addendum and are summarised below.

> .

TPS "Sallmone" – The Traction Power Substation (TPS) Sallmone is planned adjacent to the existing national grid substation and requires new permanent land acquisition affecting 8 land plots already partly occupied by the existing national grid substation. In addition, the connection between the TPS and OCL of the railway line requires installation of overhead cables supported by **6 lattice poles**, resulting in impacts on **4 additional land plots**. These impacts are **new and specific to the electrification stage**.In total, **12 land plots** are affected in the Sallmone area, all located within **Cadastral Zone No. 3255**, administered by the Durres Cadastral Office. The total land area required is approximately **800 m²**, comprising approximately **677 m²** for the TPS footprint and **123 m²** for pole foundations.

TPS "Kashar" - The TPS Kashar facility is planned next to the existing national grid substation and requires new permanent land acquisition affecting 3 land properties. The connection between the TPS and the railway OCL system will be realised through an underground cable routed along an existing public road, resulting primarily in temporary land occupation and access restrictions.

Total land area associated with TPS Kashar and cable routing is approximately 1445 m^2 (expansion of TPS – cca 950 m^2, and cable routing – cca 495 m^2) and corresponds to temporary impacts related to cable installation. These impacts are new and have not been previously compensated.

SPN „Vore" - The area required for the construction of the SPN Vore facility is approximately 295 m^2 of land and affects **2 private properties.** These impacts are **entirely new** and were not covered by earlier project phases.

A detailed parcel-level overview of all newly affected land plots, impact types, and areas is provided in **Annex 1**. Only impacts identified as new under Stage 3 are

included in this Addendum; all previously compensated impacts remain governed by earlier approved LALRP documents.

1.6 Project alternatives considered within the Assignment

Within the scope of this Assignment, alternatives were considered exclusively in relation to the location and configuration of the electrification-related traction power facilities (TPS and SPN). The alignment of the Overhead Contact Line (OCL) follows the existing railway alignment currently under construction, using foundations constructed during Stage 1 works, and therefore no alternatives were considered for the OCL alignment itself. Similarly, the location of the SCADA system is pre-determined by the Preliminary Design for the reconstruction of the Vorë–Hani i Hotit railway line.

Several alternatives were considered for the location of the new TPS and SPN facilities. OCL follows the existing railway alignment under construction and set of foundations within the alignment, and the location of SCADA is pre-determined by the Preliminary Design for the reconstruction of Vorë-Hani I Hotit railway line.

The sectioning scheme provided within the Detailed Design (DD) for the rehabilitation of the Railway line Durres-Public Transport Terminal Tirana (PTT) and the new railway connection to Rinas Airport (TIA) – Overhead Contact Line volume, defines the following TPS and SP/SPNs:

- One Traction Power Substation (TPS) Sallmone few kilometres before the Sukthi railway station (cca km 8+400);
- One Sectioning Post with Neutral Section (SPN) at around km 18. This Neutral Section separates the feeding zones of TPS "Sallmone" and TPS "Kashar".

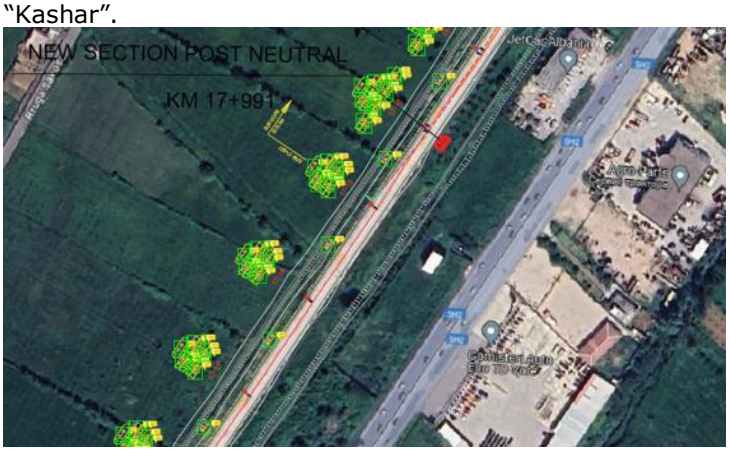

Figure 6 SPN separates the feeding zones of TPS "Sallmone" and TPS "Kashar"

- One Traction Power Substation (TPS) "Kashar" at around km 32, a few kilometres after the Kashar railway station.

The alternatives considered are:

- **Alternative Zero**: Do nothing. The diesel-hauled railway negatively affects the air, water, soil, and ecosystems.

- **Alternative 1**: Placing the 110 kV plant for the new TPS next to the existing 110/20 kV Kashar electric substation and 110/20 kV Sallmone electric substation. The facility where the 25kV equipment is located is next to the 110 kV plant, with the connecting cable route going underground/overhead from that location to the pole of the contact network, where we connect it to the OCL.

The presentation of the existing facility, part of the newly designed facility and the newly designed route are shown in the pictures below.

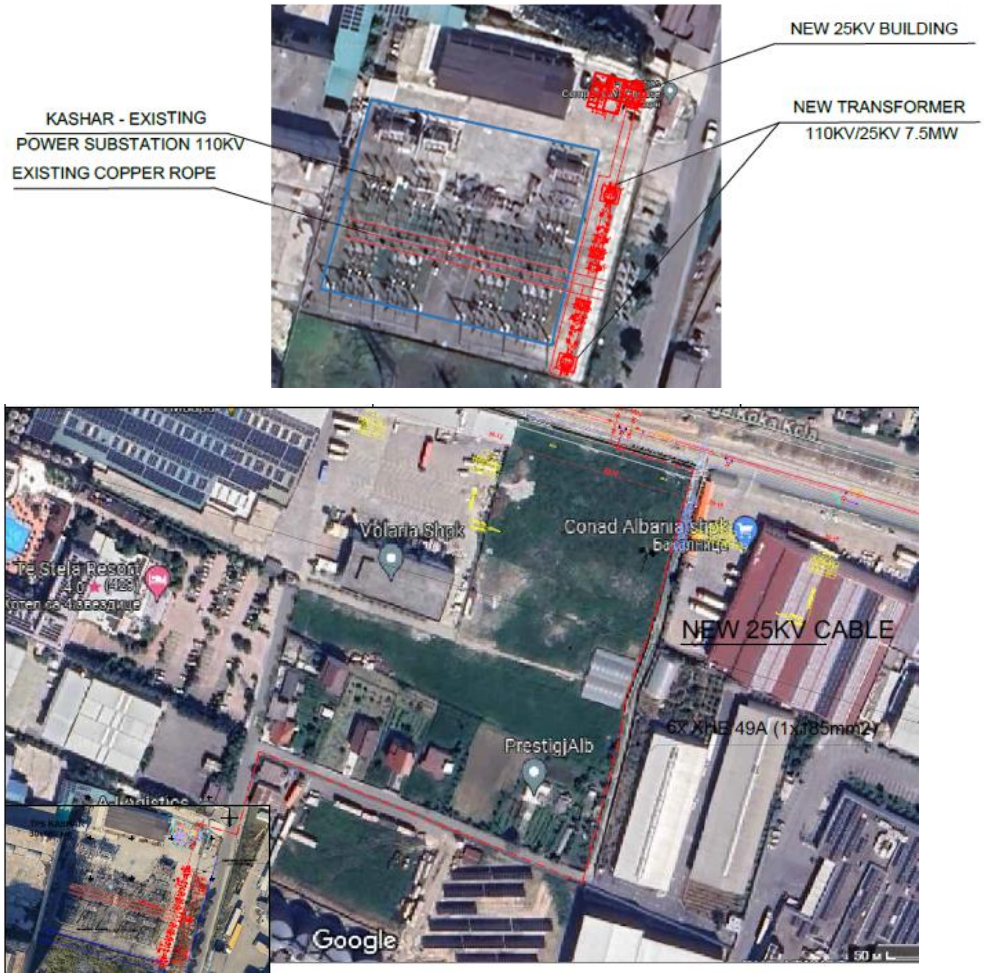

Figure 7 Alternative 1 New transformer 110kV/25kV and new 25kV inside the boundaries of existing power substation Kashar

Figure 8 Alternative 1 New transformer 110kV/25kV and new 25kV next to existing power substation Sallmone

- **Alternative 2**: Placing the 110 kV plant for the new TPS within the existing 110/20 kV Kashar electric substation and 110/20 kV Sallmone electric substation. The facility where the 25kV equipment is located is next to the railway alignment.

Figure 9 Alternative 2 New transformer 110kV/25kV inside the boundaries of existing power substation Kashar and new 25kV facility near the railroad

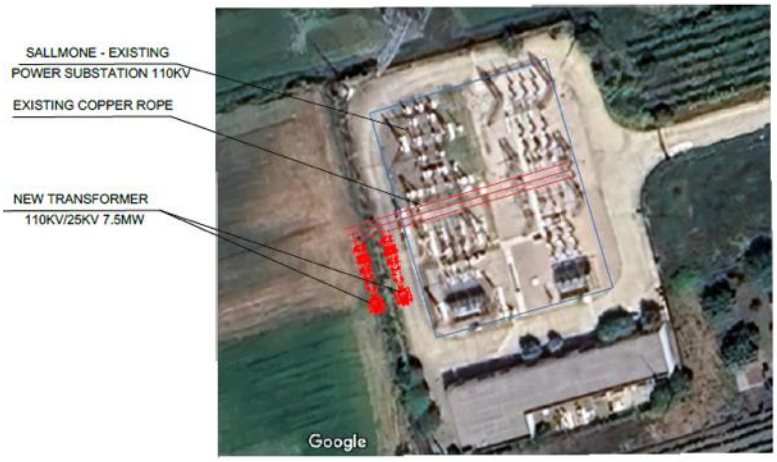

Figure 10 Alternative 2 New transformer 110kV/25kV inside the boundaries of existing power substation Sallmone and new 25kV facility near the railroad

Therefore, in both options, location of the 110 kV part is the same, difference is made in relation to the location of the facility for accommodation of 25 kV equipment.

Alternative 1 is considered less invasive than Alternative 2. Within Alternative 1, the existing power substations 110 kV "Kashar" and "Sallmone" are expanded, the 110 kV plant and the 25 kV facility remain within the boundaries of the existing transformer substations, connected with the railway through a 25kV underground cable. Alternative 1, being constructed mostly within the existing transformer substation, has minimal negative impacts from the construction and operation of the facility.

Alternative 2, in which a 25 kV facility will be constructed in the vicinity of the railway, would have a slightly higher negative impact on air, soil, water and noise during the construction and operation phase, occupying the land not previously being occupied and potentially not being polluted.

Based on these and other technical criteria, as well as based on the discussion with HSH and OST representatives, **Alternative 1** has been chosen as the preferred one. This alternative has been used as the basis in the preparation of the national EIA and during its procedure, in accordance with national legal requirements. The procedure includes broader discussion with external stakeholders (see Annex 5 and list below).

In the procedure of the preliminary impact assessment, the following interested parties were consulted:

- The Directorate of Circular Economy
- The Directorate of Climate Change
- The Directorate of Nature and Forests
- The National Agency for Protected Areas
- The Ministry of Infrastructure and Energy
- The Municipality of Tirana
- The Regional Environment Agency.

Engagement with affected landowners, land users, and the State Cadastre Agency is addressed separately under the LALRP preparation process and is described in Chapters 2 and 4 of this document.
For further stakeholder engagement activities related to land acquisition and resettlement, reference is made to Section 4.2.
For further stakeholder engagement activities please refer to Section 4.2 of this document.

