



Trans Adriatic
Pipeline

Land and Easement Acquisition Livelihood Restoration Framework / Albania Access Roads & Bridges



Prepared by: Frederic Giovannetti
4 Rue Grivolos, 84000 Avignon – France
+ 33 4 90 82 36 41 / + 33 7 86 16 25 23
fgiovannetti@yandex.ru

Revised by: Jonathan LACHNIT

Prepared for: TAP AG – Lindenstrasse 2 – CH-6340 Baar, Switzerland
TAP Albania,

Date: 1 November 2014

Version: 1 (Access Roads & Bridges)

Table of Contents

1. INTRODUCTION – SCOPE OF THIS DOCUMENT	7	3.6 LEGALISATION PROCESS	17
1.1 PROJECT OVERVIEW	7	3.7 CLAIMS AND GRIEVANCES	17
1.2 SCOPE OF THIS DOCUMENT	8	3.8 KEY POTENTIAL GAPS WITH EBRD PR 5 REQUIREMENTS	18
1.3 KEY TERMINOLOGY	8	3.8.1 PR5 Requirements and Key Gaps	18
2. PROJECT DESCRIPTION	8	3.8.2 Recommendations to Address Identified Gaps	22
2.1 PROJECT PURPOSE	8	3.9 LEGAL REVIEW OF CERTAIN SPECIFIC SITUATIONS	23
2.2 TAP ROUTE OVERVIEW	8	3.9.1 Overview	23
2.3 KEY CHARACTERISTICS OF THE ACCESS ROADS & BRIDGES IN ALBANIA	8	3.9.2 Impacts to Fisheries	23
2.3.1 Access Roads	8	3.9.3 Discrepancies Between Registry and Reality	23
2.4 ROUTING AND ROUTE SELECTION PROCESS FOR ACCESS ROADS AND PIPELINE	9	3.9.4 Unregistered Properties	24
2.4.1 Route Optimisation	10	3.9.5 Claims Related to Pre-Communist Ownership	24
2.4.2 The Selected Route	10	3.9.6 Successions and Properties without Owners	24
2.5 PROJECT SCHEDULE FOR ACCESS ROADS AND BRIDGES	11	4. PROJECT IMPACTS	25
3. LEGAL FRAMEWORK	12	4.1 ACCESS ROADS & BRIDGES	25
3.1 KEY ALBANIAN LEGISLATION	12	4.1.1 Construction Corridor	25
3.2 KEY PRINCIPLES OF ALBANIAN LEGISLATION PERTAINING TO LAND ACQUISITION	13	4.1.2 Restriction Zones During Operations	25
3.3 RIGHTS, TRANSACTIONS AND REGISTRATION	13	4.2 SUMMARY OF LAND AND EASEMENT ACQUISITION IMPACT	26
3.3.1 Registration	13	4.2.1 Physical Displacement	26
3.3.2 Usufruct Rights	14	4.2.2 Economic Displacement	26
3.3.3 Easement Rightst	14	5. COMPENSATION STRATEGY	26
3.3.4 Option to purchase (“Earnest Agreement”)	14	5.1 KEY PRINCIPLES	26
3.4 EXPROPRIATION IN THE PUBLIC INTEREST FOR THE BENEFIT OF A PRIVATE INVESTOR	14	5.2 COMPENSATION PRINCIPLES	27
3.4.1 Key Principles	14	5.2.1 Permanently Acquired Land	27
3.4.2 Expropriation Steps in the Case of the TAP Project	15	5.2.2 Temporarily Occupied Land	28
3.5 VALUATION	15	5.2.3 Orphan Land	29
3.5.1 Constructible Land	15	5.2.4 Easements	30
3.5.2 Residential buildings	16	5.3 COMPENSATION ENTITLEMENTS	31
3.5.3 Industrial and Agricultural Buildings	16	5.3.1 Eligibility	31
3.5.4 Agricultural Land	16	5.3.2 Entitlement Matrix	31
3.5.5 Valuation of unregistered properties	17		

5.4 VALUATION PRINCIPLES	33	8.3 FIRST TIER (INTERNAL) OF GRIEVANCE MANAGEMENT	61
5.4.1 Methodology of the Valuation Study	33	8.4 SECOND TQ (INDEPENDENT) OF GRIEVANCE MANAGEMENT	61
5.4.2 Land Valuation	34		
5.4.3 Crop Valuation	35		
5.5 PROJECT LAND COMPENSATION RATES	35	9. MONITORING AND EVALUATION	62
5.5.1 Project Land Acquisition Rates	35	9.1 OVERVIEW	62
5.5.2 Project Land Rental Rates	38	9.2 INPUT AND OUTPUT MONITORING	64
5.5.3 Project Land Easement Rates	41	9.3 OUTCOME MONITORING & EVALUATION	65
5.6 PROJECT CROP COMPENSATION RATES	44	9.4 COMPLIANCE MONITORING AND COMPLETION AUDIT	66
5.6.1 Annual Crops	44	9.4.1 Compliance Monitoring	66
5.6.2 Perennial Crops	44	9.4.2 Completion Audit	66
5.7 TAXES AND SUBSIDIES	44		
		10. DISCLOSURE	67
6. COMPENSATION PROCESS	50	10.1 LIVELIHOOD RESTORATION FRAMEWORK	67
6.1 PREPARATION TASKS	50	10.2 GLAC	67
6.1.1 Overview	50		
6.1.2 Tasks 1 and 2: Digitalisation of Cadastral Data and Property Boundaries	50	11. IMPLEMENTATION ARRANGEMENTS	68
6.1.3 Task 3: Valuation Study	50	11.1 OVERALL ORGANISATION	68
6.2 IDENTIFICATION, INVENTORY AND SOCIO-ECONOMIC SURVEYS	51	11.2 IMPLEMENTATION SCHEDULE	69
6.2.1 Overview	51		
6.2.2 Survey Corridor	51	ANNEX 1 – KEY TERMINOLOGY	70
6.2.3 Pre-Census	52		
6.2.4 Census of Affected Plots	52	ANNEX 2 – DETAILED TABLE PRESENTING KEY ALBANIAN LEGISLATION	74
6.2.5 Census of Affected People	53		
6.2.6 Detailed Socio-Economic Survey	53	ANNEX 3 – DETAILS ON THE EXPROPRIATION PROCESS	76
6.2.7 Database	54		
6.3 COMPENSATION CALCULATION	54	ANNEX 4 – LEGAL REVIEW OF CERTAIN SPECIFIC SITUATIONS (FISHERIES, PRE-COMMUNIST OWNERSHIP RIGHTS, CONFLICTS BETWEEN REGISTRY AND FIELD OBSERVATIONS)	78
6.4 OFFER AND NEGOTIATION	54	Potential Impacts of Off-Shore Facilities and Works Livelihoods Associated to Fishing	78
6.5 LAND EXIT AGREEMENT AND HAND BACK	56	Discrepancies between registry information and reality in the field	80
		Claims on land in relation to old ownership rights	81
7. VULNERABLE PEOPLE	57	Deceased or Unknown Landowner	82
7.1 OVERVIEW	57		
7.2 IDENTIFICATION OF VULNERABLE PEOPLE	57	ANNEX 5 – RAPID SOCIO-ECONOMIC QUESTIONNAIRE (PRELIMINARY)	83
7.2.1 Overview	57		
7.2.2 Pre-Identification	57		
7.2.3 Screening	57		
7.3 ASSISTANCE TO VULNERABLE PEOPLE	57		
8. GRIEVANCE MANAGEMENT AND REDRESS	59		
8.1 PRINCIPLES AND OVERVIEW	59		
8.2 ANTICIPATED CATEGORIES OF GRIEVANCES	59		

TABLES:

Table 1 – Identification of Key Albanian Legislation Pertaining to Land Acquisition	12
Table 2 – Gap Analysis – Albanian Legislation / EBRD PR5	21
Table 3 – Summary of Impacts of Access Roads & Bridges	29
Table 4 – Entitlement Matrix	32
Table 5 – Project Agricultural Land Acquisition Rates	35
Table 6 – Project Pasture and Forest Land Acquisition Rates	36
Table 7– Project Urban Land Acquisition Rates	37
Table 8 – Project Agricultural Land Rental Rates	38
Table 9 – Project Pasture and Forest Land Rental Rates	39
Table 10 – Project Urban Land Rental Rates	40
Table 11– Project Agricultural Land Easement Rates – Restriction Zone A	41
Table 12 – Project Urban Land Easement Rates – Restriction Zones A and B	42
Table 13 – Project Annual Crop Rates	44
Table 14 – Project Perennial Crop Rates	48
Table 15– Components of Monitoring and Evaluation	63
Table 16 – Input and Output Indicators	64
Table 17 – Outcome Indicators	65

FIGURES:

Figure 1 – Project Overview	6
Figure 2 – Alternative Routes 3 (South) and 6 (North)	10
Figure 3 – Route Map in Albania	11
Figure 4 – Overview of Project Schedule	11
Figure 5 – Proposed Land And Easement Acquisition Process with Expropriation	18
Figure 6 – Pipeline construction and restriction corridor	28
Figure 7 – Orphan Land Adjacent to Pipeline Corridor	30
Figure 8 – Survey Corridor	52
Figure 9 – Negotiation Procedure	55
Figure 10 – Principles of the Grievance Management and Redress Mechanism	60
Figure 11 – Tap Lea Activities Organisation Chart	68
Figure 12 – Implementation Schedule	69

ACRONYMS:

ALUIZNI	Agency for Legalization, Urbanization and Integration of Informal Zones
AR&B	Access Roads & Bridges
ARCP	Agency for the Restitution and Compensation of Properties
BVS	Block Valve Station
COM	Cabinet of Ministers
CS	Compressor Station
CS02	Compression Station 02 (in Albania close to the Greek border)
CS03	Compression Station 03 (in Albania close to the city of Fier)
EBRD	European Bank for Reconstruction and Development
HGA	Host Government Agreement
IPRO	Immovable Properties Registration Office
LEA	Land and Easement Acquisition
LRF	Livelihood Restoration Framework
LRP	Livelihood Restoration Plan
METE	Ministry of Economy Trade and Energy
PR	Performance Requirement
PRT	Pipeline Receiving Terminal
TAP	Trans Adriatic Pipeline
TEN-E	Trans European Energy Network
TSP East	TAP Engineering Services for East section (Greece and Albania onshore) provided by EoN RuhrGas
TSP West	TAP Engineering Services for West section (offshore and Italy onshore) provided by Statoil

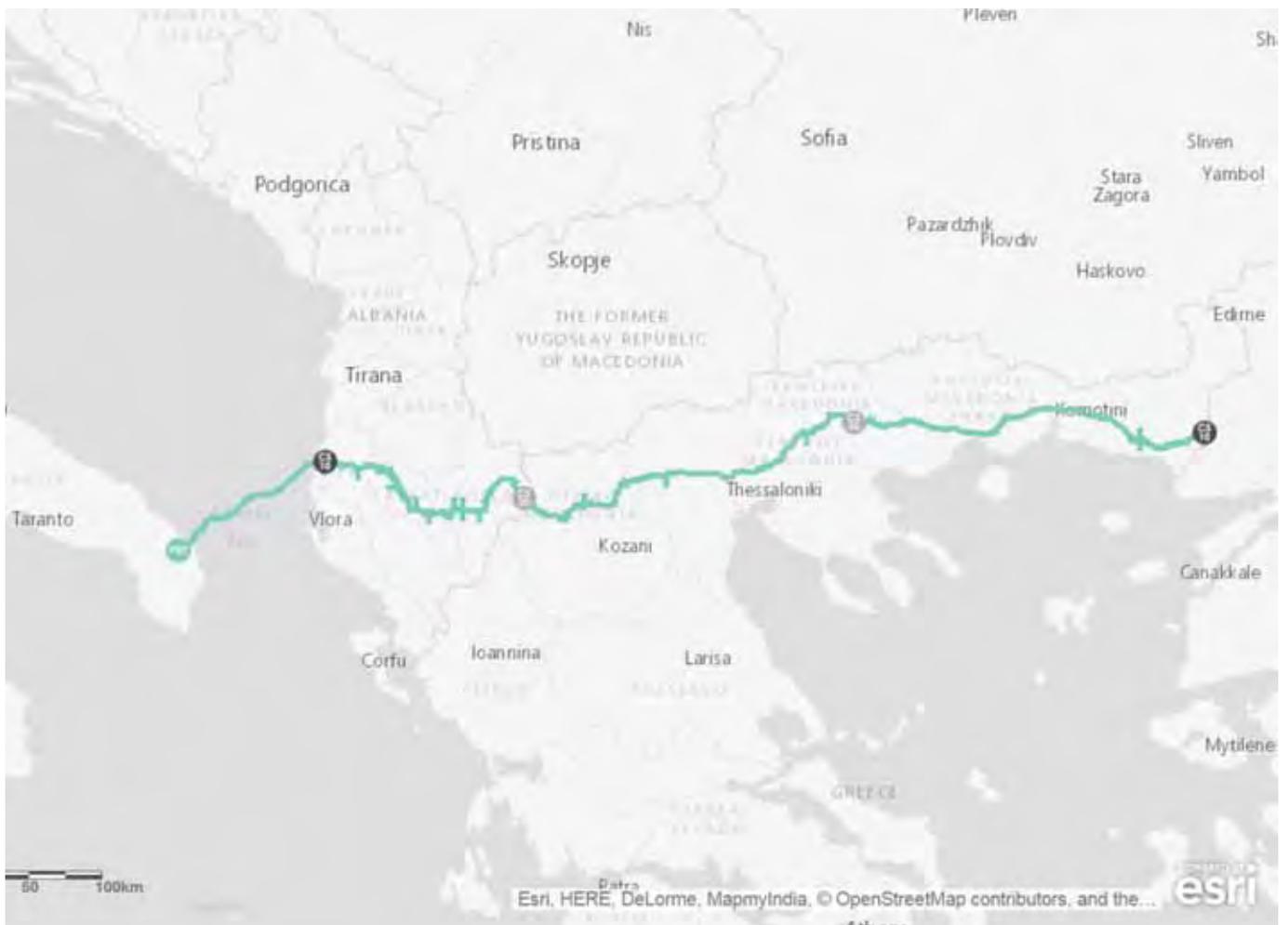
1. INTRODUCTION – SCOPE OF THIS DOCUMENT

1.1 Project Overview

1. The Trans Adriatic Pipeline (“TAP” or “the Project”) will start in Greece, cross Albania and the Adriatic Sea and come ashore in Southern Italy. The general purpose of the Project is to link gas fields in the Caspian Sea, including the major Shah Deniz field in Azerbaijan, to European markets. The pipeline, approximately 800km

in total length, of which 105km are offshore across the Adriatic Sea, will have the capacity to deliver 10 billion cubic metres (bcm) of new gas per annum to Europe, starting in 2020, and will be able to expand to as much as 20bcm per annum when required. Figure 1 below presents an overview of the Project.

Figure 1 – Project Overview



2. In addition, a total of approximately 130 kilometres of Access Roads will be built and/or upgraded; along with 54 bridges - including 2 new ones.

3. TAP is developed by TAP AG, a company headquartered in Baar, Switzerland. TAP AG’s current shareholders include BP (20%), SOCAR (20%), Statoil, a Norwegian company (20%), Fluxys (19%), ENAGAS (16%), and AXPO (5%) a Swiss company, which are some of the world’s

most experienced companies in the natural gas sector.

4. The Project crosses Albania both on shore and in Albanian territorial waters. As a result, it is subject to Albanian legal requirements. TAP AG is currently negotiating a Host Government Agreement (HGA) with the Government of Albania, which will address, amongst others, land acquisition and resettlement matters.

1.2 Scope of this document

5. TAPAG is committed to a number of environmental and social obligations, which are summarised on TAP AG's website¹. TAP has selected the Performance Requirements (PR) of the European Bank for Reconstruction and Development (EBRD) to serve as the benchmark to assure that adverse impacts on people, their rights, livelihoods, culture and environment are avoided or, where avoidance is not possible, minimised, mitigated, offset and/or compensated. This approach will further ensure compliance with the Performance Standards of the International Finance Corporation (IFC) and European Union Directives and Regulations. Amongst others, the EBRD Performance Requirements address land acquisition, involuntary resettlement, and economic displacement (Performance Requirement 5 or PR5).

6. This document is the Livelihood Restoration Framework (LRF) prepared in respect of impacts caused by Land and Easement Acquisition (LEA) in Albania associated with the Access Roads & Bridges that will be built/upgraded. The LRF describes impacts of LEA and measures taken to minimise, mitigate and compensate them. Other, similar documents are prepared for the Pipeline in Albania, as well as the other two countries, Greece and Italy.
7. This LRF addresses the Access Roads & Bridges component of the TAP Project in Albania.

1.3 Key Terminology

8. Key terminology and associated meanings and comments are presented in Annex 1.

2. PROJECT DESCRIPTION

Note: Only those features of the Project that are of relevance to this Livelihood Restoration Framework are addressed below. Additional details are presented in the ESIA².