1.7 Purpose of this document

For the phases currently under construction, and/or tendering process (civil works, including foundations for OCL and signalling and telecommunication) LALRP process has been conducted and completed, in accordance with both national legislation and EBRD ESP 2019 and PR5 requirements, resulting with the LALRP for Railway Line Durres – Tirana Public Terminal of Transport (PTT) and new Railway Line to the International Airport Mother Teresa (September 2022), which is further referred to as "the existing LALRP".

The present LALRP Addendum is based on the Preliminary Design for the electrification of the railway line Durres–Tirana Public Transport Terminal (PTT) and

link to Tirana International Airport (June 2024), prepared within Assignment WBEC-ALB-TRA-01. At the time of preparation of this Addendum, the electrification works are planned to be procured under a design-and-build (FIDIC Yellow Book) contract, under which the Contractor will develop the final detailed design prior to construction.

In order to manage potential changes between the preliminary and final design, Albanian Railways will require the Contractor to review, verify and, where necessary, update this LALRP Addendum based on the approved final detailed design. Any additional or modified land acquisition or livelihood impacts identified at that stage shall be reflected through an updated Inventory of Losses and corresponding compensation and assistance measures, in accordance with the established LALRP framework, prior to finalisation of the expropriation process and commencement of any works affecting land or assets.

This LALRP Addendum Report has been prepared in close coordination with other relevant deliverables developed under Assignment WBEC-ALB-TRA-01, including:

- Design Review Report – covering the review of Overhead Contact Line volume "Detailed Design for Durres-Public Transport Terminal Tirana (PTT) and new railway connection to Rinas Airport (TIA)" – developed under separate assignment;
- Preliminary (Tender) Design for the electrification sub-system (including SCADA) – developed within this Assignment
- Green assessment reports – developed within this Assignment.

2 Land Acquisition and Resettlement Planning

2.1 Introduction to LALRP addendum

In addressing the Land acquisition and resettlement impacts caused by the electrification of the railway line Durres–Tirana PTT and link to Tirana Airport, this addendum to the LALRP applies the principles, processes and requirements defined in the LALRP document for the Rehabilitation of the existing railway line Durres-Tirana and Construction of a new railway line from Tirana PTT to Rinas airport. The development of this document is based on the existing preliminary project design, aerial imagery and maps, parcels and ownership data confirmed from the State Cadastre Agency and field surveys conducted by the Consultant. This document may need to be updated following the finalisation of the detailed design, by reflecting any potential design change which may result in an increase/decrease of impact on land and assets.

2.2 Approach and principles

The development of this addendum to the LALRP has been guided by EBRD PR5 and EBRD PR10.

The general principles and procedures of land acquisition (permanent or temporary) and all other adverse social impacts caused by Project implementation in any of its phases (like physical resettlement, economic displacement, etc.) are those provided in the LALRP document for the railway line.

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

The mitigation of economic displacement will be considered complete when affected persons or communities have received compensation at replacement costs and other assistance, if applicable, according to the requirements of the LALRP, Albanian law, and the international standards, and are deemed to have been provided with adequate opportunity to re-establish their livelihoods.

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

- Development of the LALRP and approval by EBRD;
- Disclosure of at least a summary of this LALRP to the public, clearly explaining entitlements and types of impacts;
- Full implementation of the compensation program showing differences between national and EBRD PR5 requirements;
- External monitoring is in place.

The LALRP is a 'live document' which will be updated over time as needed.

2.3 Methodology

2.3.1 Identification of stakeholders

Stakeholders were identified based on the review of Substations Footprint, potential impacts and processes and legal framework in place to address these impacts. Consultative meetings were held with HSH and Local Authorities. Formal communication between HSH and the National Cadastre Agency was conducted to collect property and ownership data for affected land parcels and structures.

Further, the identified project-affected persons are informed about the project and interviewed to collect data on their socio-economic conditions and verification of affected assets.

2.3.2 Consultations held

As part of the LALRP development, communication and information sharing between the HSH and the State Cadastre Agency (SCA) were carried out.

With the receipt of necessary ownership and property data from SCA, HSH PIU prepares expropriation layouts for each of the three locations, followed by field verifications to confirm the impact on land and property. Further, the Consultant has undertaken the socio-economic and asset inventory surveys data of the affected households and land parcels.

Together with data collection, the objectives of these consultations were to create awareness on the part of the stakeholders on the project concepts, the likely impacts regarding land, assets, economic and social aspects, the Project schedule of related activities and the standards and requirements of the funding institution (EBRD) and governing agency.

2.3.3 Social and Economic Assessment

In order to fully assess the impact resulting from land acquisition, a socio-economic and asset survey is carried out on the households identified to be affected by project activities for two traction substations and SPN, using a structured questionnaire. Qualitative and quantitative information on the households' socio-economic situation and asset data were collected and analysed, to support determining the magnitude of land and social impacts generated from the project.

2.3.4 Land Acquisition and Resettlement Assessment, Entitlement and Compensation

A potential Land Acquisition impact was initially defined in reference to the project design and Cadastral and ownership data provided from the State Cadastre Agency. A register of the affected land parcels and the respective impacted areas, and the landowners' names as recorded in the cadastral books, was developed to facilitate

the field surveys. Then, 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 the compensation values study.

Market values and then the full replacement value of the affected properties is calculated using the unit rates as per the existing LALRP, which have been recently developed and agreed amongst the stakeholders (EBRD, HSH, Ministry of Infrastructures and SEA), as well as new rates applied for new areas (i.e. Sallmone of Shijak Municipality) by a licensed assessor. The compensation study, together with the registry of affected properties, respective impacted areas and data from field surveys, is utilised to define the exact scale of the project impact.

The present assessment is based on the approved preliminary design for the electrification works. Should the final detailed design introduce changes to the project footprint, the Inventory of Losses and compensation assessment will be updated accordingly, in line with the procedures defined in this LALRP Addendum.

Implementation of the Land Acquisition and Resettlement Plan shall be completed prior to the construction bidding processes to ensure timely payments of compensation entitlements.

2.3.5 Potential Impacts to Businesses

Businesses within or in the vicinity of the Project Footprint may incur income or job losses due to relocation or temporary disruptions from Project activities. A list of these businesses and respective losses is developed following the completion of Socio-Economic and Asset Surveys.

Compensation for business-related losses due to temporary/permanent relocation or access restriction, in addition to the compensation at full replacement value for structures and relocation costs, includes lease compensation for a period of 3 months, as transitional support (during this period, they could find other places to rent for their businesses).

Businesses losing only part of their land will be provided with monetary compensation at full replacement cost for land, loss of net income incurred as a result of the Project and any damages caused by construction activities.

2.3.6 Impacts on Public and Community Structures

Similar to residential structures, compensation shall be made at replacement costs for removal and/or replacement of the public utilities' features. A pre-construction survey shall be conducted by the Construction Contractor to identify the Public and Community Utilities that might be impacted by the project. Measures shall be reflected in the 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 to the commencement of construction, and the relevant authorities will be consulted. Any prior measures, such as relocation of these utilities, will need to be completed prior to any construction works to avoid service disruption. Based on previous similar infrastructure projects, 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.

2.3.7 Disclosure planned

Following approval, parts of the present LALRP Addendum will be translated into Albanian and publicly disclosed to the broader public to enable local communities to be fully informed about the potential impacts, benefits and compensation packages offered, as well as other mitigation measures. HSH will disseminate such information and provide explanations of the mechanisms and procedures, including how this LALRP Addendum will inform any additional expropriation requests to be prepared by HSH under national legislation, and how entitlements and compensation will be determined in accordance with both national requirements and EBRD Performance Requirement 5.

In particular, affected persons will be informed that, while expropriation decisions are issued in accordance with national legal procedures, this LALRP Addendum establishes additional project-specific entitlements and assistance measures required to meet EBRD standards, including provision of compensation at full replacement cost, transitional and livelihood restoration assistance, and, where applicable, in-kind compensation options. Any gaps between national compensation provisions and EBRD requirements will be addressed through supplementary measures defined in this LALRP Addendum and financed by the Project.

A Project specific Grievance Mechanism (GM) is already established by HSH as part of the existing LALRP. The LALRP Addendum will also be treated as an official public document and must be made available to the public via accessible means and channels.

2.3.8 Cut-off Date (CoD)

The Socio-Economic and Asset survey was performed during September and the beginning of October 2025. The cut-off date is established as 10.10.2025, which is the completion date of the asset surveys.

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 a long gap (12 months as per EBRD guidance) appears between the approval date of the LALRP Addendum and its implementation, HSH will update or conduct validation of the LALRP Addendum prior to its implementation, as necessary, to accommodate the factual and/or additional affected assets.

2.3.9 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 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 LALRP regarding 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 an 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. Contractor will be covering the cost of additional land use (temporary or permanent and all the damages and re-instatement) in line with LARP and entitlement matrix. Contractor will need to have a grievance mechanism in place for affected landowners and land users.

2.3.10 Land entry and land exit

Prior to entering the land, the Construction Contractor shall perform a Stake-out process based on the Project design and will sign a Land Entry Form with the landowners/users to confirm that the affected land area and affected assets are affected according to the expropriation list.

The Construction Contractor shall inform HSH if any additional asset is recorded within the affected land area and are not in the expropriation lists. HSH will investigate the existence of the asset prior to the cut-off date using the aerial maps and photographic records taken during the asset inventory survey. The Contractor will consider any additional documentation provided by the affected owners that confirms the date of the newly registered asset/structure. If the existence of the additional asset at the cut-off date is confirmed, the Contractor shall restore the affected assets after completing the construction works. If the asset cannot be restored, HSH shall compensate the asset owner using the contingency budget and the compensation rates defined in the LALRP Addendum. No compensation will be provided for new development after the cut-off date.

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

In the case of agricultural land, the Land Entry serves to record the baseline of the land quality/productivity and irrigation/drainage system, which, upon construction completion, shall be restored to the pre-project level. The process should be accompanied by 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 Legal requirements

The policy and legal framework of the Project is based both on the national legislation related to Land Acquisition and Resettlement and International Standards, applicable to the Project, the EBRD Environmental Social Policy (2019) and Performance Requirements. The National Legislation and the EBRD Performance Requirements, with importance in the land-related processes, have been fully described in the existing LALRP document, together with the gap analysis between the national framework and the EBRD PRs.

3.1 Key national regulations and guidelines related to land acquisition and resettlement

The key law regulating the expropriation and governing the land acquisition process for the Project is Law 8561/1999 on "Expropriation and Temporary Takings of Private Property for a Public Interest", as amended (Expropriation Law). This Law is complemented by several Decisions of the Council of Ministers (DCM), guidelines and regulations, including:

- DCM 127/2000 on the "Content and procedures of introducing the request and or initial announcement of expropriation and temporary takings of private property for a public interest";
- DCM 138/2000 on "The technical criteria for the assessment and calculation of the compensation amount for private properties that are going to be expropriated for a public interest, of properties that are devaluated and of the rights of the third parties" as amended;
- DCM 257/2007) on "The criteria and procedures for the physical compensation with state properties of expropriated subjects, in special cases";
- Guideline No.1 (Oct.05.2000) on the "Technical criteria to calculate the value of the fruit trees that are being expropriated for public interest, in the cases when indicators of declared purchase are missing"

Expropriation Law regulates expropriated or temporarily occupied properties (land and structures), in the public interest for activities that cannot be realised in any other way and which bring greater benefit to the public. The law provides compensation in such cases, and even when the land is temporarily occupied. Only registered properties and formal legal owners of the properties are entitled to benefit from the law. No provision applies to unregistered properties. Furthermore, the Expropriation law does not provide for any resettlement regime.