2.1 Project Purpose

9. The key purpose of the Project is to enhance Europe's energy security by opening a new route for gas from the Caspian Sea. Gas will be delivered from off-take points in Greece, Albania and Italy, thereby allowing access to markets in these three countries as well as in the Western and Eastern Balkans, and Central and Western Europe. At full capacity (20 bcma) the Project could serve an estimated 15 million households in these areas.
10. The Trans Adriatic Pipeline is recognized as a "Project of Common Interest" by the EU Parliament and Council under the European Union's Trans European Energy Network (TEN-E) guidelines, as it would contribute to the EU's objectives and policies aimed at diversification and security of energy supply.

2.2 Tap route overview

11. The Project is a proposed gas pipeline starting in Greece, crossing Albania and the Adriatic Sea and coming ashore in southern Italy, allowing gas to flow from the Caspian basin into Western and South Eastern European markets. The TAP

route will be approximately 800 kilometres in length (Greece 478 km; Albania 204 km; offshore Adriatic Sea 105 km; Italy 5 km – See Figure 1 above). TAP's highest elevation point will be 1,800 meters in Albania's mountains, while its lowest part offshore will be at 810 meters of depth.

12. To facilitate construction of the pipeline itself, approximately 19 separate Access Road segments and 54 Bridges spread out along the length of the 204 km length of the Pipeline, need to be built and/or upgraded.

2.3 Key Characteristics of the Access Roads & Bridges In Albania

2.3.1 Access Roads

2.3.1.1 Key Technical Characteristics

13. Approximately 130 kilometres of Access Roads will be built/upgraded. Of this, it is currently estimated that only about 20 kilometres will be entirely new roads.

¹ www.tap-ag.com

² The ESIA for Albania is available in English and Albanian languages at <http://www.trans-adriatic-pipeline.com/tap-project/environmental-and-social-impact-assessment/esia-in-albania/esia/>

14. The above road work also includes 54 Bridges – only of which 2 are new, the rest will be rehabilitated/upgraded.

2.3.1.2 Access Road Construction Corridor

15. The normal construction working width for Access Road and Bridge construction/upgrading is generally between 20 – 25 meters depending upon the topography.

2.3.1.3 Access Road Construction Corridor Reinstatement

16. After completion of Access Road & Bridge construction, land located inside the construction corridor that was only temporarily occupied (laydown areas, camps, etc.) is reinstated, which involves the following:
 - The original contours are restored.
 - Top soil that has been removed and stored separately is placed back.
 - All temporary crossings are removed.
 - Land drainage infrastructure, access roads, other networks and facilities, and vegetation, which were disturbed or moved during construction, are reinstated to their previous condition.
17. Photographic records will be made along the Access Road routes, where necessary, before and after the works. All posts and markers will be located such that interference with agricultural activities is minimised.

2.3.1.4 Construction Camps

18. Temporary, self-contained construction camps will be set up and operated during construction/upgrading of Access Roads & Bridges. They will take existing infrastructure and access into account. The locations will depend on the forecasted work speed and directions. The Primary Contractor will make its own arrangements for the housing and welfare of its employees by the erection, fitting up and maintenance of temporary quarters and camp accommodation together with all services at the places of work, although land access and compensation for such facilities will be managed by TAP. The camps will be 'open' rather than 'closed' camps, but worker off-time will be carefully managed. Construction camps will be developed for each part of the project before construction of pipeline and associated facilities begins. There may, however, be a requirement for some small-

scale and temporary accommodation in towns outside of the camps while Access Roads & Bridges are under construction. Camps will be located so that long transport time for staff to the work place can be avoided. If possible, camps will be located close to main roads with good connection to larger cities, allowing easy transport of personnel, food, utilities etc. to the camp. Communities will be consulted to identify suitable camp locations.

19. All camp installations are of temporary character and will be removed completely (including foundations) after the construction period. The land will be reinstated and camp footprint will be replanted after demobilisation of infrastructure.
20. While preliminary siting options have been identified for the camps associated with Access Roads & Bridges, these options are yet to be fully investigated and no final decision has been made at the time of writing this LRF.

2.4 Routing and Route selection process for access roads and pipeline

2.4.1 Route Optimisation

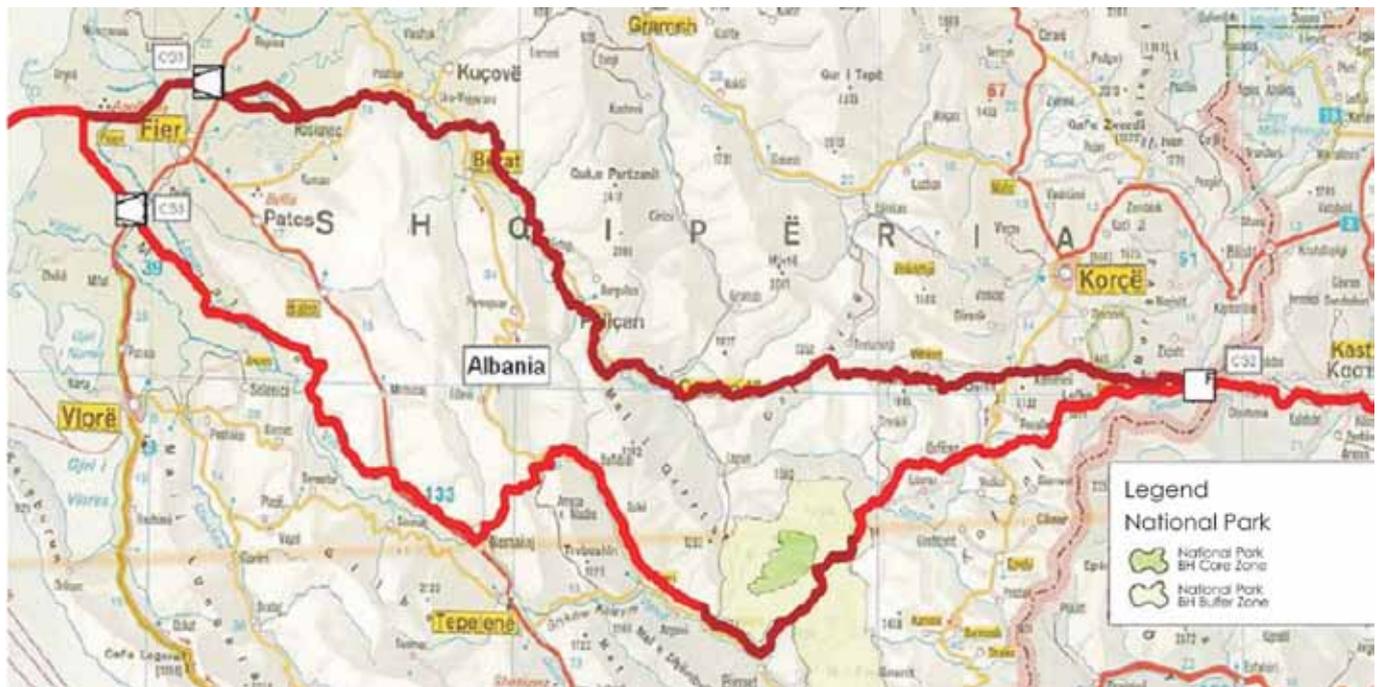
21. The route for specific Access Roads identified for construction/upgrading follows on directly from the process used to determine the final routing of the Pipeline shown in Figure 3 below. The objective of this process was threefold: a) identify the optimal route, b) identify measures to minimise residual environmental, social and cultural heritage impacts and c) engage with national, regional and local authorities and the populations at large.
22. A total of 7 alternative Pipeline routings were investigated (in addition to the base case routing). After a preliminary review, 5 alternatives were excluded from further studies as they were found to have significant shortcomings on economic, technical, environmental or social grounds. The remaining two were as follows (See Figure 2 below):
 - Alternative 3 has an onshore length of 212km. It crosses 5 highways, 10 major roads, 10 secondary roads, 249 carriage ways and tracks and 1 railroad. In addition, 44 river crossings are needed including several crossings of the Vjiosa. It requires 7 block valve stations, new access roads with a total length of ~20km and the upgrading of ~120km of existing roads. With a view on constructability, the route has been found to

have a difficulty factor of 2.3 (higher figures suggest more difficulties with 1 being equal to a pipeline in a flat and stable environment).

- Alternative 6 has an onshore length of 179 km. It requires a 2.5 km long tunnel with a diameter of 4m in the mountains above Corovode (on 1800 m asl). It crosses 1 highway, 7 major roads, 30 secondary roads, 228 carriage ways and tracks and 1 railroad. In addition, 26 river crossings are needed incl. several crossings of the Osumi. It requires 6

block valve stations, **new access roads with a total length of ~40 km (20 km for the tunnel) and the upgrading of ~90km of existing roads.** The overall route has been found to **have a difficulty factor of 2.0.**

Figure 2 – Alternative Routes 3 (South) and 6 (North)



23. The systematic comparison revealed that these two options have similar environmental and social performance, while Alternative 3 would have been significantly more costly to build. Alternative 6 was selected.

2.4.2 The Selected Route

24. The pipeline (Figure 3 below) will enter Albania north of Miras and run on the top of some hills towards Dardhe. Soon after the Greek/Albanian border a metering station will be established and will be extended³ at a later stage to host a second compressor station in order to enhance the throughput to 20 bcma. After this station the pipeline will descend to the plains south of Korçë and cross the national road between Kemenice and Floq. It then climbs up to the highlands

south of Vithkuq and stays on the ridges until it reaches a section where a 2km long tunnel will be necessary (700m above the village of Backe at an altitude of 1800m asl). It then follows for 25km the ridges to the north of the road from Corovode to Potom and Backe before it crosses the Osumi River south of Corovode.

25. The pipeline then follows the Osumi River for several km on its western bank before it climbs up to the western ridges of the Osumi valley near the village of Therepel. Some 5 km north of Polician it re-enters the lower parts of the Osumi valley and runs through agricultural lands. 5 km south of Berat the pipeline leaves the valley and runs north and towards Lapardha to avoid any visual impacts to the world heritage site of Berat. The pipeline then runs through the flat

³ Land acquisition for CS02 will be done in one round at Project inception to accommodate the needs of the future expansion (ie. no further land acquisition is anticipated to be required at the time CS02 is expanded and upgraded into a compressing station).

agricultural lands towards Fier. Near Jagodhe the pipeline crosses the Semanit River and then runs towards the hills north of Fier. The compressor station CS03 is to be established on these hills, albeit avoiding any visual impact to the tourism and heritage sites of that area. The

pipeline then intersects irrigated agricultural land towards the landfall area at the Plazhi i Semanit. It further goes offshore running in a more or less straight line towards Italy.

Figure 3 – Route Map in Albania

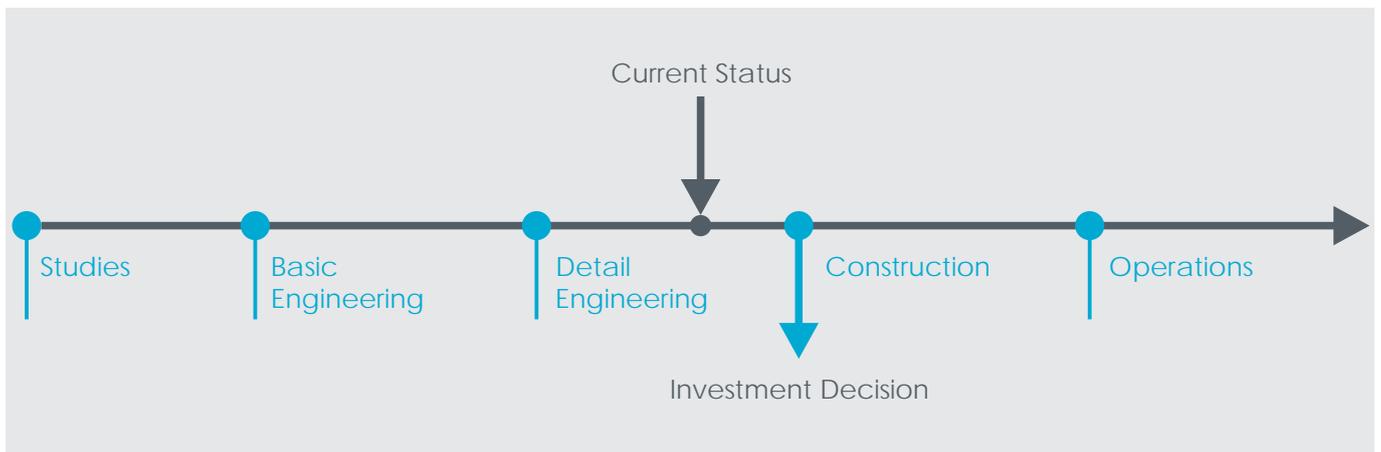


2.5 Project Schedule for access Roads and Bridges

26. Overall construction of the Albanian section of the project is anticipated to commence in mid-2015 and will take approximately 3.5 years,

followed by commissioning during 2020. Access Road & Bridge construction is expected to start in Spring 2015, and last about 18 months terminating in the Fall of 2016.

Figure 4 – Overview of Project Schedule



27. Key Project milestones include the following:

- In 2003 the pre-feasibility study for TAP was conducted.
- The feasibility study for the project was concluded by EGL in March 2006, confirming technical, economic and environmental feasibility.
- TAP's extended basic engineering, including the offshore seabed survey, and preliminary impact assessment surveys were concluded by March 2007.
- In 2008, TAP entered the front-end engineering detailed design stage (FEED).
- In 2012, TAP continues to work on engineering and planning, as well as securing a favourable regulatory framework for the pipeline project.
- In February 2012 TAP was selected by Shah Deniz Consortium as the priority route to Italy.
- TAP's schedule is aligned with developments upstream. The pipeline will be ready to transport natural gas from the Caspian region, when the Phase II of Shah Deniz field in Azerbaijan starts production.

3. LEGAL FRAMEWORK

Note: This section intends to provide a summary of those provisions of Albanian law that pertain to land and easement acquisition and generally are relevant to a project such as TAP, but not necessarily a comprehensive review of all Albanian land legislation.

3.1 Key Albanian Legislation

28. Table 1 below identifies key pieces of Albanian legislation that are relevant to land acquisition

and resettlement. A detailed version of this table, including all references of main and subordinate acts is presented in Annex 2.

Table 1 – Identification of Key Albanian Legislation Pertaining to Land Acquisition

Albanian name	English name	Key issues addressed
Kushtetuta e Republikës së Shqipërisë	Constitution of the Republic of Albania	Main constitutional principles, essential rights and freedoms, organization of the state and independence of the state bodies, elections, hierarchy of the laws etc.
Kodi Civil i Republikës së Shqipërisë	Civil Code of the Republic of Albania	Legal rights related to immovable properties (such as ownership, easement-servitudes and usufruct rights, lease, etc.) Interacting and beneficiary parties, their contractual right, modalities of acquisition of rights referred above, and the obligation to register them.
Për regjistrimin e pasurive të paluajtshme	Law "On Registration of Immovable Properties"	Organization and operation of the Immovable Property Registration Office (IPRO), terms and procedures for the registration of immovable properties and administration of immovable properties public registry.

Për shpronësimet dhe marrjen në përdorim të përkohshëm të pasurisë pronë private për interes publik.	Law "On expropriation and temporary use of private property for public interest"	Regulates the right of the state to expropriate or take in temporary use, for public interest the properties of legal entities or individuals and the protection of the rights and interests of the expropriated owners.
Për legalizimin, urbanizimin dhe integrimin e ndërtimeve pa leje	On the legalisation, urbanization and integration of the informal zones/ constructions	Legalisation of informal constructions. Transfer of the ownership rights over the land plot where is constructed the object that will be legalized. Urbanization of zones, blocks of informal constructions and their integration into the urban development of the country. Procedures for the completion of the legalisation of the informal constructions and the establishment of the relevant structures for the legalisation.

3.2 Key Principles of Albanian Legislation Pertaining to Land Acquisition

29. The Albanian Constitution and Expropriation Law are generally in line with Human Rights protection principles as contained in the Universal Declaration of Human Rights. Private property is guaranteed by the Constitution (Article 41).
30. Rights in property, whatever their nature (ownership, usufruct) are supposed to be registered in the Public Registry (Civil Code).
31. The expropriation process is defined by Law 8561 of 22.12.1999. This law has similarities to expropriation laws in other European countries, is generally in line with international standards of human rights and property protection, and guarantees a fair and transparent process that generally complies with EBRD's policy requirements. Its main aspects are the following:
 - Expropriation is subject to public interest "in accordance with general principles of international law";
 - Expropriation is subject to "fair compensation";
 - Expropriation can only be decided by the Council of Ministers based on an application by the requesting agency or requesting private entity;
 - The expropriation law provides the main steps in the process, which are detailed further in section 3.4.
32. While the legislation does guarantee that basic Human Rights requirements are complied with, implementation has not always been consistent

with these principles and there have been instances of expropriation where aggrieved people had to resort to various external redress mechanisms (including those associated to International Finance Institution) to ensure that their rights would be safeguarded.

3.3 Rights, transactions and registration

3.3.1 Registration

33. The Immovable Properties Register (i.e. the registry where all immovable properties and respective transactions are registered) is administrated by IPRO, a legal public person, under the control of the Ministry of Justice. (Registration Law, Art. 5 & 9). Ownership titles and other real rights (i.e. usufruct rights, use rights, emphyteosis, easement and other real rights) must be registered (Civil Code, Art. 193). Transactions should be registered with IPRO within 30 days from their execution (Registration Law, Art. 38). IPRO upon request of the owner or holder of a real right issues the relevant certificate (i.e. ownership certificate, usufruct certificate, easement certificate etc). The date when the certificate was issued is reflected in the property records. (art. 32).
34. Lease contracts for periods of more than nine years must be registered with IPRO. The contract should be a notary deed (Civil Code, Art. 197). Notarial lease contracts for periods more than one year may also be registered. When the subject to the lease is only a part of the property, the property should be divided accordingly and the notes related to the lease should be registered with the property record of the relevant part (Registration Law, Art. 51).

35. The registration of the ownership title acquired by the execution of a sale purchase agreement is registered upon filing of the sale purchase agreement (which should be in the form of a notary deed).
36. When the ownership title is acquired by law, final court decision or an administrative act, which includes expropriation, the registrar based on these acts reflects the state or the person who has obtained the ownership of the immovable object as owner (Registration Law, Art. 42 & 45).
37. In the situation where the registration process is in respect of an object that has been legalised, the registrar carries out the registration of the legalized object immediately upon receipt by ALUIZNI of the legalisation permit and the accompanying documents as provided under the Legalisation Law 9482/2006.

3.3.2 Usufruct Rights

38. Usufruct rights (Civil Code, Art. 232 to 258) can be created by law or by a legal transaction. The usufruct may be established either for a determined or undetermined term but in any case it cannot last longer than the usufructuary life time. When the usufructuary is a legal entity the usufruct cannot be longer than 30 years. The usufructuary enjoys the easements rights related to the property and other real rights that the owner would enjoy, except any limitations provided in the act of creation of the usufruct or by the law. When the property is expropriated for a public interest, usufructuary would be eligible for compensation in addition to the owner of the immovable property that is subject to usufructuary rights.

3.3.3 Easement Rights

39. Easement (Civil Code, Art. 261 to 295) can be established by law, act of a state authority, contract entered between the parties, or by a court decision. Easement rights include all rights necessary for the free enjoyment of easement. The beneficiary of the easement is obliged to compensate the owner of the servant property for damages arising from the easement. The owner cannot create an easement over the property without the consent of the usufructuary, in case the easement impairs the rights of the usufructuary. The easement right should be exercised in the manner and time that creates fewer difficulties for the owner of the servant property. The beneficiary of the easement has the right to file claims in the court against any party that contests his right and to request as the case may be cease of impairment, full reinstatement of the right and damages relief. Easement over a property in joint ownership

can be created only upon the approval of all the joint owners.

40. The owner of the immovable property may register an easement right upon filing with IPRO of the act creating the easement providing for (i) the nature of the easement, the period, and any condition or restriction related to it; (ii) the immovable property, or its relevant part that is affected by the easement. The easement document should also contain a plan that defines the location and extension of the easement. The easement is registered in the relevant section of the property records. Change and removal of the easement are made upon filing a request and relevant documents by the party that is benefiting from the easement. (Registration Law, Art. 57).

3.3.4 Option to purchase (“Earnest Agreement”)

41. A party that intends to enter in the future into a contract may pay to the other party a sum of money (the earnest) in advance assuring that party on the later execution of the contract (Civil Code, Art. 601-602). In case the contract is not executed due to the default of the party paying the earnest, this party loses the earnest; when the contract is not executed due to the default of the party receiving the earnest, this party is obliged to pay back double the amount of the earnest. Unless otherwise agreed in the contract, the defaulting party is liable for compensating damages to the other party. In this case the sum of earnest could offset part of the damages if it does not cover them all.
42. The Civil Code (Art. 84-88) also recognizes the concept of conditional contracts, where the parties are required to discharge or not discharge their contractual obligations depending on occurrence of uncertain events as defined by the parties in their contract. In case such events do not occur than the parties would be released from the contractual obligations.

3.4 Expropriation in the public interest for the benefit of a private investor

3.4.1 Key Principles

43. The right of private property is guaranteed. Property may be acquired by donation, inheritance, purchase, or any other classical means provided by the Civil Code. The law may provide for expropriations or limitations in the exercise of a property right only for public interest. Expropriation or limitations to a property right that are equivalent to expropriation is permitted only against fair compensation. For

disagreements connected with the amount of the compensation, a complaint may be filed in court (Constitution, Art 41).

44. Expropriation or taking under temporary use of the private property is made only for a "public interest" which may not be achieved or protected in another manner, and always against a fair compensation (Expropriation Law, Art. 2). Expropriation for public interest in favor of a private entity is performed in the case of investments that present public interest or have territorial extension either in national or local level, in sectors such as energy or telecommunications (Expropriation Law, Art. 8).
45. The request for expropriation is submitted by the interested investor to the ministry that covers the activity for which the expropriation is needed. The application for expropriation should include the identification of properties that expropriation is requested for (indicating such properties and respective owners). The ministry establishes a special committee to follow up and implement the expropriation process. The committee examines and verifies the information indicated in the application and relevant documents attached therein. If the application meets the required criteria the committee accepts the application for expropriation by notifying the investor.
46. Within ten days after the acceptance notice, the ministry and the investor enter into an agreement providing for the process and conditions of expropriation, in the form of the notary deed, having attached all documents accompanying the application for expropriation.
47. Within ten days after execution of the said agreement, the ministry notifies directly (either by registered mail or other means of notification having confirmation that notice is received by the addressee; in case the addressee resides abroad, the notification will be made through publication in the commune/municipality where the land subject to expropriation is located) the persons affected by the expropriation and will publish the application for expropriation in the Official Journal as well as in national and local newspapers.
48. The ministry proposes to the Cabinet of Ministers (COM) to approve the expropriation not earlier than one month from the day of termination of the procedures described in herein above. The committee further calculates (by considering the initial value of the property proposed to be expropriated, depreciation, destination, location, indexes of the market price changes and of the currency) the value of compensation to be paid to the persons affected by the expropriation.

49. The ministry submits the full file of expropriation to the COM for approval. Within thirty days after the approval of the expropriation by COM Decision, the ministry will transfer and register with the competent IPRO the ownership title on the expropriated land under the name and property of the State in case of the expropriation of the title, or register under the State name and title. The ownership title on the expropriated property is registered in the name of the investor (if such is their request), when the investor has completed the construction of the project.
50. Details on the expropriation process are presented in Annex 3.

3.4.2 Expropriation Steps in the Case of the TAP Project

51. The following figure shows the key steps that the expropriation process provided by Albanian legislation would entail if it were to be applied to a project such as TAP in situations where no negotiated agreement can be reached.
52. It is important to note that at any point while the expropriation process is on-going the owner has the possibility to continue negotiation and reach agreement with the expropriating agency.

3.5 Valuation

3.5.1 Constructible Land

53. The value of land affected by expropriation procedures is defined (in ALL/m²) by the Decisions of the Cabinet of Ministers (DCM) approving the value reference list established in accordance with the Restitution and Compensation Law. In cases where no price is fixed for certain areas, under DCM no. 138/2000 the value of land should be estimated based on the average value of sale prices within the last 3 months as indicated in the IPRO Register. A special declaration of IPRO (signed by the local director of IPRO) should be issued to ascertain recent sale contracts and prices applied. If the IPRO of the region affected by the expropriation lacks any data on land value, the evaluation is made based on a comparison with sale and purchase values in other areas, according to the following criteria:
 - Characteristics of the area (i.e. touristic, urban, suburban, rural);
 - Engineering ability of the land to support constructions.

3.5.2 Residential buildings

54. Valuation of the residential buildings is estimated based on average values of sale prices defined by IPRO (as for constructible land). When sale purchase indicators are not available, the evaluation is based on the method of the construction cost using as reference unit prices used by the National Housing Entity.

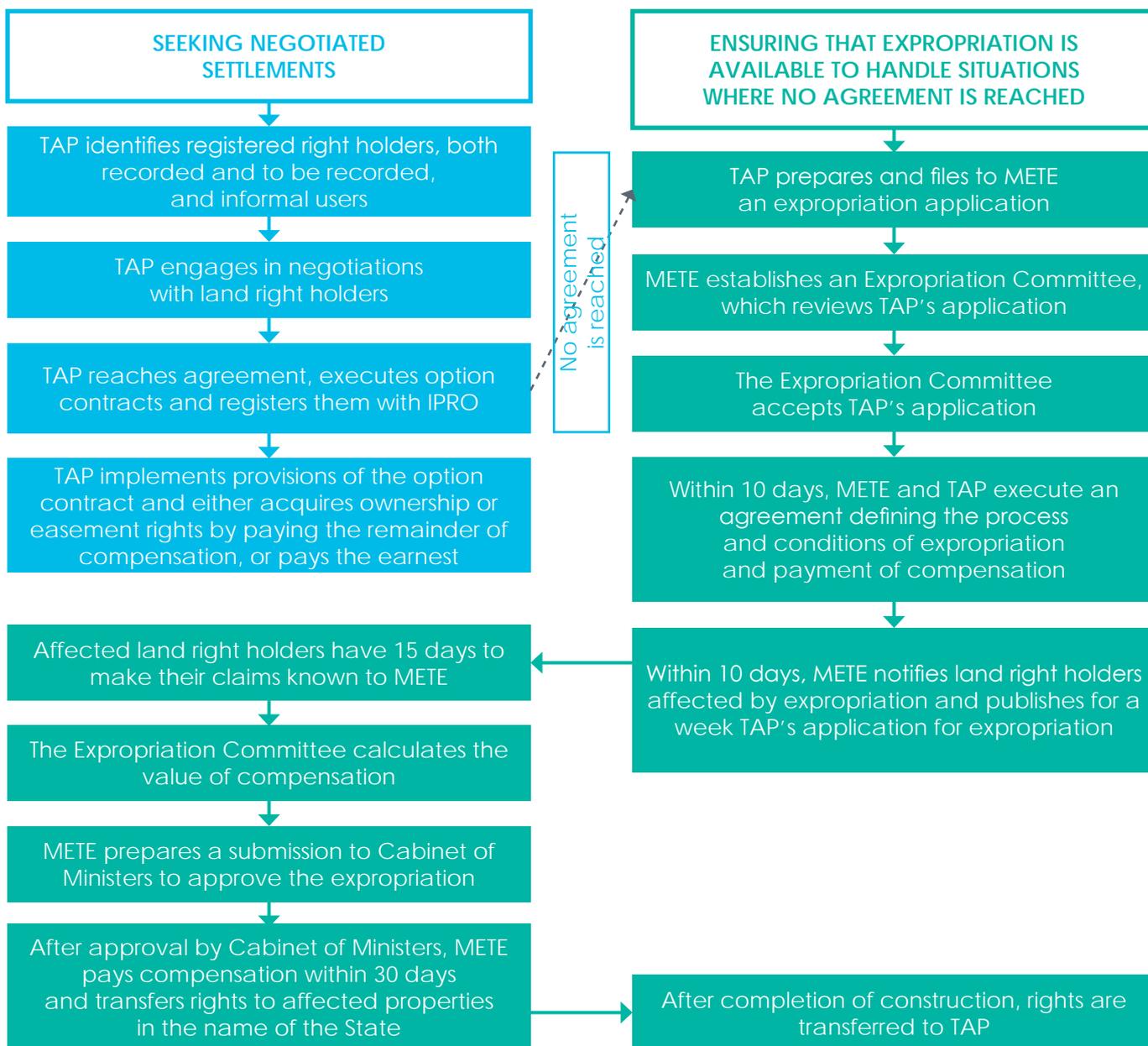
3.5.3 Industrial and Agricultural Buildings

55. Valuation of industrial and agricultural constructions is based on the Full Replacement Value.

3.5.4 Valuation of industrial and agricultural constructions is based on the Full Replacement Value.

56. The value of the agricultural land, forest, and pasture is defined (in ALL/m²) by the COM Decisions approving the price reference list (in accordance with the Restitution and Compensation Law). In cases where no price is fixed for certain areas, under COM Decision no. 138/2000, the value of land shall be estimated based on the average value of the sale price of land in the relevant area as indicated in the IPRO register.

Figure 5 – Proposed Land and Easement Acquisition Process with Expropriation
 Greyed boxes pertain to the expropriation process



57. The value of crops, plants, orchards, forests, and permanent nurseries is defined based on the average value of their sale price in the relevant area as indicated in the IPRO register. In case IPRO declares in writing not to be able to avail such price indicators, interested parties may request from the Ministry of Agriculture, Food and Consumers Protection to carry out a specific technical valuation and to calculate the value of the property subject to the expropriation. In such cases, criteria used for calculation of compensation would be as follows:

- land category (level of fertility),
- situation under or above the water level,
- distance from the urban centers.

58. With regard to orchard trees, the evaluation is based on costs (investment and growth expenses including amortization based on guidelines of the Ministry of Agriculture, Food and Consumers Protection). Evaluation is made per each tree for the orchard trees, olives, oranges, limes, etc. and for measured surface in case of wines, nurseries and strawberries. For annual crops the evaluation is made based on the expected production and the market value.

59. The valuation criteria for forest and pasture lands are the following:

- quality of said lands and their sustaining capacity
- environmental, ecologic values and the function of meadow or forest land (productive, touristic, etc.)
- geographical location (mountainous, seaside area etc.)
- value of the wooden and non-wooden material, medicinal plants, wild fauna etc.
- level of investment and infrastructure.

3.5.5 Valuation of unregistered properties

60. On an exceptional basis, it appears that for national roads, informal owners of immovable objects that are not registered with IPRO can be expropriated (and would therefore be valued) in case they meet the following criteria:

- Informal owners of unregistered assets are in the process of undergoing the administrative procedure with ALUIZNI at the time the expropriation is requested;
- The informal construction is declared by the informal owner within the ALUIZNI legalisation process and is declared eligible to legalisation by ALUIZNI;

- Informal owners are in the process of obtaining a legalisation permit based on either (i) a Cabinet of Ministers Decision, published in the Official Journal pursuant to the Legalisation Law, which identifies the individual as informal owner of the informal object and relevant land plot; or (ii) evidence that the informal owner that has constructed the object in his or in State land is not ineligible to the legalisation process.

3.6 Legalisation Process

61. Legalisation of unregistered properties is carried out by ALUIZNI (Legalisation Law, Art. 4). Informal objects constructed prior to the entry on force of the law, notwithstanding their purpose of use, are within the scope of possible legalisation. Informal owners have an obligation to self-declare illegal constructions to the urban planning office of their area, within six months from the entry into the force of the law (April 2006 - Legalisation Law, Art. 7).

62. The local office of ALUIZNI within 30 days from receiving the complete set of documents required for the legalisation of the informal construction issues a legalisation permit to the informal owner (Legalisation Law, Art. 28). Upon completion of the legalisation process, ALUIZNI prepares the documents necessary for registering with IPRO the legalized properties (Legalisation Law, Art. 29). If relevant, the Cabinet of Ministers decides upon compensation of landowners, whose property is transferred to the informal owner upon completion of the legalisation process. The evaluation is made pursuant to Restitution and Compensation Law (Legalisation Law, Art. 15).

63. Any disputes arising from ownership claims over land occupied by the informal construction are addressed to the court by the claiming parties. During the judicial examination the legalisation process is suspended and restarts when the court decision has become final and enforceable (Legalisation Law, Art. 24).

3.7 Claims and grievances

64. Parties affected by expropriation can bring actions before courts against the expropriation process. However, only compensation amounts can be challenged, but not the process per se (Expropriation Law, Art. 24). Such claims do not cause suspension of the expropriation process, but they may result in a higher compensation to be paid in case so ruled by the final judgment. Affected parties may claim higher compensation amounts than those set forth by the relevant Cabinet of Ministers Decision authorizing the expropriation, filing actions with

the court within thirty days from the notification of the said COM Decision.

65. Actions brought before courts by parties claiming ownership title over the immovable property subject to expropriation do not suspend the expropriation process either. Depending on the ruling, the court or the competent ministry should exchange the relevant notifications in such cases. Upon completion of the expropriation procedure the competent ministry (i.e. the one that has initiated the expropriation procedure) is obliged to place the compensation amount into a bank account opened so that the compensation can be paid in conformance to the judgment (Expropriation Law, Art. 16).

3.8 Key potential gaps with EBRD PR 5 requirements

3.8.1 PR5 Requirements and Key Gaps

66. The key objectives of EBRD Performance Requirement 5 follow:

- Avoid or, at least minimize, involuntary resettlement wherever feasible by exploring alternative project designs;

- Mitigate adverse social and economic impacts from land acquisition (or use or access restrictions land by: (i) providing compensation for loss of assets at replacement cost; and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected;

- Improve or, at a minimum, restore the livelihoods and standards of living of displaced persons to pre-project levels;

- Improve living conditions among displaced persons through provision of adequate housing with security of tenure at resettlement sites.

67. The table below provides a comparison of Albanian legislation to EBRD’s requirements and the identification of key gaps.