DCM 138/2000 regulates the compensation issues. Properties are categorised as Category 1: Construction objects (a-residential structures; and b-any other structures, rather than residential (warehouse, shops, etc.); Category 2: Agriculture land; Category 3: Construction land. For (a) residential structures, the valuation is set as the average of sales and purchases, as determined by the State Cadastre Agency (SCA), or in case such information is not available, the valuation is to be made based on the building costs, using the prices as provided by the National Entity

of Residences. Another method that can be used for evaluating the industrial or agricultural objects is through the method of building cost.

The compensation price for agricultural land, loss of income and damage to structures is based on the DCM No. 89, dated 03.02.2016, "On the approval of the land map values in the Republic of Albania".

Law 9317/2004, on the "Railway Code of the Republic of Albania", as amended, provides for the limitations of constructions on both sides of the railway. According to Article 18, it is forbidden to construct in any form along the railway belt, except for those that facilitate the railway line. For any construction within the railway belt, the approval of the Albanian Railway Authority is required. Article 35/d of this law prohibits any kind of construction along the railway line, closer than 25 meters from the railway belt, outside urban areas. For the construction of any type of object located in urban areas, at a distance of up to 25 meters from the railway belt, permission from the Albanian Railway Authority is required.

Law 9482/2006 on "Legalisation, Urbanisation Planning and Integration of Unauthorised Buildings" aims to formalise the informal constructions and develop the relevant areas. DCM 280/2016, as amended, provides a list of those informal buildings exempted from the legalisation process. Section II, 2/b of the DCM provides that informal constructions cannot be formalised when they affect the railway system/lines or cross the existing railway protection belt defined by the Railway Code. The railway protection belt consists of the land on both sides of the railway line, with a width of 100 meters, starting from the outer extremity of the railway line.

The compensation principles in accordance with the European Bank for Reconstruction and Development (EBRD) Performance Requirement 5 (PR5) are defined through the following laws of the Republic of Albania: Law 52/2018, on the ratification of the grant agreement between the Republic of Albania and the EBRD, and Law 29/2017, on the ratification of the loan agreement between the Republic of Albania and the EBRD for the financing of the project "Rehabilitation of the Tirana–Durres Railway Line and Construction of a New Railway Line to Tirana International Airport." These laws have already been referenced in the Land Acquisition and Resettlement Plan (LARP) for that project and have been implemented by Albanian Railways during the expropriation process. Furthermore, compensation under the new Electrification Project will also be guided by a forthcoming Ratification Agreement specific to this project, which is to be approved by the Republic of Albania.

Expropriation Process

Expropriation Law in Albania regulates the process for expropriation of permanent and/or temporarily occupied properties (land and structures), in the public interest for activities that cannot be performed in any other way and which bring greater benefit to the public. The law provides compensation in such cases, and even when the land is temporarily occupied. Only registered properties and formal legal owners of the properties are entitled to benefit from the law.

Expropriation may be done in favour of the state and of public or private, local or foreign legal persons, for the realisation of a project or investment, in each case in accordance with expropriation law and always for a public interest. The subject, in favour of whom the expropriation is done, shall submit the application for expropriation to the SAE.

The expropriation process in the case of electrification of a railway line will be initiated by HSH, which submits an expropriation application to SAE. This application will contain information about ownership and other rights as they appear in the Cadastral Information System. For properties which have not yet been registered (initial registration), ownership data are going to be collected from other local sources. This information is referred to as the Expropriation Dossier. Upon receiving the application, the SAE orders the establishment of an ad hoc commission to follow and accomplish the expropriation process.

Within 10 days from the day of notification of acceptance of an application for expropriation, an agreement is entered into between the SAE and the applicant in favour of whom the expropriation is sought.

Within 10 days from entering into the agreement with the subject applying for expropriation, the SAE begins fulfilling the procedures of direct notification to each owner or joint owner of the private properties sought to be expropriated as well as to third persons related to their compensation.

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

When the claims of a third party about ownership, as well as about the conditions of expropriation offered, are verified to be legally compliant, the SAE proceeds with the expropriation.

For the evaluation of private properties or other real rights of third persons that are subject to expropriation, the commission will consider the nature of the asset, initial value, depreciated value and location. At the conclusion of the preliminary procedures for expropriation, the competent minister for urban development (Minister of Infrastructure and Energy) submits the proposal for expropriation to the Council of Ministers. The expropriation and the compensation value are determined in the Decision of the Council of Ministers.

3.2 Gaps regarding land acquisition in national legislation

Summary of the issues/gaps regarding land acquisition and access restriction, that the national legislation does not address or specifically regulates, are as follows:

- No specific provisions for public consultation and disclosure;
- Grievance management and resolution measures are not fully in compliance with PR10
- No specific provision for development of a Land Acquisition and Resettlement Plan;
- No specific provisions to minimise 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;
- Monitoring and evaluation are not fully in compliance with EBRD Policy

The Project needs to meet the requirements for land acquisition, involuntary resettlement and economic displacement as specified in the EBRD Environmental and Social Policy (2019) and relevant Performance Requirements (PRs). This Land Acquisition and Livelihood Restoration Plan (LALRP) has been developed in accordance with EBRD's PR5 (Land Acquisition, Involuntary Displacement & Economic Displacement) of the Policy. In case of gaps with National Legislation, the Project shall follow the more rigorous requirements.

4 Stakeholder engagement

4.1 Previous stakeholder engagement

Number of meetings with relevant stakeholders, as well as numerous stakeholders' engagement activities, have been conducted since 2016 when the first version of the Stakeholder Engagement Plan was prepared. Since then, SEP has been updated by HSH and relevant contractors when necessary.

Consultations conducted during the drafting of the EIA report

Consultations were conducted during the drafting of the in-depth EIA report. The in-depth EIA procedure was conducted according to the stages defined in the DCM no. 13, dated 4.1.2013, "For the approval of rules, responsibilities and deadlines for the development of the impact assessment procedure in the environment", following these successive stages:

- MTE notification from the developer from the initial stages, accompanied by the technical report and interaction with the environment.
- Notification of NEA by the developer for the purpose of project development, accompanied by project data, planimetry, maps, photographs, etc.
- NEA consultation with other LGU institutions, the public and NGOs on the issues they sought to address in the in-depth EIA report.
- The communication that the NEA makes to developers on issues that it and the consulting parties seek to address in the in-depth EIA report.
- Drafting an in-depth EIA report and listening to the public.

Regarding the consultations for the drafting of the EIA report, we focused on:

- Consultations with the public, especially those around the place of operation of the project or those affected by the project in question.
- Consultation with local government bodies covering the territory of the project operation.
- Consultation with representatives of the regional environmental agency.
- Consultation with non-governmental organisations working for the environment in the region.
- All these discussions were considered in drafting the EIA for the "Railway Line Durres-Tirana, public transport terminal and new railway line to the Rinas International Airport ".
- A description of the difficulties (technical or knowledge deficiencies) that the developer encountered while compiling the required information.

The table below provides an overview of the main Project's stakeholders and their roles and responsibilities, as identified during the Project preparation.

Table 2 Overview of project stakeholders

Stakeholder/Institution	Role/Responsibility
Ministry of Infrastructure and Energy (MIE)	The Project's promoter is the Ministry of Infrastructure and Energy (MIE), which is responsible for the development of policies and mid-term and long-term strategies for the transport sector (including railway). MIE has all the regulatory licensing and policy roles related to railway infrastructure. MIE is responsible for the spatial planning policies and issues licenses for the design, construction, supervision, and testing of construction works. Within MIE operates the National Territorial Planning Agency (NTPA), a public institution responsible for spatial and urban planning, crucial steps in the development process for infrastructure projects.
National Territorial Planning Agency	The National Territorial Planning Agency (NTPA) coordinates the preparation of the General Local Development Plans of the municipalities, as well as the General National Plans. The Agency is responsible for the monitoring of the implementation of these plans.
Territorial Development Agency	The Territorial Development Agency serves as a one-stop shop for interorganizational coordination and issuance of development and construction permits for large-scale national investment projects.
Directorate of Rail Inspection	The Directorate of Railway Inspection (DRI) is responsible for controlling the implementation of the provisions of the Railway Code. This Directorate, which is dependent on MIE, is responsible for controlling the implementation of the legal and sub-legal acts and ensuring the implementation of the rules for: › the protection, maintenance, remodelling, and reconstruction of the railway infrastructure. › the safe movement of trains; › technical control of Rolling Stock in use; all the procedures followed during acceptance for the use of railway vehicles. DRI currently is playing the role of the safety authority, but following the new railway code, it needs to be separated into different authorities (regulatory, licensing, and safety authority) and the national Investigation Body for Rail Accidents/Incidents.
Albanian Railways S.A. (Hekurudha Shqiptare - HSH)	The Project beneficiary is the Albanian Railways (Hekurudha Shqiptare – HSH), which has the status of an Anonymous Company with 100% state-owned capital. Technically, it is supervised by MIE, whilst financially by the Ministry of Finance and Economy (MFE). The structure of the Albanian Railway consists of four business units financially divided, which are: › Freight railway transport business unit; › Passenger railway transport business unit; › Infrastructure management business unit; › Maintenance of moving assets business unit (locomotives and wagons). The primary counterpart for this project is the Project's Implementation Unit (PIU).
European Bank for Reconstruction and Development (EBRD)	EBRD is the lead IFI, which is responsible for assignment implementation coordination and approval of outputs.
Ministry of Tourism and Environment (MoTE)	Ministry of Tourism and Environment (MoTE) is the competent authority for environmental affairs. It is responsible for the approval of EIA studies. MoTE is responsible for policies related to climate change and serves as the focal point for the Albanian government for the UNFCCC and Kyoto Protocol. MTE also exercises the powers of the national authority for Clean Development Mechanism projects defined under the Kyoto Protocol in Albania. Important stakeholders under this ministry are

Stakeholder/Institution	Role/Responsibility
	the National Agency for the Protected Areas (NAPA), particularly, and the National Environmental Agency (NEA).
Transmission system operator (OST)	The OST performs the functions of Transmission Network Operator, Dispatch System Operator and Market Operator.
Operatori i Shpërndarjes së Energjisë Elektrike (OSHEE)	OSHEE is an energy company engaged in constructing, operating, maintaining, and developing the electricity distribution network serving households and private clients throughout Albania. It is a subsidiary of the Albanian Government under the supervision of the Ministry of Infrastructure and Energy.
State Cadastral Agency (SCA)	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 and legalisation procedures.
National Environmental Agency (NEA)	The National Environmental Agency (NEA) is an institution under the subordination of the Ministry of Environment, which is responsible for reviewing the environmental impact assessment process for projects under law no. 10 440, dated 7.7.2011 "On environmental impact assessment", as amended, and for reviewing environmental permit applications. Further, this Agency is responsible for environmental monitoring.
Ministry of Europe and Foreign Affairs	Ministry of Europe and Foreign Affairs, in its capacity as NIPAC is the leading institution in coordinating programming of IPA funds (national and regional) on behalf of the Albanian Government. It is responsible for coordinating Albania's applications (TA and investment grants) in the WBIF instrument.
Ministry of Economy and Finance	The Ministry of Economy and Finance (MEF) is responsible for costing and budgeting of various policy alternatives in the medium to long term; it is also responsible for the coordination of external assistance as well as loan negotiations.
Affected municipalities and respective Administrative Units (AU)	The railway crosses the territories of 4 municipalities (Shijak, Vorë, Kamëz, Tirana) where municipal authorities are responsible for preparing and implementing the General Local Development Plans, whose preparation is coordinated by the National Territorial Planning Agency. The Agency is responsible for the monitoring of the implementation of General Local Development Plans. The proposed TPS Kashar, TPS Sallmone, SPN Vorë are located in Tirana (AU Kashar), Shijak (AU Xhafzotaj) and Vorë Municipality, respectively.
General Roads Authority and/or Road Authority under Municipalities	Since some of the components of the project will be installed along the public roads, the road authority needs to be included
Affected landowners and land users	Loss of land (mainly agricultural and pasture lands) affects both formal and informal users of land, as well as tenants; this refers to privately owned land and state land. In the case of this project, this loss can only be temporary, during the construction works.