Table 2 – Gap Analysis – Albanian Legislation / EBRD PR5

Topic / Issue	EBRD Requirements (PR5)	Albanian Law Provisions	Comments
Involuntary resettlement – Physical and economic displacement	<p>“Involuntary resettlement” per the PR covers both physical displacement (loss of shelter) and economic displacement (loss of livelihood). The PR covers both:</p> <ol style="list-style-type: none"> 1. Land acquisition, which includes: (a) purchases of property; (b) purchases of property rights (i.e. easements; rights of way) 2. Imposition of restrictions that result in people experiencing loss of access to physical assets or natural resources 	<p>Albanian legislation, including the Expropriation Law of the Republic of Albania, does not recognize “involuntary resettlement” in the sense of the PR. Issues related to land acquisition in the public interest are regulated by Expropriation Law. The law regulates the right of the state to expropriate properties of natural or juridical persons in the public interest against fair compensation. In addition, compensation is to be provided for the devaluation of properties which are not the object of expropriation. The law regulates temporary occupation of land (e.g. for construction works, setting up construction sites, etc.), for up to 2 years, against compensation.</p>	<p>The key gap is that Albanian legislation does not recognise loss of livelihoods associated to land acquisition.</p> <p>The law recognizes affected persons who have formal legal rights only.</p> <p>Restrictions that result in people experiencing loss of access to physical assets or natural resources are not addressed explicitly by Albanian legislation.</p>

Topic / Issue	EBRD Requirements (PR5)	Albanian Law Provisions	Comments
Planning process	<p>The EBRD Client must prepare a Resettlement Action Plan (or Livelihood Restoration Framework is no physical displacement is anticipated). The RAP includes a census and detailed socio-economic baseline. Affected persons are to be informed and consulted during the planning process. Special provisions have to be made in respect of consultation with vulnerable groups.</p>	<p>The application for expropriation in the public interest should include a detailed list of properties to be expropriated, based on the IPRO register.</p> <p>Affected owners are to be notified of the application for expropriation.</p>	<p>Albanian legislation does not set out any requirements for the preparation of resettlement or livelihood restoration plans. In addition there are no requirements in respect of consultation with persons affected or for special attention to vulnerable groups.</p>
Cut-off date	<p>In the absence of national government procedures, the date of completion of the census and assets inventory represents the cut-off date for eligibility.</p> <p>Individuals who move into the project affected area after the cut-off date are not eligible for compensation and other types of assistance.</p> <p>Information regarding the cut-off date should be well-documented and disseminated throughout the project area.</p>	<p>It is understood that the date of the Cabinet of Ministers decision on expropriation is the cut-off date.</p>	<p>No gap</p>
Negotiated settlements	<p>Negotiated settlements are encouraged to help avoid expropriation and eliminate the need to use governmental authority to remove people forcibly.</p>	<p>Negotiated settlements are encouraged by the Expropriation Law. Art. 6 of the Expropriation Law provides that when the owner agrees to transfer his/her property to the state, under conditions (compensation) offered by the competent ministry, expropriation is considered completed. The owner has to inform the competent ministry within 15 days from being notified (publication) whether accepts the offer (art.16). If an agreement is not reached, after a decision on expropriation is passed by the Council of Ministers, the affected owner has the right to appeal to the court regarding the amount of compensation (art.24)</p>	<p>No gap</p>

Topic / Issue	EBRD Requirements (PR5)	Albanian Law Provisions	Comments
<p>Compensation Value and Timing</p>	<p>Compensation for lost assets to be provided at replacement cost, usually calculated as the market value of the assets plus transaction costs related to restoring such assets (registration and transfer taxes). Depreciation of structures and assets should not be taken into account.</p> <p>Compensation (alternative housing and/or cash compensation) has to be provided prior to relocation.</p>	<p>Per Expropriation Law, compensation value to be based on assessment of affected properties by the Expropriation Committee and confirmed by COM Decision. This provision explicitly states that depreciation of structures and assets is to be taken into account.</p> <p>If agreement on compensation reached, transfer of property and payment of compensation to take place within 15 days from notification by affected owner that he/she accepts the offer (art.16).</p> <p>If not, compensation is provided based on a decision on expropriation of the Council of Ministers, within a period of three months, or after the court decision (art.23).</p>	<p>Albanian legislation does not take account of transaction cost, and provides that depreciation is to be taken into account, which does not meet the EBRD “replacement value” requirement.</p>
<p>Provision of adequate housing / shelter with security of tenure</p>	<p>Adequate housing is measured by quality, safety, affordability, habitability, cultural appropriateness, accessibility and location characteristics, including access to infrastructure and services. Security of tenure means that resettled persons are protected from forced evictions, to the greatest extent possible. New resettlement sites built for displaced persons should offer improved living conditions with security of tenure.</p>	<p>Law on Social Programmes for the Housing of Inhabitants of Urban Zones sets out the criteria for housing requirements (minimum living areas in sqm/person)</p>	<p>The Expropriation Law does not foresee compensation in kind and therefore there are no provisions of adequate housing with security of tenure. The Expropriation Law does not include any provisions about resettlement requirements. Physical displacement is not anticipated for the TAP Project, and this requirement is therefore unlikely to apply.</p>

Topic / Issue	EBRD Requirements (PR5)	Albanian Law Provisions	Comments
Vulnerable groups	Specific assistance for vulnerable groups.	According to law no. 9355, dated 10.03.2005 "On social assistance and services", vulnerable persons are entitled to various forms of social welfare payments or a range of community based services.	Specific assistance for vulnerable groups is not part of the expropriation process in Albania. However, legal tools exist outside of the expropriation process to provide assistance.
Eligibility for compensation / resettlement and entitlements in case of physical displacement	<p>PR5 distinguishes three main categories of affected people:</p> <p>1- those who have formal legal rights to affected assets are eligible to full compensation at replacement cost for land and structures as applicable;</p> <p>2- those who have no formal rights to affected assets at the time of the census, but who have a claim to land that is recognized or recognizable under national laws are eligible to similar compensation as those in Category 1;</p> <p>3- those who have no recognizable legal right or claim to the land they occupy are not necessarily eligible to compensation for land but should receive: (i) compensation for structures that they own and occupy and for any other improvements to land at full replacement cost; and (ii) in case of physical displacement, a choice of options for adequate housing with security of tenure and resettlement assistance.</p>	<p>The Expropriation Law addresses people in Category 1. The Legalisation Law addresses people in Category 2.</p> <p>The law no. 9232, dated 13.05.2004 "On social programs for the housing of inhabitants of urban areas" establishes a legal framework for the development of social housing programs in Albanian municipalities, which may apply to people in Category 3. The law defines the administrative regulations and procedures that will ensure the planning, management and distribution of social housing to vulnerable people, in line with their income and the level of state support.</p>	Specific measures to be devised in Frameworks and RAPs for people in Category 3.

Topic / Issue	EBRD Requirements (PR5)	Albanian Law Provisions	Comments
<p>Grievance mechanism</p>	<p>A grievance mechanism should be set up as early as possible in the process, to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons and/or members of host communities, including a recourse mechanism designed to resolve disputes in an impartial manner.</p> <p>The grievance mechanism, process, or procedure should address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities, at no cost and without retribution.</p>	<p>Expropriation Law provides for the right of the affected persons to bring actions before the courts for seeking higher compensation from that defined in the decision on expropriation enacted by the Council of Ministers, but affected people cannot challenge the expropriation process per se.</p> <p>Claims do not cause suspension of the expropriation process, though they may result in a higher compensation to be paid if so decided by the competent court.</p>	<p>While there is no requirement in Albanian law to establish an extra-judicial grievance mechanism, this does not contradict the process outlined in Albanian law as long as affected people can keep on enjoying their constitutional right to address any claim to the competent court as they see fit.</p>
<p>Information disclosure and public information</p>	<p>The client should summarize the information contained in the Resettlement Action Plan or Livelihood Restoration Framework for public disclosure to ensure that affected people understand the compensation procedures and know what to expect at the various stages of the project (for example, when an offer will be made to them, how long they will have to respond, grievance procedures, legal procedures to be followed if negotiations fail). Consultations will continue during the implementation, monitoring and evaluation of compensation payment and resettlement</p>	<p>The Expropriation Law obliges the Ministry to notify persons affected directly (either by registered mail or other means of notification having confirmation that notice is received by the addressee; in case the addressee resides abroad, the notification will be made through publication in the commune/municipality where the land subject to expropriation is located) and to publish during an entire week the application for expropriation in the Official Journal as well as in national and local newspapers.</p> <p>Within fifteen days after the last date of the publication, the persons subject to expropriation should inform the ministry on their claims related to the properties affected by the expropriation</p>	<p>Apart from notifications to affected people, there is no requirement in Albanian law to consult and to disclose documentation publicly. However, such consultation and disclosure is not prohibited and can be accommodated as a specific measure.</p>

3.8.2 Recommendations to Address Identified Gaps

68. Gaps essentially pertain to the following:

- Compensation value (not at replacement cost per Albanian legislation);
- Consultation and disclosure (no specific requirements in Albanian law);
- Planning process (no requirement for any participatory planning process per Albanian law);
- Informal or unregistered ownership and usufruct rights;
- Grievance management and resolution.

69. TAP has three different legal avenues to address these gaps in cooperation with the Albanian government:

- The Host Government Agreement, approved in April, 2013, includes a number of safeguard clauses pertaining to land access, and will specifically refer to compliance with EBRD PR5, a commitment TAP AG has already made public;
- The agreement to be entered into between TAP and the Expropriation Committee of METE, and thereafter reflected by the COM decision, which can specifically refer to valuation at replacement value;
- Individual agreements to be entered privately with affected right holders.

3.9 Legal Review of Certain Specific Situations

3.9.1 Overview

Appendix 4 addresses in detail a number of specific situations that may arise during TAP's land access exercise, either at the identification or compensation stage:

- Impacts to industrial or artisanal fisheries from offshore construction or operations;
- Conflict between the registry and the identification as resulting from field investigations (different owners, different subdivisions, etc...);
- Unregistered properties
- Claims related to ownership in the period before communist era land nationalisations;
- Unknown or deceased landowners.

3.9.2 Impacts to Fisheries

70. It is not anticipated at this point that any fishing activity (commercial, recreational, or research

oriented) will be impacted by the construction/upgrading of the Access Roads & Bridges.

3.9.3 Discrepancies Between Registry and Reality

71. The Immovable Properties Registration Law regulates cases where there are discrepancies between the data registered in the cadastral registry and the reality in the field. This law provides for two scenarios to resolve these situations.

- In the first scenario, the owner of the immovable property may initiate the process by requesting IPRO to make the necessary corrections in the property records and ownership certificate of the immovable properties. This is particularly applicable in case of mistakes or omissions that do not affect the rights of another owner.
- In the second scenario, the process of correction is initiated by IPRO to update the property records and cadastral maps. This is particularly applicable when (i) the record does not match the documents used for the registration, or (ii) the relation between the property records and the cadastral map is missing, or (iii) the geographical position of the property in the cadastral map does not comply with the real position.

72. The updating process is initiated by the relevant registrar and is subject to the approval of the Chief Registrar. The order of the Chief Registrar for the update of property records and cadastral maps is published. The data obtained after the updating process should be announced for a forty-five days period in the premises of the local IPRO and in the offices of the local government (i.e. commune, municipality). The concerned parties should file their claims with the competent IPRO within the announcement period (i.e. forty-five days). The terms and conditions for the update of the cadastral data should be approved upon COM Decision.

73. In cases where documents filed by a party for registration of ownership overlap with a prior registration (i.e. another owner of the property is already registered), the registrar normally would refuse the new request for registration and address the interested party to claim judicial or administrative resolution for the matter. Upon receipt of a final decision of the court the registrar proceeds with the registration.

74. In case where the actual surface and boundaries of the immovable property is different from that registered with IPRO, a plan of the land should be prepared to evidence the discrepancies. If correction of the IPRO data would affect the neighbouring property, negotiations with neighbouring owners is

required. The agreement and new plan of properties prepared by a licensed expert are then filed with IPRO for registration of the corrected data. In the absence of an amicable agreement between with the owners affected by the corrections or their property data, the court offers a last resort to the parties.

3.9.4 Unregistered Properties

75. Unregistered/informal constructions are subject to Law no. 9482/2006 "On the legalisation, urbanization and integration of the informal zones/constructions", which deals with procedures for legalisation of informal constructions, transfer of ownership rights over the land plot where the informal object is constructed, and integration if informal clusters into urban development.
76. The informal owner of the structure should file for legalisation with ALUIZNI which issues a legalisation permit if the law permits. Upon receipt of the legalisation permit, the informal owner can apply for registration of the structure/building with IPRO. If the owner of the structure is not the same as the owner of the land, ALUIZNI will also transfer the land plot from the current owner to the newly legalized owner of the structure and compensate the old owner. If the structure does not meet the criteria provided in the law for legalisation, the owner of the land is entitled to request the demolition of the structure.

3.9.5 Claims Related to Pre-Communist Ownership

77. This is relevant to situations where there is a claim on land in relation to old ownership rights (pre-existing rights before communist nationalizations). Such situations are regulated by the Civil Code, the Law "On restitution and compensation of property", the Expropriation and Registration Laws.
78. In line with the Constitution, the Restitution and Compensation Law aims to provide a fair compensation to former owners or their successors whom immovable properties have been expropriated, nationalized and/or seized during the communist regime. The compensation foreseen by this law is the restitution of all or a part of the immovable property where possible, or different plots of land, or cash compensation. The law defines the procedures for the restitution and compensation of the properties. The Agency for the Restitution and Compensation of Properties (ARCP) is the authority in charge for the process of restitution and compensation of properties to former owners.
79. The deadline for the former owners to file requests for the restitution and compensation

of properties was December 2008. The requests are examined by ARCP that following the verification of the presented documents resolves on the acceptance of the request and as the case may be restitution or compensation of the property or refusal of the request. The decision of ARCP may be contested by the interested party in front of the court.

3.9.6 Successions and Properties without Owners

80. The Civil Code, Expropriation Law and Registration Law apply to such situations. The Civil Code provides that, when the deceased owner has not disposed of his property by a will, or the will includes only a part of the property, or results to be null and void, the legal inheritance process is to be opened through a Court process. Potential legal inheritors are the children, nephews, consorts, parents, children of brothers and sisters that have died earlier, grandparents, persons with disabilities to work that were under the care of the deceased, other relatives until the sixth rank, and ultimately the State. The above are summoned as inheritors pursuant to the ranking defined by the Civil Code and in case no inheritors are found the property is transferred to the State.
81. The court issues the inheritance deed upon examining the relevant documentation proving the relation to the deceased owner. The persons listed in the decision of the court as inheritors of the deceased should then file the Court decision with the IPRO where the properties of the deceased are registered. within 30 days from the day it has become final and enforceable. IPRO reflects the changes in the property records, registering the inheritors as owners of the property, pursuant to the proportions defined in the decision of the court.
82. Art. 172 of the Civil Code provide that properties without owners (i.e. owners are unidentified or have resigned from their ownership rights) belong to the State. The transfer of the ownership title to the state is made upon decision of the competent court. In case of expropriation, the competent ministry is entitled to file with the court the request for opening the legal inheritance process. When upon completion of the expropriation process the expropriated owner is not located, the ministry continues with the expropriation request and the amount of the compensation corresponding to the expropriated owner is deposited in a bank on his behalf.

4. PROJECT IMPACTS

4.1 Access Roads & Bridges

The overall impact from the construction of Access Roads & Bridges is expected to be minimal. There will be no physical displacement; and where possible the routing of Access Roads has been altered to minimise economic displacement.

In most cases, the Access Roads already exist, so relatively little additional land will be subject to permanent land-take (about 98 ha) - and only about half of which is currently in private ownership. The other half is public land.

An additional estimated 93 ha will be subject to temporary land-take which will be restored and restituted to the Owner once construction is completed. As with the permanent land-take, only about half of the 93 ha is currently in private ownership. The other half is public land.

Of the 54 Bridges included in this work, only 2 of them are entirely new bridges – and one of the new bridges will replace an existing bridge that will be torn down.

Finally, there are an estimated 75 non-residential agricultural-related structures that will be affected – over 50 of which are located on public land.

4.1.1 Construction Corridor

83. The usual width of the Construction Corridor for Access Roads is generally 20 – 25 metres, depending on the topography. While construction itself in a given area should not take more than a few months at most, impacts on the Construction Corridor will typically last longer as reinstatement needs to be carried out after construction of the Access Roads & Bridges is complete.

4.1.2 Restriction Zones During Operations

84. There will no long-term restrictions with regard to Access Roads & Bridges. The land that will be permanently acquired by the Project will most likely revert to the Government of Albania once construction work on the Access Roads & Bridges has been completed. There will be no restrictions imposed on the land that was temporarily occupied by the Project, and returned to the original Owners at the end of construction.

Table 3 – Summary of Impacts of Access Roads & Bridges

DISTRICT	ROAD (kilometers)	LAND TAKE (ha)		BRIDGES
		PERMANENT	TEMPORARY	
SKRAPAR	78	62	58	16
KORCA	33	27	25	9
FIER	11	7	8	11
BERAT	9	TBD	TBD	9
DEVOLL	3	2	2	0
LUSHNJE	0	0	0	9
TOTAL	134	98	93	54

85. There may be instances where, upon requests from local authorities or the central government, TAP would not reinstate land used for temporary facilities but hand it back “as is”. This may particularly apply to access roads, which local or national authorities may want to use further to construction completion, with or without upgrades. This would typically apply to State land or land under ownership of local or regional authorities but not to private land, which will always be reinstated.

4.2 Summary of land and easement acquisition impacts

4.2.1 Physical Displacement

86. It is not anticipated at the time of writing this LRF that the Project will require any physical displacement – neither for construction of the Access Roads & Bridges, nor for the Pipeline.. The route for the Pipeline and the Access Roads – and permanent and temporary facilities associated with both - have been selected and will further be optimised such that no residential properties are affected. In the unlikely event that in a limited number of instances it proves impossible to avoid impacts on residential properties, thereby causing physical displacement, affected people will be offered compensation in line with the requirements of EBRD PR5.

4.2.2 Economic Displacement

87. The Project will cause temporary and permanent economic displacement of people using land that is affected by the Access Roads & Bridges. It is tentatively estimated that, about 1,400 land parcels are located within the construction corridor for the identified Access Roads, and are potentially affected by the Project. Ownership of the parcels is almost equally divided between public and private ownership. Based on current information, it is estimated, taking account of potential multiple users for one plot on the one hand and landowners holding more than one affected plot on the other, that about 1,400 households would be economically affected by construction/upgrade of new and existing Access roads & Bridges. Given the relatively small amount of land affected (see Table 3) most of these estimated 1,400 PAPs will suffer only “Slight” economic displacement – and most of them only temporarily

88. As such, no permanent negative impact to livelihoods of PAPs is anticipated from the construction/rehabilitation of Access roads & Bridges.

89. It is not envisioned that any businesses (other than agricultural farms) will be affected by the construction of Access Roads & Bridges.

5. COMPENSATION STRATEGY

5.1 Key Principles

90. Key principles of the TAP land and easement acquisition and access strategy are the following (details are provided in further sections of this chapter):

- Land and easement acquisition and access for TAP will be carried out in compliance with Albanian law and international requirements (EBRD PR 5).
- TAP will seek to avoid physical displacement and to minimise economic displacement (i.e. rerouting; by-pass roads, etc.)
- Impacts on land ownership, land use and livelihoods shall be compensated.

- Land required on a permanent basis for Above Ground Installations – including Access Roads & Bridges - will be purchased from its current owners.
- Land required on a temporary basis, including the pipeline and AR&B Construction Corridors and land required for construction related temporary facilities such as construction camps or pipe storage yards, will be used by TAP for the duration of the construction, i.e. typically for two years for Pipeline construction, but 1 year for Access Roads & Bridge construction. It will not be acquired by TAP but will be leased for from its current owners and handed back to these owners after end of construction and reinstatement.

- For land that is subject to reuse restrictions during operations, these restrictions will be compensated to affected landowners.
- Any affected standing annual crops, in the pipeline and/or AR&B Construction Corridor or elsewhere, will be compensated at current market value as expressed by the Project Annual Crop Rate. Any affected Perennial Crops will be compensated at the Project Perennial Crop Rates.
- Orphan land, ie. land that is severed or bisected such that a non acquired portion of the land plot is made uneconomic and/or unviable, will be compensated.
- Replacement value is used for the calculation of all compensation, including land and crops. On this basis, TAP has developed a set of compensation rates with experienced Albanian valuers, as follows:
 - Project Land Acquisition Rates, for permanently acquired land of the different categories, ie. agricultural, forest and pasture, and urban;
 - Project Land Rental Rates, for temporarily occupied land of these same categories;
 - Project Easement Rates, for long term easement and related restrictions on land of the same categories as above;
 - Project Perennial Crop Rates, for perennial crops;
 - Project Annual Crop Rates, for annual crops.
- The process of land access, including identification of affected plots and owners/users, land and easement acquisition and land leases, will be administered by TAP and designated land agents.
- These TAP land teams will seek to enter into negotiated settlements with affected landowners and land users wherever possible. Where no agreement can be reached, land teams may have to resort to expropriation, according to the process described in the Albanian Expropriation Law, under the control of the competent authorities and courts of law. Amongst others, this may apply in situations where the whereabouts of the landowner or land user are unknown (absentee landowners) as well as in situations where good faith negotiations do not achieve a mutually acceptable agreement.

- Affected people will have access to a grievance mechanism, including a first tier of internal grievance review by TAP, with the possibility for aggrieved individuals to resort to a second tier of independent review of the grievance.
- Vulnerable people will be identified and specifically assisted as needed.

5.2 Compensation Principles

The principles discussed below will apply to the Access Roads & Bridges Construction Corridor with the following 2 differences:

- The width of the Construction Corridor for AR&B is generally narrower than for the Pipeline
- The assumed rental period for land that will be temporarily occupied is 1 year renewable, as opposed to 2 years, renewable for the Pipeline.

5.2.1 Permanently Acquired Land

91. Permanently Acquired Land includes land required for Compressor Station CS03 near Fier, for the metering station near the Greek Albanian border (CS02); for the six block valves; as well as for new or upgraded Access Roads and Bridges. Compensation principles are the following:
 - TAP will purchase Permanently Acquired Land from its current owners in full and perpetual ownership, granting TAP full right to construct and operate the anticipated facilities.
 - TAP will seek to enter in negotiated sale-purchase agreements with current landowners. Only in case a reasonable agreement cannot be reached would expropriation be used as a last resort.
92. Compensation for permanently acquired land will include the following three elements, as applicable:
 - Compensation for land at the Project Land Acquisition Rate;
 - Compensation for any standing annual crops at the Project Annual Crop Rate; for perennial crops at the Project Perennial Crop Rate.
 - Compensation at replacement value for any structures or developments on land that the land owner or land user can demonstrate ownership of.

5.2.2 Temporarily Occupied Land

5.2.2.1 Pipeline Construction Corridor

93. The Pipeline Construction Corridor is 38 metres in total width. To accommodate construction constraints, and particularly the storage of top soil on one side of the corridor, the pipeline is not located at the centre of this 38m strip, which will typically be split into two parts of different widths (see figure below):

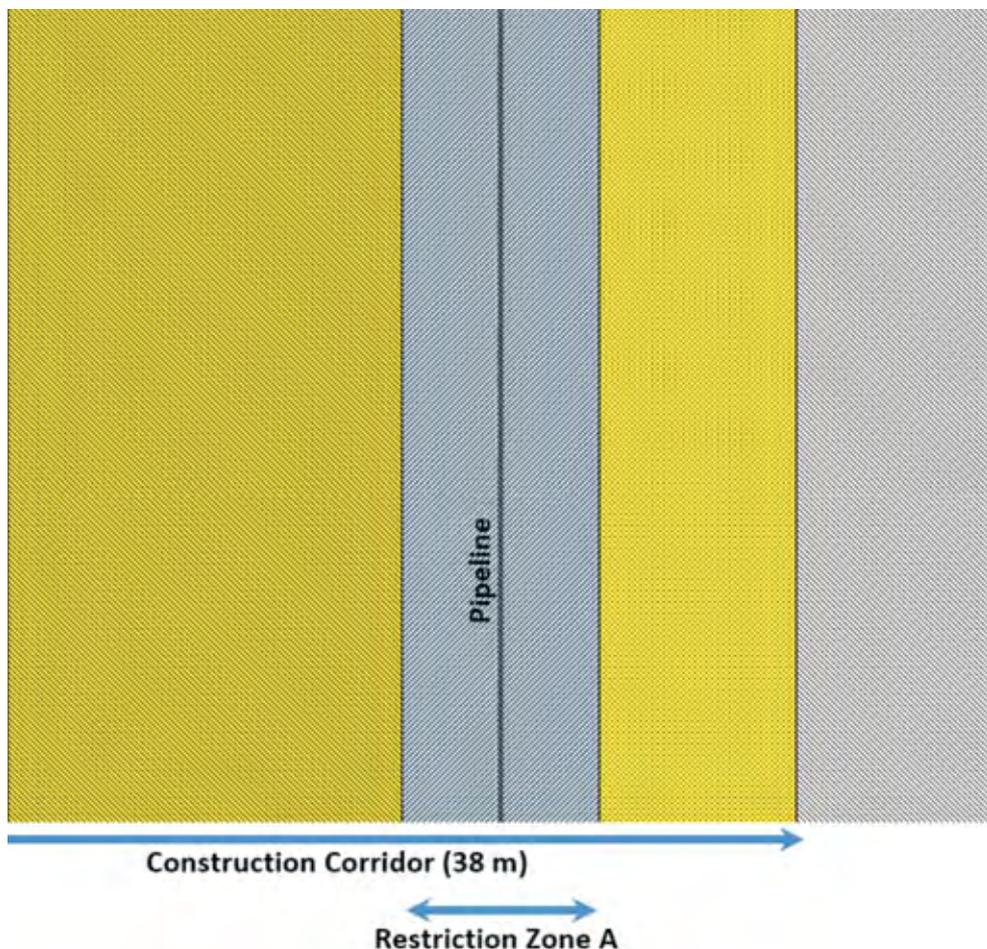
- A 12m wide strip to one side;
- A 26m wide strip to the other.

94. The 38 m Construction Corridor will be occupied during construction for two years. Part of this Construction Corridor will also be further restricted (the 8m Restriction Zone A is entirely located within the 38m Construction Corridor, and the 40m wide Restriction Zone B overlaps partly with the Construction Corridor, but not entirely due to the pipeline not being at the centre of the Construction Corridor).

95. Key compensation principles for the Construction Corridor are the following:

- TAP will not purchase the Construction Corridor from its current owners but will enter into negotiated rental agreements with them for the two year duration of construction.
- TAP will reinstate the Pipeline Corridor at the end of construction to its previous condition, such that pre-construction agricultural productivity will be restored within a period of three years after the end of construction and reinstatement. Reinstatement will include the re-establishment to a condition and functionality better or similar to the pre-construction condition of any irrigation and/or drainage structure that may need to be demolished, modified or interrupted during construction.

Figure 6– Pipeline Construction and Restriction Corridors



96. Compensation for the Construction Corridor will include the following elements, as applicable:

- Land rental: The Project Land Rental Rate is calculated as 12.5% of the land replacement value per year, for the first 2 years of rental. If the rental period needs to be extended, the Project Land Rental Rate will be 10% of the land replacement value for each additional year of rental; in the typical case where the land is needed for two years, the Project Land Rental Rate will be equal to 25% of the land replacement value, or 25% of the Project Land Acquisition Rate;
- Crops: Compensation for any standing annual crops at the Project Annual Crop Rate; for perennial crops at the Project Perennial Crop Rate;
- Compensation for long term restrictions: see below section 5.2.4.

97. Because the shape of the restricted areas does not exactly superimpose with the Construction Corridor (see Figure 11 above), the agreements to rent the land for two years and the long term easement agreement will be separate, even if the negotiation is conducted in one round with the related landowner.

5.2.2.2 Other Temporarily Occupied Land (Access Road Construction Corridor, Construction Camps, Pipe Storage Yards, etc...)

98. Such facilities include construction camps, pipe storage yards, access roads, etc... Land will be occupied on a temporary basis during the maximum duration of construction, ie. two years, then reinstated to pre-project condition and handed back to the owner.

99. Compensation principles are the following:

- TAP will not purchase land required temporarily for construction related facilities but will enter into negotiated rental agreements with current landowners for the two year maximal duration of construction.
- TAP will reinstate land required temporarily for construction related facilities at the end of construction to its previous condition. Where such land is agricultural, reinstatement will seek to restore pre-construction agricultural productivity within a period of three years after the end of construction.

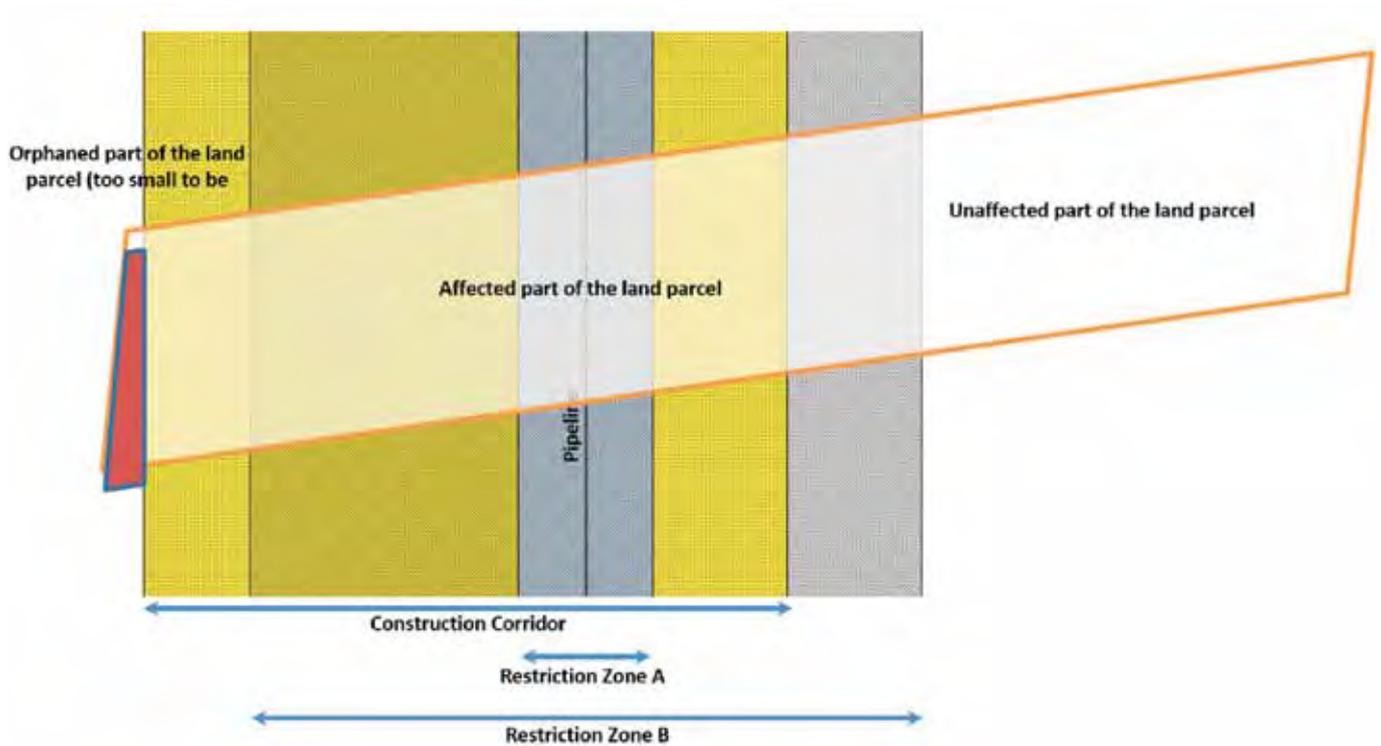
100. Compensation is essentially the same as that applicable for the Pipeline Construction Corridor (except that there are no long term restrictions) and will include the following elements, as applicable:

- Land rental: The Project Land Rental Rate is calculated as 12.5% of the Project Land Acquisition Rate per year for the first 2 years of rental. If the rental period needs to be extended, the Project Land Rental Rate will be 10% of the land replacement value for each additional year of rental. In the typical case where the land is needed for two years, the Project Land Rental Rate will be equal to 25% of the Project Land Acquisition Rate⁴;
- Crops: Compensation for any standing annual crops at the Project Annual Crop Rate; for perennial crops at the Project Perennial Crop Rate.

5.2.3 Orphan Land

101. Where a plot that is wider than the Pipeline Construction Corridor is acquired, the temporary occupation by TAP of the part of this plot located in the Construction Corridor may leave sections of land on either side that will not be required for the Project and would normally not be compensated. Agricultural activities on these sections of land could normally be continued. There will be cases, however, where the remaining part will be too small to make cultivation economically worthwhile. Such a situation ("Orphan Land") is illustrated in the following figure. Note that the figure represents a situation, where the plot is affected as a result of the pipeline land occupation, but the same could occur as a result of land purchase associated to an above ground installation, in which case the remaining piece of land would be "orphaned" permanently, whereas in the situation shown it is orphaned for the period of construction only. Similarly, access to the remaining land across the construction corridor may be restricted making cultivation during construction impractical or uneconomic. If small remaining plot parts are made uneconomic as a result of the purchase or occupation, they may be eligible to compensation as "orphan land" subject to conditions.

Figure 7 – Orphan Land Adjacent to Pipeline Corridor



102. Whether a parcel qualifies as “orphan land” will be reviewed by TAP on a case-by-case basis based on a request lodged by the landowner and/or land user. The following criteria will be considered in this review:

- Size, dimensions and shape of the orphaned part of the plot;
- Access restrictions and whether these will only last for the duration of the construction period or may be permanent (which is not anticipated to occur except in very exceptional cases);
- Size and nature of mechanical equipment typically used for cultivation on this plot and whether such equipment reasonably can be used given the size, shape and dimensions of the orphaned part of the plot;
- Potential restrictions to irrigation or drainage during the construction period.