4.2 Stakeholder Engagement Activities

In addition to the up-to-date Stakeholder Activities as part of ESIA and LALRP for the Railway Line, stakeholder engagement is required for the electrification project. This

engagement aims to develop this Addendum to LALRP and ensure community participation and input into Project development throughout all phases.

For the purpose of this LALRP Addendum, stakeholder engagement with Project Affected People, directly and indirectly affected by the new project footprint, consists of the following:

1. Stakeholder Engagement with directly Affected Households and Businesses, during the execution of surveys to collect Socio-Economic Data (Socio-Economic and Asset Surveys). Direct impact might be due to permanent land take, land disturbance, or other potential economic losses.
2. Engagement with local authorities, including respective Administrative Units and heads of villages.
3. Engagement with governmental Agencies responsible for land acquisition and expropriation processes.

The Engagement, as part of this LALRP-related baseline survey, was conducted during September and early October 2025, following the provision of cadastral information and completion of the expropriation layouts. Following the identification of stakeholders via project footprint, territorial administrative coverage and cadastral information, in collaboration with HSH, the Consultant carried out presentation meetings with local authorities and informed the impacted PAPs about the planned surveys to be conducted as part of the land acquisition processes.

Further, an introduction to the project design, the process, and the purpose of the survey was communicated to affected PAPs during the collection of socioeconomic and asset data.

Main topics of consultations include:

- Project technical information;
- LALRP procedure and next steps;
- Types of impacts;
- Land and property ownership rights;
- Entitlements;
- Cut-off date;
- Introduction to grievance redress mechanism;
- Opportunities and benefits deriving from the land acquisition process;

The following meetings were carried out during this assignment:

- Meeting with representatives of the Administrative Unit of Xhafzotaj, Shijak Municipality (TPS Sallmone) on 25th September 2025.
- Meeting with representatives of the Administrative Unit of Kashar, Municipality of Tirane on 26th September 2025.
- Meeting with the head of the village of Marikaj and Kashar on 30th September 2025.
- Meeting with landowners near TPS Sallmone on 29th September 2025.
- Meeting with Atlas Company (TPS Kashar) on 1st October 2025.
- Meeting with landowners near SPN Vore on 2nd October 2025.
- Meeting with the landowner of TPS Kashar and the warehouse business 'Colorbody' on 10th October 2025.

	
Meeting at Administrative Unit of Xhafzotaj	Meeting at Administrative Unit of Kashar

Figure 11 Photos from meetings

Copies of the MoMs, filled questionnaires and pictures are included in Annex 4.

4.3 Further Stakeholder Engagement

The project will continue to engage with stakeholders throughout the Project milestones, including the disclosure of LALRP, the Voluntary Agreement/Expropriation process, the payment process, and as the construction phases are developed.

Project information posters and leaflets should be prepared to inform the public about the project, and a direct phone line and email should be available for contacting the Project directly in case of questions, comments, and grievances. The directly affected households shall be contacted individually, and a plan shall be made for LALRP-related activities.

5 Project data collection and analysis

5.1 Project baseline data

Macro location - The existing railway line Durres-Tirana connects the new Public Transport Terminal (PTT) at Tirana with the port of Durres.

The rehabilitation of the Durres to Tirana railway line maintains the geometric alignment and profile of the existing line; therefore, the project works are confined within the boundaries of the existing right of way of the railway. Based on the preliminary socio-economic studies, existing structures will not be affected.

Along the existing line, there are a number of cities and villages. Particularly, the line passes through the following cities and villages: Durres, Sukth i Ri, Guzaj, Maminas, Marqinet, Vore, Domje, Kashar and Tirana.

The new railway line Tirana – Airport connects the existing line at the area of Domje with Rinas airport. Along the proposed new railway line, there is only a small village (Bruke). The line passes mainly through agricultural areas and some pastures. Riparian vegetation is present at Lana and Tirana rivers and some other small streams.

Administrative Unit of Xhafzotaj (Shijak Municipality)

The Administrative Unit of Xhafzotaj, part of Shijak Municipality, includes eight villages: Xhafzotaj, Pjezë, Rreth, Sallmone, Koxhas, Borake, Guzaj, and Vllazërim.

The Municipality of Shijak is bounded by the Municipality of Durrës to the north, west, and south, and by the municipalities of Vora and Tirana to the east. Shijak town serves as the administrative centre. The municipality is situated in a plain and hilly landscape along the Erzen River, offering significant environmental potential for agriculture, livestock, industry, trade, and tourism development.

The local economy is mainly concentrated on transport, services, and agriculture, with the services sector making up approximately 90% of economic activities. However, the agro-processing industry in this area remains underdeveloped, primarily focusing on milk and grape processing. Despite the large number of farms and diverse production, there is a significant gap between the area's production capacity and its processing capacity. Advancing the processing industry would increase product value, stimulate regional development, and boost employment.

Agricultural and livestock activities are traditional pursuits among local inhabitants, providing a strong foundation for agribusiness and the establishment of farms. The combination of hilly terrain and a mild climate supports the cultivation of vegetables, forages, vineyards, orchards, and olive groves.

Despite these opportunities, the area faces several challenges, particularly with outdated agricultural technology, insufficient market infrastructure and data, and poor maintenance of irrigation and drainage channels. There is only one agricultural and livestock market at the entrance of Shijak, which operates only on Sundays, limiting support for agricultural development. The land use coefficient in the area ranges from 50% to 60%.

Shijak is also rich in water resources, including the Erzen River, approximately 14 reservoirs, and two streams. These natural assets, coupled with the picturesque environment, offer opportunities for developing tourism and natural parks for recreation.

Demography

The Municipality of Shijak had a population of 44,676 residents, organised into 12,439 families. Rural residents make up about 70% of the total population.

Historical migration patterns, such as the influx of Bosnian populations in the past and the emigration of Albanian citizens abroad after the 1990s, have influenced the demographic structure and labour force. Over the past 25 years, population growth and emigration have led to the construction of many new buildings, often without adequate planning.

Population growth accelerated after the 1990s and, though it has slowed, continues with increases in housing and new businesses driving rapid urbanisation, particularly in former rural areas.

Education

- Public primary and secondary school (9 vjeçare) "Rilindja" is in Sallmone village
- Public upper secondary school "Kajo Karafili" is in Mamimas AU

Employment and Income Support

Construction is a prominent sector, employing many residents and serving as a critical element of the local economy. However, informality remains a significant issue, affecting the economic situation across multiple sectors.

Unemployment in Shijak Municipality stands at approximately 2,517 individuals. Additionally, about 177 families (1.5% of all families) receive economic assistance from the municipality. There are around 1,437 individuals with disabilities, including the invalid and the blind. Other recipients of income support include newcomers since the 1990s and marginalised groups such as the Roma community, who are often difficult to identify and assist due to the lack of permanent residence. Informality complicates the accurate classification of these groups.

Larger family size increases the likelihood of poverty, which is most prevalent among those relying primarily on agriculture for income. The majority of the poor are farmers, pensioners, disabled persons, and individuals employed outside agriculture. Many families with unemployed heads of household live below the poverty line.

Infrastructure and Utility Networks

Water and Storm Water, Sewerage Network

Demand for drinking water in Shijak has risen due to population growth and improved living standards. Challenges include illegal connections, water wastage, and inadequate fee collection. The municipality is working to develop an effective program for water supply and sanitation in rural areas to improve implementation.

The sewage network is only partially completed, with some areas relying on family septic tanks, which are maintained by the families themselves. Irregular discharges into the Erzen River are also observed.

Road Network

Xhafzotaj AU has a good road network, with the majority of roads being asphalted.

Land Property and Ownership

According to a World Bank report (June 2011)[4], property rights in Albania are insufficiently secure, posing challenges for governance. Issues stem from incomplete initial title registration, inaccurate cadastral maps, and often unreliable ownership evidence. Overlapping land parcels and informal occupation due to population displacement, particularly from northeastern regions, have complicated legalisation and the issuance of ownership titles. Some residents possess acts of territorial ownership (AMTP) without actual land allocation, and initial registration requests continue to be submitted. The legalisation process is nearly complete in Zhafzotaj and Maminas. The Xhafzotaj Administrative Unit contains around 2,600 land parcels.

Cultural Heritage

Religion:

Most of the local population is of the Muslim Religion, while there is a small minority of the Christian faith. Each village has its mosque.

Historic Objects:

In AU Xhafzotaj, there are no historical objects.

Graveyards

There are a few small graveyards in AU Xhafzotaj. Also, there is a graveyard in Sallmone village, which is far from the project footprint.

Cumulative Impacts

There is not any parallel project going on in this area, particularly near the project footprint area.

Kashar Administrative Unit (Municipality of Tirana)

[4] Territorial Strategy and Assessment of Municipality of Shijak: https://www.shijak.gov.al/wp-content/uploads/2018/12/analiza_territorit_shijak.pdf

Kashar has formed part of the Municipality of Tirana since 2015 and is approximately 6 km from the city. Its jurisdiction covers 39.1 km² and includes six settlements: Kashar, Mëzez, Yrshek, Katundi i Ri, Kus, and Mazrek.

The area is bordered by the Tirana-Durres railway and Domje hills to the northeast, and by fields and the hills of Kashar to the west. This placement creates a valley-like landscape that varies along its 6 km length, featuring open natural views on both sides. The linear industrial zone, found in the northwest of Tirana on either side of the Tirana-Durrës highway, represents a significant concentration of industrial and construction enterprises that contribute economically to Tirana and the surrounding region. The majority of the territory is flat with an inclination up to 7%, while nearby areas range from 10% to 35%.

The hydrography of Kashar includes several streams such as Purezi, Limuthi, Madh, Kusit, Mazrekut, and Geges Streams. The Lana River crosses much of the unit, and there are artificial lakes, including Purezi Lake, Kashar Lake, Gjokaj, and Mezez Lake. The hilly terrain offers varied panoramas.

Land Use

Kashar's strategic location has contributed to rapid urbanisation. Most residential housing and public services, such as schools, health centres, and local government buildings, are found in the hilly area south of the motorway. Small-scale agriculture also occurs here. Near the motorway, at the base of the hills, there are numerous businesses.

On the north side of the motorway, up to the railway alignment, the land is characterised as an industrial area designated for large businesses, according to the General Development Plan of Tirana Municipality (2016). Some parcels may still be classified as agricultural in official records, but the area is primarily used for industry. There are 3,352 registered businesses in Kashar AU, ranging from large factories and warehouses to small enterprises.

Agriculture and Livestock

There are two agricultural zones near Kus Lake and Mazrek stream, where irrigation is sourced from these water bodies. Average household landholdings are about 1,200-5,000 m², typically divided across 3-4 separate parcels. Approximately 75% of landowners possess cadastral certificates; the remainder hold AMTP documents that provide recognition of ownership but are not formal legal titles.

Demography

Kashar AU is home to 7,574 families, totalling 36,000 inhabitants, with a gender ratio of approximately 50% female and 50% male. The average household size is five members. The area experiences significant internal migration, with many residents originating from other parts of Albania. About 100 individuals of Egyptian origin and members of the Roma community reside in the area, dispersed throughout Kashar.

Health and Education

Each village in Kashar has a health centre. There are also several major private hospitals, such as Hygiea Hospital and European Hospital, serving both the local area and Tirana. Residents access specialised treatment at public hospitals in Tirana. Kashar contains eight public schools, two public/middle schools (colleges), and several private educational institutions. Private universities in the area attract students from Tirana and elsewhere in Albania.