103. Compensation for Orphan Land, once recognised such, will be based on the same entitlements as the main affected piece of land, that is to say:

- Same entitlements as permanently acquired land if the piece of land is orphaned permanently;

- Same entitlements as temporarily occupied land if the piece of land is orphaned temporarily for the construction phase only.

5.2.4 Easements

5.2.4.1 Restriction Zone A

104. Restriction zone A will not be purchased by TAP but will be subject to a long term easement, to be registered by TAP on the associated land ownership titles. Restrictions associated with this easement (or servitude) will be compensated according to the following principles:

- In urban land: the prohibition to build any structure entails a significant loss in value and will be compensated at 90% of the Project Land Acquisition Rate;
- In agricultural land: the prohibition to build any structure does not entail any loss as such land is deemed non constructible. However, the restriction not to plant any trees or to plough the land deeply does entail a loss in value and will be compensated at 50% of the Project Land Acquisition Rate ;
- In pasture land: the restriction will be compensated at 25% of the Project Land Acquisition Rate;

- In forest land: the restriction to grow any trees in Restriction Zone A entails a significant loss in value and will be compensated at 100% of the Project Land Acquisition Rate.

5.2.4.2 Restriction Zone B

105. Similarly, restriction zone B will not be purchased by TAP but will be subject to a long term easement, to be registered by TAP on the associated land ownership titles. Restrictions associated with this easement will be compensated according to the following principles:

- In urban land: like in Zone A, the prohibition to build any structure entails a significant loss in value and will be compensated at 90% of the Project Land Acquisition Rate ;
- In agricultural land: the prohibition to build any structure does not entail any loss as such land is deemed non constructible. There is no restriction upon agricultural activities in Zone B, and therefore the servitude associated to Zone B in agricultural land will not be compensated;
- In pasture land, there is no relevant restriction to further usage of Restriction Zone B, hence no compensation;
- In forest land, the same applies and there will be no compensation either.

5.2.4.2 Restriction Zone C

106. Depending on current and predictable housing densities in the 400 m corridor, restriction zone C may be subject at a later stage to a long term easement restricting building rights beyond the acceptable density of 45 houses per linear mile in the 400 m corridor. Where applicable, restrictions associated with this servitude could be compensated in urban land on a case by case basis, based on the difference in value between constructible and non-constructible land. This restriction is not applicable in agricultural land, which is deemed non constructible, and shall therefore not be compensated in such land.

5.3 Compensation Entitlements

5.3.1 Eligibility

5.3.1.1 Private Land

107. Where the owner and the user is the same individual, this person will receive all elements of compensation mentioned above in paragraphs 92 (permanent acquisition), 96 (Pipeline Construction Corridor), and 100 (temporary facilities).
108. Where land is farmed by a land user separate from the landowner, the share between the landowner and the land user will be the following:
- Permanently acquired land:
 - Compensation for land to landowner;
 - Compensation for crops to land user;
 - Temporarily occupied land:
 - Land rental fee to landowner;
 - Compensation for crops to land user;
 - Compensation for restrictions to land owner.
109. Compensation for any structures and developments on land (irrigation, drainage) will be paid to the demonstrated owner of such structures and developments, who could either be the land owner or land user depending on situations.

5.3.1.2 Municipal and Other Public Land

110. Where municipal or other publicly owned land is used by a private farmer, this land user will receive the following elements of compensation:
- Permanently acquired land:
 - Compensation for crops;
 - Compensation for any structures or developments on land that the land user can demonstrate ownership of;
 - Temporarily occupied land:
 - Compensation for crops.

5.3.2 Entitlement Matrix

111. The Project will apply the entitlement matrix shown in the following table.

Table 4 – Entitlement Matrix

Type of impact	Compensation Entitlement
<p>Permanent acquisition of private land – Permanent facilities (compressor stations, block valves)</p>	<ul style="list-style-type: none"> • To Land Owner: Compensation for land at Project Land Acquisition Rate • To Land User and for agricultural land only: Compensation for any standing annual crop at the Project Annual Crop Rate x 2; Compensation for perennial crops at Project Perennial Crop Rate • Compensation at replacement cost to development owner for any developments and enhancements on land (irrigation and/or drainage structures, sheds, wells, etc...)
<p>Temporary occupation of private land in the pipeline construction corridor</p>	<ul style="list-style-type: none"> • To Land Owner: Compensation for land rental at Project Land Rental Rate (12.5% of the Project Land Acquisition Rate per year for the first two years of rental; 10% of the Project Land Rental Rate for each additional year) • To Land User and for agricultural land only: Compensation for any standing annual crop at the Project Annual Crop Rate x 2; for perennial crops at Project Perennial Crop Rate
<p>Temporary occupation of private land for construction related facilities (construction camps, pipe storage yards, etc...)</p>	<ul style="list-style-type: none"> • To Land Owner: Compensation for land rental at Project Land Rental Rate (12.5% of the Project Land Acquisition Rate per year for the first two years of rental; 10% of the Project Land Rental Rate for each additional year) • To Land User and for agricultural land only: Compensation for any standing annual crop at the Project Annual Crop Rate x 2; for perennial crops at Project Perennial Crop Rate
<p>Temporary occupation of municipal or State land during construction (whether in the pipeline corridor or for construction related facilities)</p>	<ul style="list-style-type: none"> • To land owner if relevant: Compensation for land rental at Project Land Rental Rate (12.5% of the Project Land Acquisition Rate per year for the first two years of rental; 10% of the Project Land Rental Rate for each additional year) • or other such rate as may be agreed with the State or the Municipalities, multiplied by two years • To land owner (if relevant): Compensation for purchase of easement right in respect of long term operational restrictions in Restriction Zones 1 and 2, at the Project Land Restriction Rates (calculated as a percentage of the Project Land Acquisition Rate – see below) • To Land User and for agricultural land only: Compensation for any standing annual crop at the Project Annual Crop Rate x 2; for perennial crops at Project Perennial Crop Rate
<p>Orphan land</p>	<ul style="list-style-type: none"> • Subject to case by case review, land that is severed by construction activities or becomes uneconomical for cultivation as a result of construction may be declared “orphan” and become eligible for compensation along the same lines as above (either temporarily orphaned or permanently orphaned land).

Type of impact	Compensation Entitlement
Long term easement in restriction zone A	<ul style="list-style-type: none"> • In urban land: 90% of the Project Land Acquisition Rate • In agricultural land: 50% of the Project Land Acquisition Rate • In pasture land: 25% of the Project Land Acquisition Rate • In forest land: 100% of the Project Land Acquisition Rate
Long term easement in restriction zone B	<ul style="list-style-type: none"> • In urban land: 90% of the Project Land Acquisition Rate • In agricultural land: 0% of the Project Land Acquisition Rate • In pasture land: 0% of the Project Land Acquisition Rate • In forest land: 0% of the Project Land Acquisition Rate
Long term easement in restriction zone C	<ul style="list-style-type: none"> • Case by case review where and when the need arises.
Minimum Payment	<ul style="list-style-type: none"> • The minimum compensation total for each affected parcel is fixed at 400 Euros per parcel. Affected parcels with a total compensation value less than 400 Euros will be "topped-up" to a total of 400 Euros. This amount will be split among the Land Owner(s).
Taxes on Compensation Payments	<ul style="list-style-type: none"> • Any taxes recipients of compensation may have to pay directly related to the compensation will be offset by TAP. The specific methodology for applying this may vary depending on the type of compensation payment (Land Acquisition; Land Rental; Easements/ Restrictions; Crops; Structures; etc.).
Compensation for loss of subsidy	<ul style="list-style-type: none"> • Case by case review where and when the need arises.

5.4 Valuation Principles

5.4.1 Methodology of the Valuation Study

5.4.1.1 Overview

112. TAP has undertaken a specific study to determine appropriate compensation values for land and crops. This study has been carried out by a specialised Albanian consulting firm between in 2012 and 2013, and updated in 2014. It included the aspects described in the following sub-sections. The reports in question are the [Study of Compensation Values – Final Report](#) and related Annexes dated March 2013; and the [Study of Compensation Values – Report Task 2](#) and related Annexes dated June 2014.

5.4.1.2 Identification of Existing Applicable Values

113. The consultant was first tasked to identify all applicable rates used by agencies of the Central Government and local governments currently involved in negotiated or compulsory land acquisition activities. In practice:

- All Albanian Government agencies involved in negotiated or compulsory land acquisition activities and in collecting land taxes were identified, met and interviewed, and any information on compensation values and valuation methodologies they use was gathered and collated; in particular, all Decision of the Council of Ministers (DCM) applicable to expropriation for various projects carried out in the same districts were identified;

- Methodologies applied in Albania for valuation were identified and compared;
- Values per DCMs and the methodology used to establish them were further reviewed by the consultants against the following criteria:
- Methodology of calculation, and whether it can reflect current market conditions;
- Categorisation of land used;
- Degree of currency (how old are the values used);
- In addition, information about official inflation rates in Albania for the last five years and the evolution of the Leke / Euro exchange rate was also gathered and specific values used for the acquisition of easement rights were investigated.

5.4.1.3 Development of Replacement Value for Project Affected Assets

114. With regards to land, the Consultant provided or investigated the following:
- A categorisation of affected agricultural and non agricultural land using criteria such as geography, urban/rural, arable/pasture, irrigated/dry, steep slope/little or no slope, easily accessible or not;
 - Reference transactions in the different cadastral zones (from APRI), and the cost of transaction (cost of registration and any taxes, fees, rights, etc... that may be payable on top of the land value);
 - An estimate of how transactions can be underestimated for tax reasons when buyers register them;
 - A calculation of current replacement values for each of the sub-categories based on reference transactions, the "tax understatement factor" as described above, and transaction costs.
115. With regards to annual and perennial crops, the valuation consultant provided an inventory of annual and perennial crops cultivated along the route, and carried out of survey of current market prices and potential yields for each of the identified crops. Based on the results of this survey, market values of produce per unit of weight or volume and yields in weight or volume per square metre were generated. For perennial crops specifically, typical growth periods and evolution of yields with age were also gathered.

5.4.2 Land Valuation

116. The EBRD requirement of basing valuation of assets on the "replacement value" would typically require valuation to use the comparative approach, whereby reference transactions are collated for similar pieces of land to those affected, and average values are derived. However, in the areas intersected by the TAP pipeline, it was found in the first part of the valuation study mentioned above in 5.4.1.2 that the comparative approach faces the following challenges:
- In most areas along the pipeline route, there are few reference transactions that one can validly use to establish replacement values through the comparative approach;
 - In many cases, transactions may be under-declared for tax reasons.
117. It was therefore decided not to use the comparative method, and to value agricultural land, including meadows and pastures, based on the income approach (ie. the value of the land is approached through the profit that it can generate), in line with Decision 183 of 28 April, 2005. The profit is calculated based on the typical yield one can expect from a certain piece of land, the market price of the produce, and the expenses necessary to grow the crop. The yield (hence the profit) varies depending on the following factors:
- Soil category: soil is categorised according to five classes according to the Decision 183:
 - I: soils that have only slight limitations that restrict their use
 - II: soils that have moderate limitations that restrict the choice of plants or that require moderate conservation practices
 - III: soils that have severe limitations that restrict the choice of plants or that require special conservation practices, or both
 - IV: soils that have very severe limitations that restrict the choice of plants or that require very careful management, or both
 - V: soils that have very severe limitations that make them generally unsuitable for cultivation and that restrict their use mainly to pasture, rangeland, forestland, or wildlife habitat
 - Presence or absence of a functional irrigation system

- Agro-climatic zone, the route of the pipeline being subdivided into three agro-climatic zones (see Table 8 below).

5.4.3 Crop Valuation

118. The replacement value of annual crops is based on typical yields and market prices, which have been gathered for all main crops in all regions intersected by the TAP Project. The replacement value of perennial crops is based on the income lost during the period required to re-establish the perennial tree or plant.

5.5 Project Land Compensation Rates

5.5.1 Project Land Acquisition Rates

5.5.1.1 Agricultural Land

119. Table 5 presents Project Land Acquisition Rates for agricultural land.

Table 5 – Project Agricultural Land Acquisition Rates

11 Euro = 140 Albania Leke

Land Category	Agro climatic zone (1, 2, 3)						
	Irrigation system (Yes/No)	1. Mediterranean Weather (Berat, Fier, Lushnje)		2. Mediterranean Sub-Continental (Berat, Skrapar)		3. Mediterranean Continental (Korca, Devoll)	
		Project Agricultural Land Acquisition Rates In Albania Leke and Euro per square metre					
		Leke/m ²	Euro/m ²	Leke/m ²	Euro/m ²	Leke/m ²	Euro/m ²
I	P	996	7.12	430	3.07	778	5.56
	J	598	4.27	258	1.85	467	3.34
II	P	828	5.91	357	2.55	646	4.61
	J	580	4.14	250	1.79	452	3.23
III	P	649	4.64	279	1.99	505	3.61
	J	519	3.71	223	1.59	405	2.89
IV	P	469	3.35	213	1.52	366	2.61
	J	422	3.01	210	1.50	330	2.35
V	P	279	1.99	210	1.50	219	1.56
	J	251	1.79	109	0.78	196	1.40

5.5.1.2 Pasture & Forest Land

Table 6 presents Project Land Acquisition Rates for pasture and forest land.

Table 6 – Project Pasture and Forest Land Acquisition Rates

1 Euro = 140 Albania Leke

No	Location	Type of forest / Species	Pasture Land		Forest Land	
			(ALL/m ²)	(Euro/m ²)	(ALL/m ²)	(Euro/m ²)
1	Cangonji to Zemblak	High forest (P.nigra)			85	0.61
2	Cangonji to Zemblak	Coppice (C.betulus)			85	0.61
3	Korca	Coppice (poplar)			85	0.61
4	Shtylle-Panarit	High forest (F.sylvatica)			85	0.61
5	Panarit	High forest (F.sylvatica)	196	1.40	85	0.61
6	Qafa Martes-Backe	High forest (F.sylvatica)	109	0.78	85	0.61
7	Qafa Martës-Pylli i Lirzës	High forest (F.sylvatica)	109	0.78	85	0.61
8	Qafa Martes-Lirza forest	High forest (F.sylvatica)	109	0.78	85	0.61
9	Lirza forest(Potom village)	High forest (F.sylvatica)	109	0.78	85	0.61
10	Lirza forest (Potom village)	High forest (F.sylvatica)	109	0.78	85	0.61
11	Lirza forest (Backa village)	Coppice (C.betulus, red juniper)	109	0.78	85	0.61
12	Lirza forest (Backa village)	Coppice (mixed oak forest)	109	0.78	85	0.61
13	Backe village-Skrapar	High forest (P.nigra)	109	0.78	85	0.61
14	Vithkuq-Backe	Korije (C.betulus dhe Q.cerris)	109	0.78	85	0.61
15	Backe-Skrapar	High forest (F.sylvatica)	109	0.78	85	0.61
16	Backe-Skrapar	High forest (P.nigra)	109	0.78	85	0.61
17	Backe-Skrapar	Coppice (oak forest)	109	0.78	85	0.61
18	Backe-Skrapar	Shrubs	109	0.78	85	0.61
19	Otlak	Coppice (poplar)	251	1.79	85	0.61
20	Veternik	High forest (P.halepensis)			85	0.61
21	Vertop	Shrubs			85	0.61
22	Jagodine	Poplar (Coppice)			85	0.61
23	Suk i Poshtem	Coppice (poplar)			125	0.89
24	Petovo	Coppice (poplar and salix)			125	0.89
25	Petovo	Coppice (poplar and salix)			125	0.89
26	Seman	High forest (P.halepensis)			125	0.89

5.5.1.3 Urban Land

Table 7 presents Project Land Acquisition Rates for urban land. It is important to note that this includes “informal urban land”, i.e. land observed to be currently developed as urban land whereas it is not officially classified as urban. “Informal Urban Land” is compensated at 75% of the rate for official “Urban” land. It is listed in the table below as “Informal Residential/Light Industrial/Commercial” land.

Table 7– Project Urban Land Acquisition Rates

1 Euro = 140 Albania Leke

Village/City	Cadastral Area	Land Use	Urban Land Acquisition rate	
			ALL/m2	Euro/m2
Cangonje	1355	Informal Residential/Light Industrial/Commercial	1,200	8.57
Kapshtice	2081	Informal Residential/Light Industrial/Commercial	1,161	8.29
Trestenik	3644	Informal Residential/Light Industrial/Commercial	1,452	10.37
Vishovice	3787	Informal Residential/Light Industrial/Commercial	1,160	8.29
Zemblak	3903	Informal Residential/Light Industrial/Commercial	1,300	9.28
Çiflik	1403	Informal Residential/Light Industrial/Commercial	3,000	21.43
Çiflik	1403	Informal Residential/Light Industrial/Commercial	1,936	13.83
Cemerice	1364	Residential	947	6.76
Panarit	2871	Residential	873	6.24
Shtylle	3437	Residential	1,077	7.69
Kalanjas	2035	Residential	439	3.14
Çorovoda	1420	Urban Residential/Light Industrial/Commercial	700	5.00
Çerenisht	1373	Urban Residential/Light Industrial/Commercial	383	2.74
Verzhezh	3576	Urban Residential/Light Industrial/Commercial	383	2.74
Backe	1069	Residential	204	1.46
Gjergjove	1735	Residential	296	2.11
Helmes	1949	Residential	251	1.79
Staravecke	3037	Residential	322	2.30
Potom	3076	Residential	377	2.69
Qafe	1342	Residential	463	3.31
Buzuq	2844	Residential	400	2.86
Osoje	3017	Residential	424	3.03
Polene	3531	Residential	431	3.08
Strore	3757	Residential	463	3.31
Veseshte	3946	Residential	455	3.25
Zogas	1979	Residential	377	2.69
Ibrollare	3596	Residential	416	2.97
Therapel	3754	Urban Residential/Light Industrial/Commercial	1,317	9.41
Vertop	3808	Urban Residential/Light Industrial/Commercial	1,226	8.75
Vodice	1217	Urban Residential/Light Industrial/Commercial	1,750	12.50
Bilçe	3676	Urban Residential/Light Industrial/Commercial	1,313	9.38
Ullinjas	2848	Urban Residential/Light Industrial/Commercial	1,174	8.39
Otlak	3682	Urban Residential/Light Industrial/Commercial	2,300	16.43
UraVajguore	1405	Urban Residential/Light Industrial/Commercial	1,725	12.32
Çiflig	1896	Urban Residential/Light Industrial/Commercial	1,575	11.25
Guri i Bardhe	3003	Urban Residential/Light Industrial/Commercial	1,575	11.25
Pobrat	3003	Urban Residential/Light Industrial/Commercial	920	6.57
Rerez Kumarak	2944	Urban Residential/Light Industrial/Commercial	920	6.57
Petove	1752	Residential	545	3.89
Gjokalli	1874	Residential	994	7.10
Gryke	3300	Residential	883	6.31
Seman	3612	Residential	1,017	7.26
Seman		Residential	1,086	7.76

5.5.2 Project Land Rental Rates

5.5.2.1 Agricultural Land

120. Table 8 presents Project Land Rental Rates for agricultural land.

Tabela 8 – Project Agricultural Land Rental Rates

(per year of occupation – equal to 12.5% of the Project Land Acquisition Rate for the first 2 years of rental; 10% of the Project Land Acquisition Rate for every additional year of rental.)

1 Euro = 140 Albania Leke

Land Category	Agro climatic zone (1, 2, 3)						
	Irrigation system (Yes/No)	1. Mediterranean Weather (Berat, Fier, Lushnje)		2. Mediterranean Sub-Continental (Berat, Skrapar)		3. Mediterranean Continental (Korca, Devoll)	
		Project Agricultural Land Rental Rates In Albania Leke and Euro per square metre, per year of rental at 12.5% of the Project Land Acquisition Rate					
		Leke/m2	EU/m2	Leke/m2	EU/m2	Leke/m2	Leke/m2
I	P	125	0.89	54	0.38	97	0.69
	J	75	0.53	32	0.23	58	0.42
II	P	104	0.74	45	0.32	81	0.58
	J	73	0.52	31	0.22	57	0.40
III	P	81	0.58	35	0.25	63	0.45
	J	65	0.46	28	0.20	51	0.36
IV	P	59	0.42	27	0.19	46	0.33
	J	53	0.38	26	0.19	41	0.29
V	P	35	0.25	26	0.19	27	0.20
	J	31	0.22	14	0.10	25	0.18

5.5.2.2 Kullotat dhe Toka Pyjore

121. Table 9 presents Project Land Rental Rates for pasture and forest land for one year of occupation.

Tabela 9 – Vlerat e Qira Marrjes të Kullotave dhe Tokës Pyjore për Projektin (për vit zënie)

1 Euro = 140 Albania Leke

No	Location	Type of Forest / Species	Pasture Land		Forest Land	
			(ALL/m ²)	(Euro/m ²)	(ALL/m ²)	(Euro/m ²)
1	Cangonji to Zemblak	High forest (P.nigra)			11	0.08
2	Cangonji to Zemblak	Coppice (C.betulus)			11	0.08
3	Korca	Coppice (poplar)			11	0.08
4	Shtylle-Panarit	High forest (F.sylvatica)			11	0.08
5	Panarit	High forest (F.sylvatica)	25	0.18	11	0.08
6	Qafa Martes-Backe	High forest (F.sylvatica)	14	0.10	11	0.08
7	Qafa Martes-Lirza forest	High forest (F.sylvatica)	14	0.10	11	0.08
8	Qafa Martes-Lirza forest	High forest (F.sylvatica)	14	0.10	11	0.08
9	Lirza forest(Potom village)	High forest (F.sylvatica)	14	0.10	11	0.08
10	Lirza forest (Potom village)	High forest (F.sylvatica)	14	0.10	11	0.08
11	Lirza forest (Backa village)	Coppice (C.betulus,red juniper)	14	0.10	11	0.08
12	Lirza forest (Backa village)	Coppice (mixed oak forest)	14	0.10	11	0.08
13	Backe village-Skrapar	Coppice (mixed oak forest)	14	0.10	11	0.08
14	Vithkuq-Backe	Coppice (C.betulus and Q.cerris)	14	0.10	11	0.08
15	Backe-Skrapar	High forest (F.sylvatica)	14	0.10	11	0.08
16	Backe-Skrapar	Pyll i lartë (P.nigra)	14	0.10	11	0.08
17	Backe-Skrapar	High forest (P.nigra)	14	0.10	11	0.08
18	Backe-Skrapar	Shrubs	14	0.10	11	0.08
19	Otlak	Coppice (poplar)	31	0.22	11	0.08
20	Veternik	High forest (P.halepensis)			11	0.08
21	Vertop	Shrubs			11	0.08
22	Jagodine	Poplar (Coppice)			11	0.08
23	Suk i Poshtem	Coppice (poplar)			16	0.11
24	Petovo	Coppice (poplar and salix)			16	0.11
25	Petovo	Coppice (poplar and salix)			16	0.11
26	Seman	High forest (P.halepensis)			16	0.11

5.5.2.3 Urban Land

122. Table 10 presents Project Land Rental Rates for urban land which is fixed at 12.5% of the Project Land Acquisition Rate for urban land.

Tabela 10 – Project Urban Land Rental Rates

1 Euro = 140 Albania Leke

Village/City	Cadastral Area	Land Use	Project Urban Land Rental rate per year	
			ALL/m2	Euro/m2
Cangonje	1355	Informal Residential/Light Industrial/Commercial	150	1.07
Kapshtice	2081	Informal Residential/Light Industrial/Commercial	145	1.04
Trestenik	3644	Informal Residential/Light Industrial/Commercial	182	1.30
Vishovice	3787	Informal Residential/Light Industrial/Commercial	145	1.04
Zemblak	3903	Informal Residential/Light Industrial/Commercial	163	1.16
Çiflik	1403	Informal Residential/Light Industrial/Commercial	375	2.68
Çiflik		Informal Residential/Light Industrial/Commercial	242	1.73
Cemerice	1364	Rezidenciale	118	0.84
Panarit	2871	Rezidenciale	109	0.78
Shtylle	3437	Rezidenciale	135	0.96
Kalanjas	2035	Rezidenciale	55	0.39
Çorovode	1420	Informal Residential/Light Industrial/Commercial	88	0.63
Çorovode	1420	Informal Residential/Light Industrial/Commercial	48	0.34
Çerenisht	1373	Informal Residential/Light Industrial/Commercial	48	0.34
Verzhezh	3576	Informal Residential/Light Industrial/Commercial	26	0.19
Verzhezh		Informal Residential/Light Industrial/Commercial	37	0.26
Backe	1069	Residential	31	0.11
Gjergjove	1735	Residential	150	1.07
Helmes				
Staravecke	1949	Residential	145	1.04
Potom	3037	Residential	40	0.29
Qafe	3076	Residential	47	0.34
Buzuq	1342	Residential	58	0.41
Osoje	2844	Residential	50	0.36
Polene	3017	Residential	53	0.38
Strore	3531	Residential	54	0.39
Veseshte	3757	Residential	58	0.41
Zogas	3946	Residential	57	0.41
Ibrollare	1979	Residential	47	0.34
Therapel	3596	Residential	52	0.37
Vertop	3754	Informal Residential/Light Industrial/Commercial	165	1.18
Vodice	3808	Informal Residential/Light Industrial/Commercial	153	1.09
Bilçe	1217	Informal Residential/Light Industrial/Commercial	219	1.56
		Informal Residential/Light Industrial/Commercial	164	1.17
Ullinjas	3676	Informal Residential/Light Industrial/Commercial	147	1.05
Otlak	2848	Informal Residential/Light Industrial/Commercial	288	2.06
		Informal Residential/Light Industrial/Commercial	216	1.54
UraVajguore	3682	Informal Residential/Light Industrial/Commercial	197	1.41
Çiflig	1405	Informal Residential/Light Industrial/Commercial	197	1.41
Guri i Bardhe	1896	Informal Residential/Light Industrial/Commercial	197	1.41
Pobrat	3003	Informal Residential/Light Industrial/Commercial	115	0.82
Rerez Kumarak	3003	Informal Residential/Light Industrial/Commercial	115	0.82
Petove	2944	Informal Residential/Light Industrial/Commercial	68	0.49
Gjokalli	1752	Residential	124	0.89
Gryke	1874	Residential	110	0.79
Seman	3300	Residential	127	0.91
Seman	3612	Residential	136	0.97

5.5.3 Project Land Easement Rates

5.5.3.1 Agricultural Land

123. Table 11 presents Project Land Easement Rates for agricultural land in Restriction Zone A.

Table 11 – Project Agricultural Land Easement Rates – Restriction Zone A

(50% of Project Land Acquisition Rates)

1 Euro = 140 Albania Leke

Land Category	Agro climatic zone (1, 2, 3)						
	Irrigation system (Yes/No)	1. Mediterranean Weather (Berat, Fier, Lushnje)		2. Mediterranean Sub-Continental (Berat, Skrapar)		3. Mediterranean Continental (Korca, Devoll)	
		Project Agricultural Land Easement Rates In Albania Leke and Euro per square metre - Restriction Zone A					
		Leke/m2	Euro/m2	Leke/m2	Euro/m2	Leke/m2	Euro/m2
I	P	498	3.56	215	1.54	389	2.78
	J	299	2.14	129	0.92	234	1.67
II	P	414	2.96	179	1.28	323	2.31
	J	290	2.07	125	0.89	226	1.61
III	P	325	2.32	140	1.00	253	1.80
	J	260	1.85	112	0.80	203	1.45
IV	P	235	1.68	107	0.76	183	1.31
	J	211	1.51	105	0.75	165	1.18
V	P	140	1.00	105	0.75	110	0.78
	J	126	0.90	55	0.39	98	0.70

124. Easement rights in agricultural land located in Restriction Zone B are not compensated as there is no restriction on agriculture.

5.5.3.2 Pasture and Forest Land

125. Pasture land will be compensated at 25% of the Project Acquisition Rate for Pasture Land in Restriction Zone A, and 0% in Restriction Zone B. Forest land in Zone A will be compensated at 100% as it becomes impossible to grow any trees in Zone A. In Zone B, there is no restriction applicable to forest land, hence no compensation.

5.5.3.3 Urban Land

126. Table 12 presents Project Land Easement Rates for urban land in Restriction Zones A and B (both calculated as 90% of the Project Land Acquisition Rates).

Table 12 – Project Urban Land Easement Rates – Restriction Zones A and B

(90% of Project Urban Land Acquisition Rates)

1 Euro = 140 Albania Leke

Village/City	Cadastral Area	Land Use	Urban Land Easement rate - Restrictions Zone A and B	
			ALL/m2	Euro/m2
Cangonje	1355	Informal Residential/Light Industrial/Commercial	1,080	7.71
Kapshtice	2081	Informal Residential/Light Industrial/Commercial	1,045	7.46
Trestenik	3644	Informal Residential/Light Industrial/Commercial	1,307	9.33
Vishovice	3787	Informal Residential/Light Industrial/Commercial	1,044	7.46
Zemblak	3903	Informal Residential/Light Industrial/Commercial	1,170	8.36
Çiflik	1403	Informal Residential/Light Industrial/Commercial	2,700	19.29
Çiflik		Informal Residential/Light Industrial/Commercial	1,742	12.44
Cemerice	1364	Residential	852	6.09
Panarit	2871	Residential	786	5.61
Shtylle	3437	Residential	969	6.92
Kalanjas	2035	Residential	395	2.82
Çorovode	1420	Informal Residential/Light Industrial/Commercial	630	4.50
Çerenisht	1373	Informal Residential/Light Industrial/Commercial	345	2.46
Verzhezh	3576	Informal Residential/Light Industrial/Commercial	345	2.46
Backe	1069	Residential	184	1.31
Gjergjove	1735	Residential	266	1.90
Helmes Staravecke	1949	Residential	226	1.61
Potom	3037	Residential	290	2.07
Qafe	3076	Residential	339	2.42
Buzuq	1342	Residential	417	2.98
Osoje	2844	Residential	360	2.57
Polene	3017	Residential	382	2.73

Village/City	Cadastral Area	Land Use	Urban Land Easement rate - Restrictions Zone A and B	
			ALL/m2	Euro/m2
Strore	3531	Residential	388	2.77
Veseshte	3757	Residential	417	2.98
Zogas	3946	Residential	410	2.93
Ibrollare	1979	Residential	339	2.42
Therepel	3596	Residential	374	2.67
Vertop	3754	Informal Residential/Light Industrial/Commercial	1,185	8.47
Vodice	3808	Informal Residential/Light Industrial/Commercial	1,103	7.88
Bilçe	1217	Informal Residential/Light Industrial/Commercial	1,575	11.25
		Informal Residential/Light Industrial/Commercial	1,181	8.44
Ullinjas	3676	Informal Residential/Light Industrial/Commercial	1,057	7.55
Otlak	2848	Informal Residential/Light Industrial/Commercial	2,070	14.79
		Informal Residential/Light Industrial/Commercial	1,553	11.09
Ura Vajguore	3682	Informal Residential/Light Industrial/Commercial	1,418	10.13
Çiflig	1405	Informal Residential/Light Industrial/Commercial	1,418	10.13
Guri i Bardhe	1896	Informal Residential/Light Industrial/Commercial	1,418	10.13
Pobrat	3003	Informal Residential/Light Industrial/Commercial	828	5.91
Rerez Kumarak	3003	Informal Residential/Light Industrial/Commercial	828	5.91
Petove	2944	Informal Residential/Light Industrial/Commercial	491	3.51
Gjokalli	1752	Residential	895	6.39
Gryke	1874	Residential	795	5.68
Seman	3300	Residential	915	6.54
Seman	3612	Residential	977	6.98

5.6 Project Crop Compensation Rates

5.6.1 Annual Crops

127. Table 13 next page presents compensation rates for annual crops for the different regions intersected by the pipeline.

5.6.2 Perennial Crops

128. Table 14 presents compensation rates for perennial crops for the different regions intersected by the pipeline.

5.7 Perennial Crops

129. Any taxes that recipients of compensation may have to pay in direct relation to their receiving compensation will be offset by TAP. The specific methodology for applying this may vary depending on the type of compensation payment (Land Acquisition; Land Rental; Easements/Restrictions; Crops; Structures; etc.).

130. In the event that rights to agricultural subsidies paid by the Albanian government are lost as a result of the change in land use, these situations will be reviewed on a case-by-case basis. Compensation may be increased to offset the loss of the subsidy, if relevant and subject to proper justification being submitted by the affected individual.