Gender and Vulnerability Assessment

Employment opportunities are generally accessible to all genders. The majority of students, especially at the university level, are female. Women play a notable role in household management, and their involvement in family decisions is recognised. About 200 families live below the poverty line in Kashar AU, of which 112 receive income support.

Employment and Income Support

Most residents are employed in local businesses, with some engaged in subsistence agriculture. Livestock is limited, with only a few families maintaining cattle, alongside several livestock farms supplying Tirana.

Local Infrastructure and Utility Networks

Road network:

The local road network is well developed, connected to major motorways, with most routes surfaced with asphalt.

Water Supply:

A well-maintained water supply network provides adequate service to the area.

Sewerage System:

Flat areas have comprehensive sewerage systems, whereas the hilly regions lack such infrastructure, leading residents to use individual solutions like septic tanks.

Stormwater and Drainage systems:

The Kashar drainage system is maintained publicly. However, the prevalence of industrial and business establishments and the covering of many open channels has reduced the system's capacity, resulting in occasional flooding during heavy rainfall.

Cultural Heritage

Religion:

The majority of the population practices Islam, with a minority identifying as Christian. Each village has one or two mosques, and there is a Jehovah Witness Kingdom Hall. All religious sites are outside the immediate project footprint.

Historic Objects:

In the hilly part of Kashar, there is an antique church in Kus village and an old Bektashi tekke, both currently unused.

Graveyards:

The graveyard is situated in the hilly area; none exist within the project footprint.

Cumulative Impacts
A new motorway, the Kashar-Rrogozhine section, will soon begin construction in the area. This project is not expected to impact the electrification of the railway line project.

Micro location –In line with the proposed design solution, required TPS facilities will be provided through the expansion of the existing transformer stations located near the existing railway line, with installation of lattice poles for overhead connecting cable on one of the locations and installation of underground connecting cable along the existing roads avoiding new or additional impact on private land or on users of public land. Disruption will be temporary during construction works.

Sallmone Area (TPS location)
Near the existing electric power substation, there are two residential properties at some fair distance from the substation, and the rest of the area is occupied with arable lands. Most of the land parcels around this are cultivated with alfalfa and corn. The size of land parcels is relatively small, and all agricultural products are used for family consumption.

In addition to agriculture, most of the households interviewed have other means of income, such as remittances from abroad and pensions. Some of the households have emigrated to Europe (particularly to Italy) while others have their offsprings in emigration.

There are no specific vulnerabilities in this area apart from a few cases of the elderly living by themselves due to the migration of offspring. However, this is not relevant for the households impacted by this project.

Almost all landowners have their properties equipped with cadastral certificates.

The land that will be affected by the project is on the outskirts of the Sallmone village, and there are no interferences with any public networks or services.

Vore, Marikaj (SPN Location)
The land affected by the SPN is located between the existing motorway Durres-Tirane and the railway alignment. There are no or little agricultural activities in this area. Furthermore, there are several large businesses on both sides of the motorway, which runs at some distance parallel to the railway line. There are no specific economic and social vulnerabilities in this area of the project.

Kashar Area (TPS Location)
Near the existing electric power substation, there are several large businesses present in this area, such as a flour factory (Atlas Factory), a brewery (Stela Beer), Conad warehouse, seven private warehouses and two private properties. There are no economic and social vulnerabilities in this area of the project.

5.2 Desktop review, site visits and ownership data analysis

The gathering and data analysis process serves as a crucial tool for informing about the LALRP Addendum for the Project, as it provides the necessary information for the purposes of:

- Identification of owners and users;
- Yielding basic community and household level social and economic information, including vulnerability assessment needed to assess potential socio-economic impacts;
- Providing necessary information to establish the entitlements for compensation and additional assistance; and to develop appropriate livelihood restoration and transitional assistance measures;
- Providing the baseline data for future monitoring and evaluation of LALRP implementation.

This section of the LALRP Addendum summarises primary data collection and analysis undertaken to inform the LALRP. Project Baseline Data Collection & Analysis includes Analysis of Land Ownership and Cadastral Information.

Existing Project design is analysed using satellite imagery, which is utilised to confirm the land use and assets on the land of the Project footprints. In this LALRP Addendum, only the additional areas affected by the TPS and SPN are considered in the Project Impacts section (see Chapter **Error! Reference source not found.**). However, when the expropriation process for the railway line is to be finalised, if any change in the expropriation areas for these properties (increase/decrease of the expropriation area), the HSH shall update this document.

Following the review of the relevant Project documentation, site visits are conducted with HSH representatives to get familiar with the Project area and gather any information about the land ownership and land use.

HSH PIU has supported the engagement with affected people during planned field surveys and communication with the respective Administrative Units and Cadastral offices to confirm the parcels and ownership data of the Project-affected land.

TPS Sallmone:

The works for the construction of the TPS Sallmone and installation of six lattice poles will impact permanent land take, agricultural activities (fruit trees, viticulture, corns and alfalfa) and some assets (wall fence).

Figure 12 Baseline condition - Project area to be impacted by TPS Sallmone

The plots required for the erection of TPS Sallmone are as follows: 87/47, 87/46, 87/44, 87/43, 87/66, 87/85, 87/60 and 87/84 (8 land plots).

The plots where steel lattice poles for connecting cable route is located 4 land plots: 87/66, 88/36 (two poles) an 89/42 (the poles are at the boundary of those two plots) and 269/1 (railway line cadastral parcel). All plots are on the 3255 Cadastral Zone.

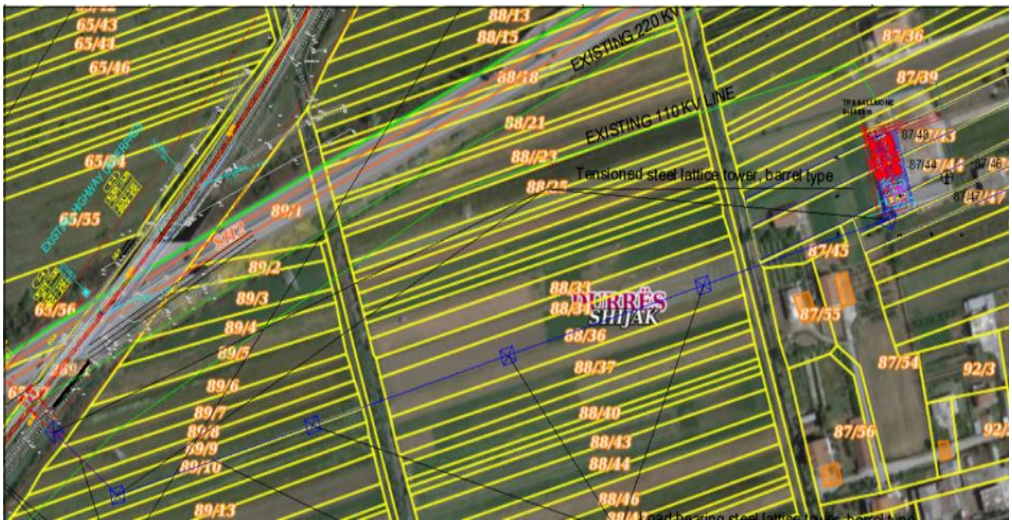

Figure 13 Land needs for expropriation – TPS Sallmone

SPN Vore (Marikaj)

The yellow shaded area on the following picture represents the land needed for expropriation. SPN Vore is planned on railway line cadastral parcel and private land plot 70/32.

Figure 14 Land needs for expropriation – SPN Vorë

Although the specific area of SPN location is currently with no or little agricultural use (planted trees in parcel 70/32), its main perspective is for business activities (i.e. vehicle services, petrol stations, etc.).

Figure 15 Baseline condition - Project area to be affected by SPN Vore – planted trees in parcel 70/32

TPS Kashar

The construction of TPS Kashar and installation of the underground cable along the existing public road will result in permanent land acquisition limited to the TPS footprint and associated expansion area, as well as temporary impacts related to cable installation works within the roadway corridor.

The yellow-shaded area in the figure below indicates the land required for permanent expropriation. TPS Kashar and part of its planned expansion are located on plot 2/29.

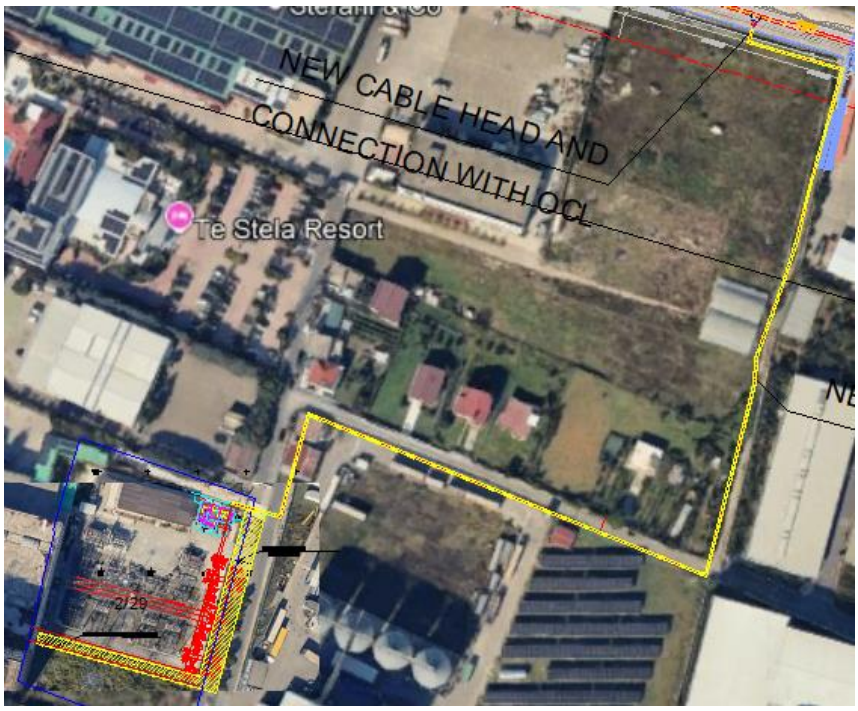

Figure 16 Land needs for expropriation – TPS Kashar

Installation of the underground cable along the public road is expected to intersect with existing overhead and underground public infrastructure and utility networks.

Based on information provided by local stakeholders and field observations, these may include electricity cables, large sewerage pipelines, stormwater drainage systems and telecommunications lines. Such interfaces and crossings are typical for linear infrastructure installations in urban environments and are routinely addressed through standard engineering solutions, including controlled trenching, protective ducts, minimum clearance distances, local re-routing, and appropriate earthing and insulation measures.

Detailed identification of all existing utilities, confirmation of their horizontal and vertical alignment, and definition of protection, diversion or relocation measures will be undertaken by the Contractor during the final detailed design stage and prior to construction, in close coordination with the relevant utility operators and the local authorities. All measures will be implemented in accordance with applicable technical standards to ensure continued safe operation of existing infrastructure and to avoid service disruptions.

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Local stakeholders, including Atlas factory, have indicated plans for future internal business expansion within their existing property boundaries (e.g. establishment of a new pasta production unit). The proposed electrification works do not physically encroach upon Atlas factory land beyond the identified TPS expropriation footprint, and no permanent impact on the factory's current operational area or planned internal expansion has been identified at this stage.

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Temporary impacts are expected to affect access to several large businesses (warehouses) located along the public road during cable trenching and installation works. These impacts are anticipated to consist primarily of short-term access restrictions, traffic disturbances, and construction nuisance (dust, noise). Mitigation measures will include phased construction, maintenance of alternative access arrangements where required, advance notification to affected businesses, and scheduling of works to minimise disruption.

Any additional permanent land acquisition or unanticipated impacts identified during final detailed design or construction shall be documented through an updated Inventory of Losses and addressed in accordance with this LALRP Addendum.

First section of public road between existing OST electric substation and entrance to Atlas Factory (flour production)	Entrance to Atlas Factory (flour production)
	
First section of public road between existing OST electric substation and entrance to Atlas Factory (flour production)	Atlas Factory (flour production)
	
Existing OST electric substation	The area where TPS Kashar will be installed (in front of existing OST electric substation
	
Second section of public road (behind Atlas Factory leading to 7 warehouses)	Seven different warehouses

	
Private properties	Third section towards railway line where underground sewerage / stormwater drainage canal

Figure 17 Baseline condition – Project area to be affected by TPS Kashar

5.3 Land Ownership Status

The following table presents the number, approximated area, and land ownership of the parcels necessary for the project implementation. The total area required for this project is 2561.61 m².

Table 3 Land ownership and land use on the plots required for the Project implementation

Locations	Total Parcels	Area required for construction (m²)	State	Private	Intended land use
TPS Sallmone	12	cca 800	✓	✓	Intended for construction of new TPS facility (power station) and 6 lattice pole installation.
SPN Vorë	1	cca 284	✓	✓	Located next to the railway line.
TPS Kashar	1	cca 982	✓		Intended for construction of new TPS facility (power station).
The cable connection between TPS Kashar and the railway track	no data	cca 495	✓		Laying underground cable along existing roads.

Layout of land designated for expropriation is provided in Annex 1.

5.4 Status of General Local Plans (GLPs) of Municipalities in the Project Area

Shijak municipality: Status in process, Approval of the Initiative KB Decision No. 11, dated 28.09.2015.

Vorë Municipality: Decision no.3, dated 17.05.2019 of NTC "On the approval of the General Local Plan of the Vorë Municipality";

Tirana Municipality: Decision no.1, dated 14.04.2017 of NTC "On the approval of the General Local Plan of Tirana Municipality"

Integrated Sectorial Plan for the economic zone Tirana-Durres provides the development strategy and policies for the territories of Municipalities of Tirana, Durres, Kruje, Vorë, Kamze, which shall be considered by Municipalities when developing and approving the GLPs.

The identification of land use categories is performed using information from the e-map[5] and is presented in the
Table 4.

Table 5 presents land parcel data from the real estate card, and area of the parcels based on graphical documentation obtained from the State Cadastral Agency.

5 https://akpt.maps.arcgis.com/apps/webappviewer/index.html?id=ff270e99f5be45f19c7b7a1e3e618b27

Table 4 Analysis of Structural Units along the Project Affected Land

Sub-zone	Land Use Category	Code (Structural Unit)	Area (m²)	Land Use System	Land Use Category	Sub-Category	Restricted Land Use
Electrification of the Railway Line Durres-Tirana PTT and link to Tirana Airport							
Shijak	Urban Land	IN1-1 A1.5-57	677	UB_Urban	IN-Infrastructure C.1 – INT - Transport Infrastructure	Power Station	Restricted
Shijak	Agriculture Land	B1-4 B1-19	123	B_ Agriculture	Agriculture	Arable land	No residential development is allowed.
Vorë	Infrastructural system	VO_IN_INT1_1-7	284	INT. Transport Infrastructure	INT.1-Road Infrastructure	Road Infrastructure / Public Space	Restricted
Tirana	Urban land	KA/140	982	UB_Urban system	C.1 – IE - Industry and Economy + S. Services 94% C.2 - IN - Infrastructure 6%	N/A	As per General Development Plan. Each development requires construction permit.
Tirana	Urban land	KA/41	495	UB_Urban system	C.1 – IE - Industry and Economy + S. Services 94% C.2 - IN - Infrastructure 6%	N/A	As per General Development Plan. Each development requires construction permit.

Table 5 Data obtained from the State Cadastral Agency of Albania of the affected cadastral parcels

Location	Cadastral Area No.	Number of properties	Total area (m²)	From which: land (m2)	From which: building (m2)	No. of trees	Cadastral map index	Property address	Purpose of expropriation
Sallmone	3255	87/47 87/46 87/44 87/43	677	677	0	0	K-34-88(226-C)	Shijak Muncipality Sallmone village	TPS Sallmone

Location	Cadastral Area No.	Number of properties	Total area (m^2)	From which:		No. of trees	Cadastral map index	Property address	Purpose of expropriation
				land (m2)	building (m2)				
		87/66 87/85 87/60 87/84							
Sallmone	3255	89/42 88/36 89/7 269/1	123	123	0	0	K-34-88-(226-C)	Shijak Municipality Sallmone village	TPS Sallmone
Vore	2596	70/32 269/1	385	0	0	0	K-34-88(213-A)	Bashkia Vorë Marikaj	Construction of the SPN Vore facility

5.5 Household Socio-Economic Survey

Information about directly impacted households is collected through the socio-economic survey and targeted consultations.

The socio-economic survey gathered detailed individual and household data on current living standards, income, and livelihood activities, in order to identify potential adverse impacts and vulnerable households, if any; refine livelihood supports, if necessary; and serve as a baseline to measure the effectiveness of restoration plans and mitigation measures in ensuring restoration, and ideally improvement, in the economic conditions and social well-being of affected people and communities.

The surveys and consultations were undertaken during September and October 2025. Using the cadastral and field information on the landowners and land users of the affected land, the PAPs were identified, and efforts were made to communicate and conduct the interviews. In total, **16 private PAPs and businesses** were identified as being affected by the railway electrification works. Out of 16 private PAPs and businesses affected by the railway electrification Project, 6 (six) PAPs were interviewed either through structured socio-economic survey questionnaires or through dedicated Minutes of Meetings. In some cases, interviewed PAPs represented multiple land parcels or co-owners. Other PAPs could not be interviewed due to temporary or permanent absence (including emigration abroad). For PAPs who declined to complete survey questionnaires, targeted meetings were held and MoMs were prepared to document concerns, impact types, and positions regarding land acquisition.

Nature of Impacts

The electrification works do not result in physical displacement or loss of residential structures. No households are required to relocate, and no residential buildings are affected. All identified impacts relate to land assets and access, and in some cases to temporary disturbance of business operations. The impacts identified are summarised as follows:

Permanent land acquisition (partial): Occurs for land parcels required for the construction of TPS Sallmone, TPS Kashar and SPN Vorë. In all cases, only part of the affected land parcels is required, and the remaining land remains accessible and usable.

Temporary land occupation: Occurs primarily in connection with underground cable installation (TPS Kashar) and temporary access arrangements during construction.

Economic impacts (temporary): Temporary access restrictions and construction-related disturbance affecting a limited number of businesses (warehouses) along the public road near TPS Kashar. These impacts are short-term and do not involve permanent loss of business premises.

No physical displacement: No PAPs lose housing or require resettlement.

Vulnerability Assessment

Based on the information collected through surveys, meetings, and field observations, **no vulnerable households** were identified among the affected PAPs. None of the affected households reported vulnerability factors such as extreme poverty, elderly-only households, disability-related dependency, or reliance on the affected land as their sole source of income.

Where landowners are represented by a single household member, impacts are considered to apply to the **household as a whole**, as compensation and assistance measures will be provided at household level in accordance with the entitlement framework.

A summary of PAPs and businesses consulted by location is provided in Table 6 below, while detailed socio-economic profiles and consultation records are presented in **Annex 6**.

Table 6 Affected PAPs and businesses

Project Areas	Number of PAPs and Businesses	Notes
TPS Sallmone	2 PAPs	Partial permanent land acquisition; no residential impact (One PAP owns four land parcels, and the other PAP has one land parcel being affected. Two surveys are completed.)
SPN Vore	2 PAPs	Partial permanent land acquisition; MoMs prepared (Both PAPs did not accept to fill in the survey form as they were against to provide their land for the project. Instead, a dedicated MoM was prepared.)
TPS Kashar	1 PAP and two businesses	Permanent land acquisition (PAP); temporary access and operational disturbance (businesses) (PAP (landowner) filled in the survey form while MoMs were prepared for the meetings with businesses.)

5.6 Asset Inventory

In parallel with the Households Socio-Economic Survey, the Asset Survey has taken place with the purpose of identifying and recording any structure, crops or improvements to the affected land parcels prior to the declaration of the Entitlement Cut-off date.

The Expropriation Plan Maps and landowners' records were used as a reference to identify and confirm the parcels' boundaries, the use of land and land users (either formal or informal).

Photographic records were taken for all affected parcels surveyed to document the process and confirm the existing assets (refer to Annex 8), as summarised in the following:

Crops and Trees

Sallmone TPS:

One land parcel is cultivated with corn, and the rest is cultivated with alfalfa and trees (apart from one land parcel of the HH residing abroad). The other land parcels owned by one landowner have several trees impacted by the project footprint, including: 1 fig and 3 olive trees. In addition, there are 25 grapevine trees.

Vore SPN:

There are 10 olive trees impacted by the project.

Kashar TPS:

The land plot affected is vacant.

Table 7 Affected trees

Perennial Trees	Number of Trees	Age of Trees (years)	Location
Grapevine	25	7-10	Sallmone
Fig	1	20	Sallmone
Olive	3	2	Sallmone
Olive	10	2	Vore

Buildings and Structures

Structures are affected by the project footprint in one parcel in Sallmone TPS. This consists of the fence wall 25 ml as per the picture described below:

Figure 18 Affected fence wall in TPS Sallmone

6 Project impacts and mitigation measures

As stated earlier in the documents, the identification of project impacts has been based on:

- Baseline data collected as part of the previous processes conducted by ADF
- Site visits/investigation undertaken as part of the LARP.
- Available project design, including design changes;
- National and Regional available socio-economic data;
- Available Land and ownership data from the State Cadastre Agency
- Land use data from the National Territorial Planning Agency
- Data from State Authority for Geospatial Information (ASIG)
- The Asset Inventory Survey - To confirm the quantity of land/asset impacted from the Project and determine the extent of impacts on lands, crops, structures and community utilities;
- The Socio-Economic Survey of directly affected households, to establish the baseline data for mitigation measures development, identification of potential vulnerable households, and to support the effective monitoring and evaluation of mitigation measures.
- The assessment of potential impacts on households or businesses beyond the Project footprint (loss of access or other disturbance during the construction).
- Stakeholder Engagement related to Land Access Processes and day-to-day engagements through the site project representatives and the Grievance Mechanism.

The mitigation and compensation measures described below are quantified and costed using the parcel-level data and valuation results presented in Annex 9.

6.1 Land acquisition and access impacts

The extent of land assets and livelihood impacts is quantified based on the Project design, available cadastral information, field surveys and maps. The assessment on the land acquisition and temporary land use impact is presented in the tables below.

The detailed parcel-level inventory of affected land, assets, land use categories, and indicative compensation values is provided in Annex 9 (Expropriation List and Entitlement Matrix – Electrification).

*Table 8 Assessment on land acquisition and temporary land use impact**

Sub-zone	Land Use Category	Land Use Status	Project Impact
Shijak	Urban Land	Internal access road around the Power Station; Construction land used for agricultural production	- Construction of the TPS substation without changing the land use, - Permanent Land Acquisition
Shijak	Agricultural Land	Agricultural land - crops	- Installation of the steel lattice poles for the cable connecting the TPS and the railway line - Temporary land use - Permanent land take of pole foundation

Sub-zone	Land Use Category	Land Use Status	Project Impact
Vorë	Infrastructural system	Road Infrastructure/ Public Space	- Construction of the SPN facility (all for the purposes of passenger and railway traffic, without changing the land use)
Tirana	Urban land	Industry and Economy + Infrastructure	- Expansion of the substation without changing the land use - Permanent Land Acquisition
Tirana	Urban land	Industry and Economy + Infrastructure	- Underground installation of the cable connecting the TPS and the railway line. The cable runs underground, through an existing roadway - Temporary land use

*Note: The table reflects preliminary impacts based on the current preliminary design and may be updated following final detailed design.

Table 8 presents a summary of impact types by sub-zone and land use. The full Inventory of Losses, including identification of affected parcels, landowners, land use classification, affected areas, asset types and preliminary compensation values calculated at replacement cost, is presented in Annex 9. The Annex 9 matrix constitutes the operational basis for preparation of any additional expropriation requests related to electrification works.

6.2 Expected Project impacts beyond the Project Footprint

In parallel with identifying and quantifying the direct Project impact, attention will also be paid to identifying impacts beyond the Project footprint. Locations of the potential access impacts are identified using the satellite imagery, site visits and stakeholder meetings. The Construction Contractor needs to pay attention to these issues throughout the construction phases, using the land entry and land exit procedures described in subsection 2.3.10. The interruption of access and utility services during construction and potentially in the operation phase is the main risk/impact identified beyond the project footprint, which may disturb people and communities' daily activities. A preliminary register of the current locations identified with these issues will be prepared, which information needs to be considered by the HSH and the designer during the preparation of the detailed design. Also, the Construction Contractor needs to pay attention to these issues throughout the construction phases and update the register with the new issues and actions.

Based on the above information, it is concluded that construction works for TPS Sallmone, TPS Kashar and the SPN in the Vorë area may result in the following indirect and off-footprint impacts:

- Private land acquisition and temporary land occupation.
- Creation of residual ("orphan") land parcels that may become functionally or economically unviable.
- Temporary disruption of local roads and traffic, leading to short-term restricted access to residential properties, agricultural land and businesses.

- Temporary disturbance to business operations due to construction activities, including noise, dust and access limitations.
- Intersections with existing overground or underground utility networks (e.g. electricity, water, drainage, telecommunications), potentially requiring relocation or temporary service interruption.

Potential long-term effects on future business expansion or investment are considered speculative at this stage and are therefore not treated as a separate impact category, unless concrete expansion plans or demonstrable physical constraints on existing business footprints are identified during detailed design and field verification.

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6.3 Proposed mitigation measures

In addition to impact avoidance achieved through selection of the preferred technical solution (Alternative 1), further mitigation measures and potential design refinements were discussed with affected landowners and stakeholders during site visits. The proposals described below are indicative and subject to verification of technical feasibility, safety requirements and compliance with applicable design standards during preparation of the final detailed design.

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TPS Sallmone

The current preliminary layout indicates expansion of the existing power substation area and relocation of an internal access road. This will result in permanent land acquisition and modification of existing access arrangements.

One affected landowner has proposed shifting part of the TPS footprint towards the adjacent land parcel located to the south of the existing substation, citing lower agricultural productivity and potentially reduced livelihood impact. This proposal is presented indicatively in Figure 19.

The proposed alternative represents a substantially different configuration and has not yet been technically assessed. Its feasibility, including impacts on existing access to nearby warehouses and properties, safety clearances, operational requirements and constructability, shall be evaluated during the final detailed design stage. No commitment to adopt this alternative is made at this stage.

Regarding access roads, if permanent relocation of the internal access road is required, an alternative access route providing at least equivalent functionality and safety shall be designed and constructed prior to decommissioning of the existing access. Temporary access arrangements shall be maintained during construction. Any land acquisition or impacts associated with new or modified access roads shall be included in the LALRP Addendum update and compensated in accordance with the entitlement framework.

Where the currently proposed TPS location is retained, the following mitigation measures shall be applied:

- Optimisation of the TPS footprint and expansion area to the minimum technically feasible size;
- Use of existing access routes where possible to avoid creation of new permanent access corridors;
- Limitation of temporary land occupation to clearly defined working areas;
- Reinstatement of temporarily affected land to pre-project condition upon completion of works;
- Maintenance of safe access to adjacent properties and businesses during construction;
- Advance notification to affected landowners and users regarding construction schedule and duration;
- Compensation for permanent and temporary impacts in accordance with the entitlement matrix of this LALRP Addendum.

From west side of the existing electric substation

To the south of existing electric substation

Figure 19 Landowner's proposal for a project modification

SPN Vore

Landowners have proposed that the SPN location could potentially be shifted to adjacent state-owned parcels in order to minimise private land acquisition.

At this stage, these alternative locations are indicative and have not been assessed from a technical or operational perspective. During preparation of the final detailed design, Albanian Railways, in coordination with the designer, shall review cadastral data and assess the technical feasibility of any alternative siting on state-owned land.

If feasible alternatives are identified, comparative layout drawings will be prepared to support decision-making. Any resulting changes in land acquisition requirements shall be reflected through an updated Inventory of Losses and corresponding LALRP Addendum update.

Where the currently proposed SPN location is retained, the following mitigation measures shall be applied:

- Optimisation of the SPN footprint to the minimum technically feasible area;
- Use of existing access roads where possible to avoid creation of new permanent access corridors;
- Temporary land occupation limited to clearly defined working areas, with reinstatement to pre-project condition upon completion;
- Maintenance of safe access to adjacent properties during construction;
- Advance notification to affected landowners and users regarding construction schedule and duration;
- Compensation for permanent and temporary impacts in accordance with the entitlement matrix of this LALRP Addendum.

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TPS Kashar

Mitigation measures will include phased construction, maintenance of alternative access arrangements where required, advance notification to affected businesses, and scheduling of works to minimise disruption. Temporary access restrictions to businesses and properties along the cable installation corridor will be mitigated through implementation of the following access-management measures:

- Preparation and implementation of a Traffic and Access Management Plan (TAMP) for cable installation works;
- Phased trenching and reinstatement to limit the length and duration of open trenches;
- Provision of temporary access ramps, steel plates, or alternative entry points where existing access is temporarily obstructed;
- Advance notification to affected businesses and property owners regarding timing and duration of works;
- Coordination of works with business operators to avoid peak operating hours where feasible;

- Prompt reinstatement of road surfaces and access points following completion of cable installation.

These measures will be incorporated into the Contractor's Construction Method Statement and Traffic and Access Management Plan and will be subject to supervision by HSH.

7 Entitlement and compensation framework

7.1 Project compensation principles

Regarding 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 taxes.
- **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 like or better than those of the affected land, and transaction costs such as registration and transfer taxes.
- **Replacement Cost for Assets** – the rate of compensation for lost assets should be calculated at full replacement cost, the market value of the assets plus transaction costs.

The market value and then the full replacement value of the affected properties are calculated using the unit rates as per the existing LALRP[6], which have been recently developed and agreed upon amongst the stakeholders (EBRD, HSH and Ministry of Infrastructure).

Orphan Land created due to the Project dividing the land parcels in two or more separate parts, which may possibly become economically unviable. The remaining parts of the land parcels will be assessed regarding the criteria established in the approved LALRP (size, dimension, shape and accessibility and development potential). Prior to the application to the State Agency of Expropriation, Albanian Railways will receive the most updated cadastral information (within the last 3 months) from the State Agency of Cadastre and will submit a form to each PAP qualified for orphan land to sign the agreement / acceptance. Those who choose to be compensated for orphan land will be included in the expropriation budget (updated matrix).

Construction-related activities will be organised in a way to avoid or minimise economic displacement, i.e., by ensuring that access will be retained to local land uses. Any short-term impacts related to the temporary occupation of land for construction purposes will be compensated in accordance with the Expropriation Law, as well as in accordance with EBRD's requirements for any formal owners and informal users of land. Any crops damaged by construction works shall also be compensated at full replacement cost. The Construction Contractor will develop the Project's Additional Land Take plan, which shall be based on the requirements of this document (LALRP).

Annual temporary compensation cost for additional rural land at 12.5% of land purchased as per price stipulated at the Entitlement Matrix of this document. There will be no temporary land take for less than one year.

All compensations related to the temporary land take occupation will be carried out by the Contractor. Based on the FIDIC lump sum contract, the Contractor chooses his

[6] Annex 2

MOS (Method of Statement) to undertake any civil activities by considering implementing land take mitigation measures and ensuring that land is returned to pre-project condition.

7.2 Project Permanent Land Acquisition Rates

Private affected parcels will be compensated using the approved project rates, according to the designated land use.

Market Comparative Method is applied to define the compensation rates. In the existing LALRP, the application of which has taken 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.

Market Value is 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 existing land compensation rates are applicable for the railway electrification LALRP, given that the land parcels for both projects fall within the same geographical and land value zones and have the same land use and development features.

Table 9 Project Land Values

Location	No. of Parcels	Compensated Area (m^2)	Property Type	Price[7]/m^2	Price ALL
TPS Sallmone – extension	8	cca 677	Urban land	3,270.06	2,213,610
Lattice Pole Foundation (Sallmone)	4	Cca 123	Arable Land	1447.16	167,147
SPN Vore	2	cca 284	Industrial / Urban Land	2,686.00	762,555
TPS Kashar	3	Cca 982	Industrial / Urban Land	7,049.40	6,922,511

7.3 Crops and trees rate

The replacement values are based on the annual profit of the fruit trees/vineyards. The annual profit by agro-ecological zones and land categories is calculated as the difference between incomes and expenditures. The compensation is applied in the case of trees damaged due to works or the inability to plant trees in the affected area. Calculations were made for damage to fruit trees/vineyards, equal to the annual profit plus the lost profit.

[7] The compensation rates for the expropriation of arable land per square meter were taken from the LALRP for railway stations.

Lost profits are considered (i) expenses for planting/establishment of new trees/vineyards and (ii) expenses required for growth (mature tree) up to the age of the fruit trees/vineyards damaged by the construction.

The methodology for compensation of fruit trees/vineyards 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 methodology is an internationally used methodology and represents the replacement value for the fruit trees/vineyards.

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

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 (relocation assistance in case the tree owner prefers to replant the trees in another location)

Table 10 Replacement value for trees

Perennial Trees		Age of Trees (years)	Unit rate per tree (ALL)
Grapevine	25	7-10	2,934
Fig	1	20	9,185
Olive	13	2	10,466

Table 11 Replacement value for crops

Annual Crops	Price (All/m2)
Alfalfa	9.5

7.4 Project Structure Values/Rates

Market values and then the full replacement value of the affected properties is calculated using the unit rates as per the existing LALRP[8], which have been recently developed and agreed upon amongst the stakeholders (EBRD, HSH and Ministry of Infrastructure).

In the case of the fence wall in the Sallmone land plot, the unit rate is 25,916.39 ALL for a linear meter.

7.5 Business compensation rates

Although no land take will occur to the businesses, potential disruption could lead to temporary loss of income.

The type and degree of the business loss due to loss of access will be based on the Method Statement for the works for installation of the underground cable which shall seek to incur the least temporary impact. More detailed impacts shall be assessed by the works contractor and agree with Albanian Railways prior to the start of the works.

7.6 Entitlement and compensation matrix

The following table presents the potential types of losses related to the Project, entities with rights, and compensation policy.

Table 12 Eligibility Criteria & Entitlement Matrix

Type of loss	People/Entities with rights	Compensation policy
LAND		
Constructible and Agricultural land regardless to severity of loss, including Orphan Land (only a temporary loss, while excavation is carried out for foundations for steel lattice poles. The land will not be purchased, and existing ownership and purpose will remain.)	Owner with formal title (including those that have a claim to land that is recognised or recognisable under national laws)	Compensation packages to the owners covering replacement cost for the land, crops and perennial trees and auxiliary assets. Cash compensation for loss of income from arable land during the execution of works, if any.
	PAPs without formal title (in possession of land prior to cut-off date)	Cash compensation for loss of income from arable land during the execution of works, if any
STRUCTURES		
Damage to infrastructure: e.g. local roads, fencing etc.	Owners or users of affected infrastructure	Compensation costs for auxiliary assets (wall fence, etc.). 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

[8] Annex 2

Type of loss	People/Entities with rights	Compensation policy
		infrastructure
LOSS OF ACCESS		
Loss of access to usual resources, amenities and community held resources	Communities, road users (including businesses) or households	Renewing public services. Restoring access to conveniences or services to previous levels. Indemnity compensation to road users (including businesses) that may complain due to potential road damage or blockage during construction works.
LIVELIHOOD RESTORATION		
Loss of income due to Project impacts	Persons who may suffer a loss of income due to Project impacts, specifically those who primarily rely on their agricultural land, if any	Assistance for livelihood restoration (where applicable) will be identified and provided by the Albanian Railways in cooperation with the Regional Agriculture Directorates on a case-by-case basis (e.g., assistance to identify and access other income/livelihood generation activities, assistance to access training, skill development, job opportunities, agricultural development support, etc.).

8 LALRP Budget

An indicative budget has been prepared to cover compensation and assistance for land acquisition and livelihood impacts associated with electrification-related works, based on the preliminary design and the Inventory of Losses presented in Annex 9.

Table 13 LALRP estimated budget

LARP budget	Estimated Amount in ALL
Permanent Land Acquisition	10,067,068.34
Compensation for the loss of income from arable land during the installation of steel poles in Sallmone and underground cable installation in Kashar (temporary land take)	TBD
Compensation for unviable (orphan) land	TBD
Compensation for affected crops and trees	221,920
Compensation for damage to structures in Sallmone	647,907.50
Total budget*	10,936,895.83
*The quantified subtotal reflects only budget items for which unit rates and impact quantities are currently available based on the preliminary design. Any additional budget required to implement this LALRP Addendum following completion of the Contractor's final detailed design shall be determined and incorporated by Albanian Railways through an update of the Inventory of Losses and this LALRP Addendum, prior to submission of additional expropriation requests to the State Agency of Expropriation and prior to issuance of the Council of Ministers Decision on compensation for affected persons and businesses. A detailed parcel-level breakdown of estimated compensation values is provided in Annex 9.	

9 Disclosure of information and public consultations

Following approval, parts of the present LALRP Addendum will be translated into Albanian and publicly disclosed to the broader public to enable local communities to be fully informed about the potential impacts, benefits and compensation packages offered, as well as other mitigation measures. HSH will disseminate such information and provide explanations of the mechanisms and procedures, as well as the overall process of the compensation program. This Addendum to LALRP will be treated as an official public document and must be made available to the public via accessible means and channels.

10 Grievance Management

Grievances concerning land acquisition impact and processes will be managed and processed in compliance with EBRD PR5 and PR10, and in compliance with the existing LALRP requirements.

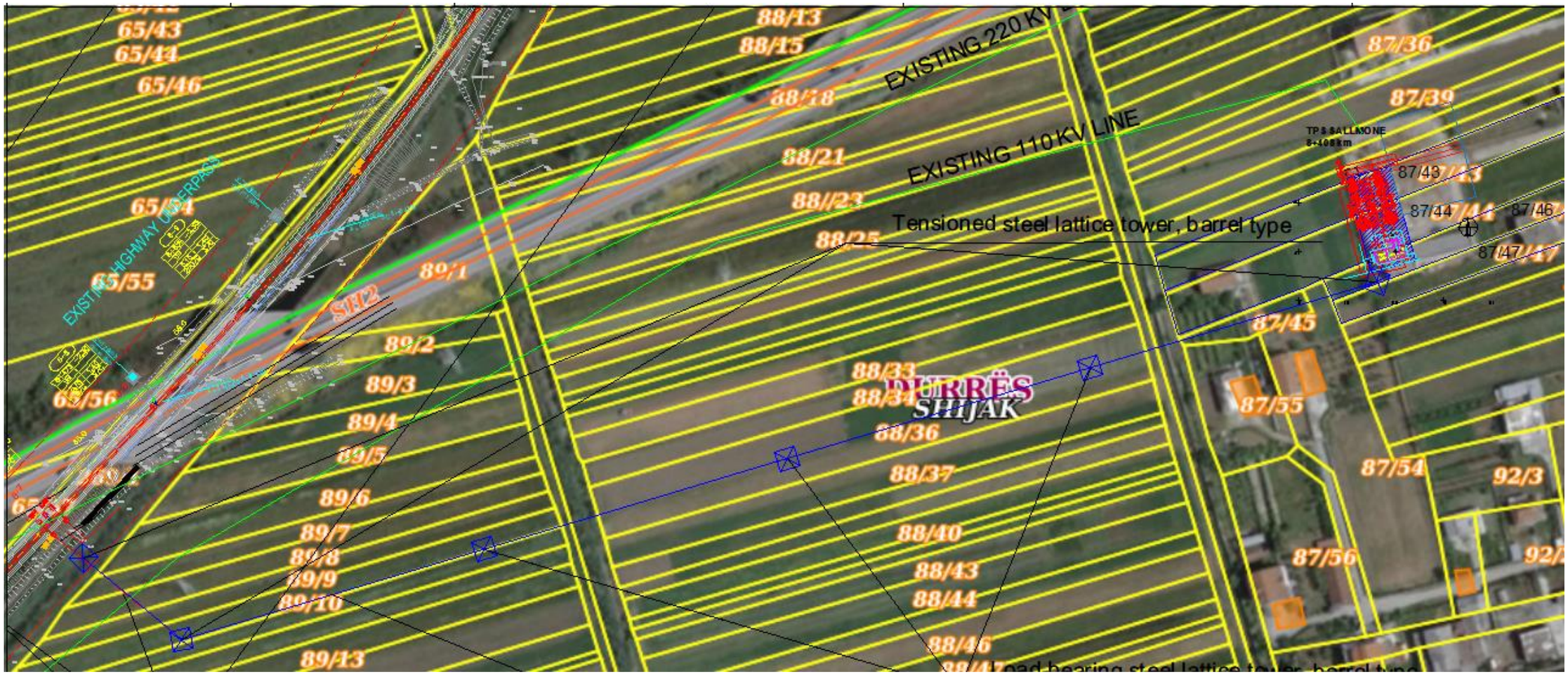
A grievance mechanism is already established by HSH to receive and address potential issues, including a recourse mechanism designed to resolve disputes in an impartial manner.

If there are any complaints related to this part of the project, the grievance mechanism is described in Chapter 8.4 of the Project LALRP document.

11 Vulnerable people

No vulnerable households are identified in the affected area of the project.

Annex 1 Layout of land designated for expropriation


EXISTING 220 KV
EXISTING 110 KV LINE
Tensioned steel lattice tower, barrel type
TP & SALLMONE
8+408 km
EXISTING HIGHWAY OVERPASS
SH2
DURRËS
SHIJAK
65/43
65/44
65/46
65/54
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65/56
89/1
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89/4
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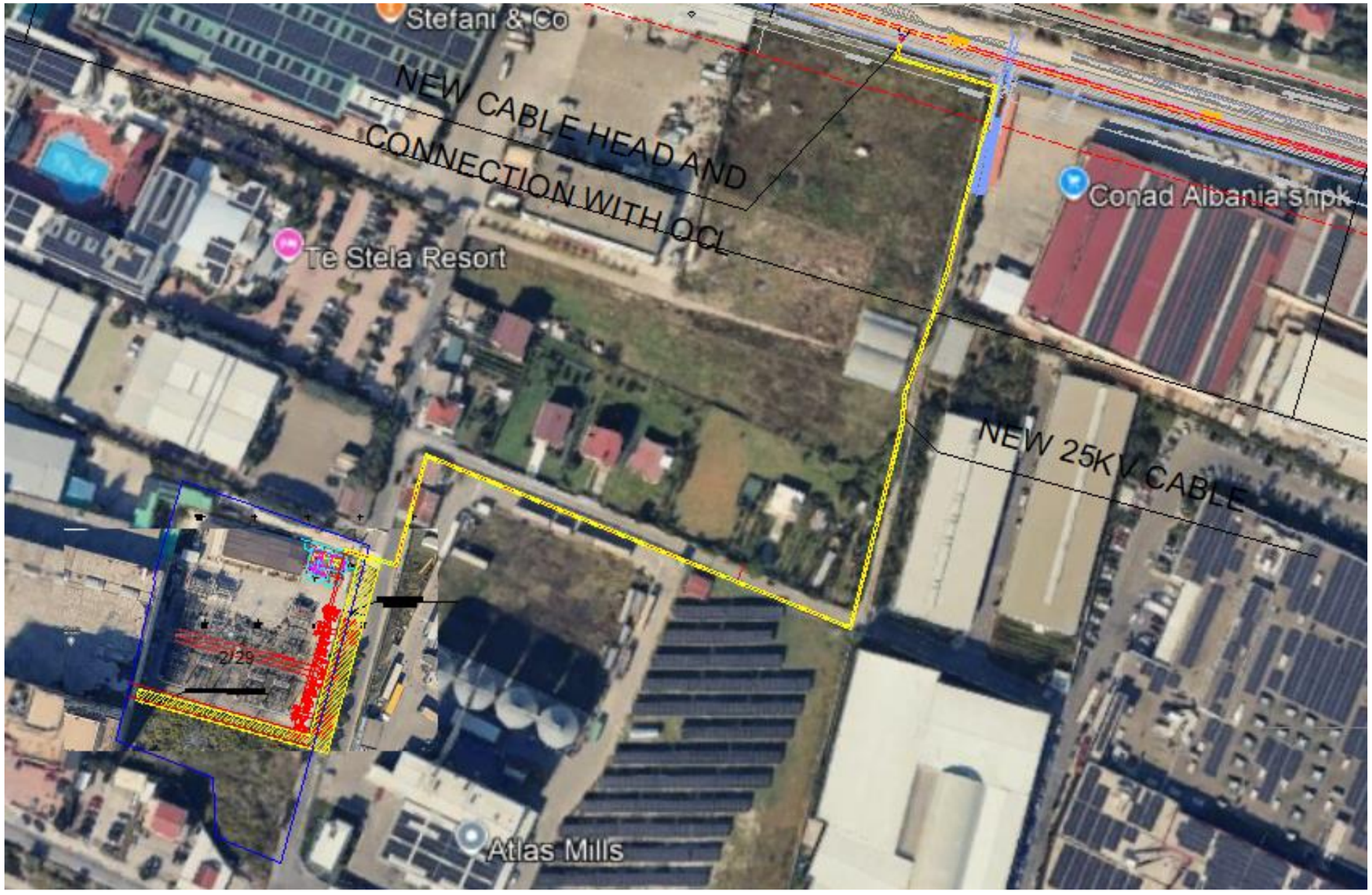
92/3


JetCar Albania
SH2
SPN VORE
17+991 km
70/32
SH2
Agro-Parts
Сервис трактора


Stefani & Co
NEW CABLE HEAD AND
CONNECTION WITH OCL
Te Stela Resort
Conad Albania shpk
NEW 25KV CABLE
Atlas Mills

Annex 2 Land Acquisition and Livelihood Restoration Plan Durres-Tirana-TIA Project (enclosed as separate document)

Annex 3 Standard cross sections and disposition of OCL poles (enclosed as separate document)

Annex 4 Addendum to Land Acquisition and Livelihood Restoration Plan - Albanian Railways Stations Building (enclosed as separate document)

Annex 5 Decision for Preliminary EIA in local procedure (enclosed as separate document)

Annex 6 Stakeholder engagement activities (official correspondence, leaflet and MoMs)

Annex 7 Socio – economic survey forms

Annex 8 Cadastral Information (maps and land ownership documents)

Annex 9 LALRP compensation budget (Matrix)

ANNEX 10 Site Photos