Table 13 – Project Annual Crop Rates (for one agricultural campaign)

1 Euro = 140 Albania Leke

Crops / Soil categories	ZONE 1: Mediterranean Weather		ZONE 2: Mediterranean Continental		ZONE 3: Mediterranean Sub-Continental	
	Fier, Berat, Lushnje		Berat, Skrapar		Korce, Devoll	
	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)
Wheat, 2nd category	109,500	782.14	104,293	744.95	110,000	785.71
Wheat, 3rd category	94,950	678.21	90,872	649.09	99,950	713.93
Wheat, 4th category	74,400	531.43	78,732	562.37	89,500	639.29
Wheat, 5th category	N/A	N/A	N/A	N/A	55,000	392.86
Maize, 2nd category	174,300	1,245.00	165,967	1,185.48	162,100	1,157.86
Maize, 3rd category	155,000	1,107.14	147,500	1,053.57	126,650	904.64
Alfalfa, 2nd category	164,563	1,175.45	199,205	1,422.89	170,128	1,215.20
Alfalfa, 3rd category	109,050	778.93	168,541	1,203.86	129,960	928.29
Alfalfa, 4th category	72,283	516.31	119,960	856.86	90,100	643.57

	ZONE 1: Mediterranean Weather		ZONE 2: Mediterranean Continental		ZONE 3: Mediterranean Sub-Continental	
Crops / Soil categories	Fier, Berat, Lushnje		Berat, Skrapar		Korce, Devoll	
	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)
Tomatoes, 2nd category	968,500	6,917.86	1,028,794	7,348.53	720,000	5,142.86
Tomatoes, 3rd category	661,739	4,726.71	933,939	6,670.99	450,000	3,214.29
Tomatoes, 4th category	537,914	3,842.24	785,114	5,607.96	340,000	2,428.57
Pepper, 2nd category	N/A	N/A	624,975	4,464.11	739,932	5,285.23
Pepper, 3rd category	N/A	N/A	N/A	N/A	456,794	3,262.81
Bean, 2nd category	568,687	4,062.05	N/A	N/A	668,838	4,777.41
Bean, 3rd category	469,794	3,355.67	499,980	3,571.29	549,449	3,924.64
Bean, 4th category	362,872	2,591.94	449,982	3,214.16	417,622	2,983.01
Potatoes, 2nd category	828,655	5,918.96	617,481	4,410.58	988,961	7,064.01
Potatoes, 3rd category	619,040	4,421.71	497,974	3,556.96	813,147	5,808.19
Potatoes, 4th category	N/A	N/A	120,000	857.14	564,012	4,028.66
Potatoes, 5th category	N/A	N/A	N/A	N/A	516,698	3,690.70
Barley (Elbi)	80,000	571.43	N/A	N/A	140,000	1,000.00
Trefoil (Tërfill)	65,000	464.29	68,000	485.71	59,000	421.43
Green Fodder (Haselle)	63,000	450.00	60,000	428.57	55,000	392.86
Fodder (Foragjere thate)	84,000	600.00	81,000	578.57	84,000	600.00
Forage Maize (Miser foragjer)	82,220	587.29	79,000	564.29	82,220	587.29
Eggplant (Patëllxhan)	870,000	6,214.29	850,000	6,071.43	870,000	6,214.29
Forage maize, 3rd categ	64,768	462.63	N/A	N/A	64,768	462.63

	ZONE 1: Mediterranean Weather		ZONE 2: Mediterranean Continental		ZONE 3: Mediterranean Sub-Continental	
Crops / Soil categories	Fier, Berat, Lushnje		Berat, Skrapar		Korce, Devoll	
	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)
Okra (Bamje)	870,000	6,214.29	950,000	6,785.71	870,000	6,214.29
Spring Bean (Bishtaja, barbunja)	875,000	6,250.00	935,000	6,678.57	875,000	6,250.00
Garlic (Hudhra)	895,000	6,392.86	985,000	7,035.71	895,000	6,392.86
Bulb onion (Qepë e thatë)	565,000	4,035.71	525,000	3,750.00	565,000	4,035.71
Spring Onion (Qepë të njoma)	450,000	3,214.29	690,000	4,928.57	450,000	3,214.29
Leek (Presh)	580,000	4,142.86	685,000	4,892.86	580,000	4,142.86
Carrot (Karotë)	790,000	5,642.86	740,000	5,285.71	790,000	5,642.86
Lettuce (Sallatë jeshile)	735,000	5,250.00	760,000	5,428.57	735,000	5,250.00
Spinach (Spinaq)	605,000	4,321.43	652,000	4,657.14	605,000	4,321.43
Forage Cabbage (Lakër foragjere)	156,000	1,114.29	150,000	1,071.43	156,000	1,114.29
Cabbage (Koke Lakër)	480,000	3,428.57	480,000	3,428.57	480,000	3,428.57
Cauliflower, brocoli (Lule lakër)	530,000	3,785.71	530,000	3,785.71	530,000	3,785.71
Watermelon (Shalqi)	900,000	6,428.57	949,000	6,778.57	900,000	6,428.57
Melon (Pjepër)	870,000	6,214.29	870,000	6,214.29	870,000	6,214.29
Cucumber (Kastravec)	875,000	6,250.00	875,000	6,250.00	875,000	6,250.00
Durum wheat (Gruri forte)	43,000	307.14	48,400	345.71	43,000	307.14
Rye (Thekerr)	31,000	221.43	30,000	214.29	31,000	221.43

	ZONE 1: Mediterranean Weather		ZONE 2: Mediterranean Continental		ZONE 3: Mediterranean Sub-Continental	
Crops / Soil categories	Fier, Berat, Lushnje		Berat, Skrapar		Korce, Devoll	
	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)	Compensation Value (ALL/Ha/Year)	Compensation Value (Euro/Ha/Year)
Oats (Tershera)	50,000	357.14	50,000	357.14	50,000	357.14
Triticale	35,000	250.00	35,000	250.00	35,000	250.00
Peas (Bizele)	555,000	3,964.29	500,000	3,571.43	555,000	3,964.29
Lentils (Thjerrza)	196,000	1,400.00	196,000	1,400.00	196,000	1,400.00
Sugarbeats (Panxharsheqeri)	60,000	428.57	60,000	428.57	60,000	428.57
Sunflower (Luledielli)	245,000	1,750.00	270,000	1,928.57	245,000	1,750.00
Tabacco (Duhan)	190,000	1,357.14	230,000	1,642.86	190,000	1,357.14
Soy (Soje)	134,000	957.14	132,500	946.43	134,000	957.14
Celery (Selino)	760,000	5,428.57	710,000	5,071.43	760,000	5,428.57
Radishes (Rrepa)	690,000	4,928.57	650,000	4,642.86	690,000	4,928.57
Chicory (çikore)	770,000	5,500.00	710,000	5,071.43	770,000	5,500.00
Zucchini (Kungulli)	900,000	6,428.57	845,000	6,035.71	900,000	6,428.57
Beats (Panxhar i kuq)	790,000	5,642.86	790,000	5,642.86	790,000	5,642.86
Faba (Bathe)	505,000	3,607.14	470,000	3,357.14	505,000	3,607.14
Tomatoes in Greenhouse (domate ne serra) (medium technology)	2,800,000	20,000.00	2,580,000	18,428.57	2,800,000	20,000.00
Pepper (Speca)	850,000	6,071.43	800,000	5,714.29	850,000	6,071.43

Table 14 – Project Perennial Crop Rates

1 Euro = 140 Albania Leke

Perennial Crops	Age Category (year)	ZONE 1: Mediterranean Weather				ZONA 2 Mesdhetar Kontinental				ZONA 3 Mesdhetar Nën Kontinental			
		Fier, Berat, Lushnje				Berat, Skrapar				Fier, Berat, Lushnje			
		For one Ha in ALL	For one Ha in Euro	For one tree in ALL	For one tree in Euro	For one Ha in ALL	For one Ha in Euro	For one tree in ALL	For one tree in Euro	For one Ha in ALL	For one Ha in Euro	For one tree in ALL	For one tree in Euro
Vineyard	0-1†	1,838,130	13,130	N/A	N/A	1,203,843	8,598.88	N/A	N/A	1,297,684	9,269	N/A	N/A
Vineyard	2-3	2,069,743	14,784	N/A	N/A	1,470,301	10,502.15	N/A	N/A	1,498,597	10,704	N/A	N/A
Vineyard	4	3,092,244	22,087	N/A	N/A	2,357,778	16,841.27	N/A	N/A	1,920,061	13,715	N/A	N/A
Vineyard	5-30	5,400,791	38,577	N/A	N/A	4,796,994	34,264.24	N/A	N/A	2,947,509	21,054	N/A	N/A
Vineyard	>30	4,281,760	30,584	N/A	N/A	3,590,850	25,648.93	N/A	N/A	2,680,351	19,145	N/A	N/A
Apple Extensive	0-1	859,766	6,141	2,149	15.35	1,065,766	7,612.61	2,664	19.03	1,159,149	8,280	2,898	20.70
Apple Extensive	2-5	1,027,453	7,339	2,569	18.35	1,233,453	8,810.38	3,084	22.03	1,451,348	10,367	3,628	25.92
Apple Extensive	6-9	2,918,625	20,847	7,297	52.12	3,124,625	22,318.75	7,812	55.80	4,765,603	34,040	11,914	85.10
Apple Extensive	25-Oct	5,885,144	42,037	14,713	105.09	5,711,768	40,798.34	14,279	102.00	7,520,373	53,717	18,801	134.29
Apple Extensive	>25	4,754,504	33,961	11,886	84.90	4,584,080	32,743.43	11,460	81.86	6,859,897	48,999	17,150	122.50
Apple Intensive	0-1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,783,320	12,738	1,486	10.62
Apple Intensive	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,425,080	17,322	2,021	14.44
Apple Intensive	3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,533,460	25,239	2,945	21.03
Mollë Intensive	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,396,459	38,546	4,497	32.12
Mollë Intensive	5-20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8,288,460	59,203	6,907	49.34
Apple Intensive	>20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7,555,260	53,966	6,296	44.97
Olive tree	0-1	633,079	4,522	2,877	20.55	1,302,292	9,302.09	5,920	42.28	N/A	N/A	N/A	N/A
Olive tree	2-6	1,936,050	13,829	8,800	62.86	1,861,812	13,298.66	8,463	60.45	N/A	N/A	N/A	N/A
Olive tree	7-10	2,606,827	18,620	11,849	84.64	4,048,872	28,920.51	18,404	131.46	N/A	N/A	N/A	N/A
Olive tree	11-100	4,273,758	30,527	25,139	179.57	4,936,071	35,257.65	29,036	207.40	N/A	N/A	N/A	N/A
Olive tree	>100	3,039,922	21,714	17,881	127.73	5,463,673	39,026.24	32,139	229.57	N/A	N/A	N/A	N/A
Peach	0 – 1	892,000	6,371.43	2,230	15.93	892,000	6,371.43	2,230	15.93	872,000	6,229	2,180	15.57
Peach	2 – 3	1,208,000	8,628.57	3,020	21.57	1,208,000	8,628.57	3,020	21.57	1,188,000	8,486	2,970	21.21
Peach	4	2,583,000	18,450.00	6,459	46.14	2,583,500	18,453.57	6,489	46.35	1,963,500	14,025	4,909	35.06
Peach	5 – 30	3,849,800	27,498.57	9,625	68.75	3,849,800	27,498.57	9,625	68.75	3,099,800	22,141	7,750	55.36

Peach	>30	4,276,800	30,548.57	10,692	76.37	4,267,800	30,484.29	10,692	76.37	3,376,888	24,121	8,442	60.30
Apricot	0 – 1	662,200	4,730.00	1,656	11.83	662,200	4,730.00	1,656	11.83	662,200	4,730	1,656	11.83
Apricot	2 – 5	891,800	6,370.00	2,230	15.93	891,800	6,370.00	2,230	15.93	891,000	6,364	2,230	15.93
Apricot	>5	3,082,800	22,020.00	7,707	55.05	3,082,800	22,020.00	7,707	55.05	2,242,800	16,020	5,607	40.05
Plum	0 – 1	586,000	4,185.71	1,465	10.46	586,000	4,185.71	1,465	10.46	N/A	N/A	N/A	N/A
Plum	2 – 4	762,000	5,442.86	1,905	13.61	762,000	5,442.86	1,905	13.61	N/A	N/A	N/A	N/A
Plum	5 – 30	3,110,000	22,214.29	7,775	55.54	3,110,000	22,214.29	7,775	55.54	3,110,000	22,214	7,775	55.54
Plum	>30	2,780,000	19,857.14	6,950	49.64	2,780,000	19,857.14	6,950	49.64	2,780,000	19,857	6,950	49.64
Cherry	0 – 1	627,000	4,478.57	1,568	11.20	627,000	4,478.57	1,568	11.20	627,000	4,479	1,568	11.20
Cherry	2 – 4	963,000	6,878.57	2,408	17.20	963,000	6,878.57	2,408	17.20	963,000	6,879	2,408	17.20
Cherry	≥5	4,335,000	30,964.29	10,838	77.41	4,335,000	30,964.29	10,838	77.41	4,335,000	30,964	10,838	77.41
Pear	0 – 1	1,278,800	9,134.29	2,131	15.22	1,278,800	9,134.29	2,131	15.22	1,184,000	8,457	1,973	14.09
Pear	2 – 4	1,837,200	13,122.86	3,062	21.87	1,837,200	13,122.86	3,062	21.87	1,292,000	9,229	2,153	15.38
Pear	≥5	9,532,000	68,085.71	15,887	113.48	9,532,000	68,085.71	15,887	113.48	4,280,000	30,571	7,133	50.95
Hazelnut	0 – 1	916,000	6,542.86	1,527	10.91	916,000	6,542.86	1,527	10.91	898,000	6,414	1,497	10.69
Hazelnut	2 – 4	1,244,000	8,885.71	2,073	14.81	1,244,000	8,885.71	2,073	14.81	1,202,000	8,586	2,003	14.31
Hazelnut	≥5	8,440,000	60,285.71	14,067	100.48	8,440,000	60,285.71	14,068	100.49	8,530,000	60,929	14,217	101.55
Walnut	0 – 1	926,400	6,617.14	3,706	26.47	926,400	6,617.14	3,706	26.47	882,000	6,300	3,528	25.20
Walnut	2 – 4	995,200	7,198.57	3,981	28.44	995,200	7,108.57	3,981	28.44	936,000	6,686	3,744	26.74
Walnut	≥5	4,548,000	32,485.71	18,192	129.94	4,548,000	32,485.71	18,192	129.94	4,770,000	34,071	19,080	136.29
Orange	0 – 1	1,130,000	8,071.43	2,511	17.94	1,130,000	8,071.43	2,511	17.94	N/A	N/A	N/A	N/A
Orange	2 – 4	1,586,000	11,328.57	3,524	25.17	1,586,000	11,328.57	3,524	25.17	N/A	N/A	N/A	N/A
Orange	≥5	12,578,000	89,842.86	27,951	199.65	12,578,000	89,842.86	27,951	199.65	N/A	N/A	N/A	N/A
Mandarin	0 – 1	1,288,000	9,200.00	2,147	15.34	1,288,000	9,200.00	2,147	15.34	N/A	N/A	N/A	N/A
Mandarin	2 – 4	1,744,000	12,457.14	2,907	20.76	1,744,000	12,457.14	2,907	20.76	N/A	N/A	N/A	N/A
Mandarin	≥5	18,136,000	129,542.86	30,227	215.91	18,136,000	129,542.86	30,227	215.91	N/A	N/A	N/A	N/A
Pomegranite	0 – 1	699,600	4,997.14	1,555	11.11	699,600	4,997.14	1,555	11.11	N/A	N/A	N/A	N/A
Pomegranite	2 – 4	1,112,400	7,945.71	1,854	13.24	1,112,400	7,945.71	1,854	13.24	N/A	N/A	N/A	N/A
Pomegranite	≥5	4,573,200	32,665.71	7,622	54.55	4,573,200	32,665.71	7,622	54.44	N/A	N/A	N/A	N/A
Almond	0 – 1	460,400	3,288.57	921	6.58	460,400	3,288.57	921	6.58	N/A	N/A	N/A	N/A
Almond	2 – 4	687,600	4,911.43	1,375	9.82	687,600	4,911.43	1,375	9.82	N/A	N/A	N/A	N/A
Almond	≥5	2,602,000	18,585.71	5,204	37.17	2,602,000	18,585.71	5,204	37.17	N/A	N/A	N/A	N/A

6. COMPENSATION PROCESS

The Compensation Process described in this section applies equally to all associated Project installations, including Access Roads & Bridges and the Pipeline. They will just be implemented at different times according to the Project schedule.

6.1 Preparation Tasks

6.1.1 Overview

131. Under TSP East's auspices, four tasks have been carried out by specialist firms:

- Task 1: Digitalisation of all cadastral data in the affected cadastral zones;
- Task 2: Digitalisation of property boundaries as they appear on ortho-photos;
- Task 3: Valuation study;
- Task 4: Cadastral update.

132. At the time of submitting this LRF, tasks 1 to 3 are complete, and task 4 is in progress.

6.6.2 Tasks 1 and 2: Digitalisation of Cadastral Data and Property Boundaries

133. These tasks were undertaken by TSP East. They involved the following:

- Scanning of RIMs (Registry Index Map);
- Scanning of administrative boundaries;
- Geo-referencing of RIMs;
- Identifying all existing cadastral data (owner, farmer, land use, parcel size etc.);
- Digitalisation of property boundaries from orthophotos (not check in the field);
- Classification of digitalized data;
- Digitise differences between orthophotos and satellite images;
- List differences between orthophotos and satellite images.

6.1.3 Task 3: Valuation Study

134. This work was undertaken by Albanian consulting firm Abkons. They involved the following:

- Task 1 – Identification of Existing Applicable Values
- Identify and contact Albanian Government Agencies involved in land acquisition activities and seek information on compensation values;
- Identify the principles of the categorization of land;

- Identify existing compensation values in the pipeline area;
 - Review these values against local/European and EBRD requirements;
 - Identify information on official inflation rates and ALL/Euro evolution for the last five years;
 - Identify official statistics on prices of agricultural produce
- Task 2 - Development of replacement value for affected assets
- Provide a categorisation of affected agricultural land using criteria such as arable/pasture, irrigated/dry, easily accessible or not, etc...
 - Provide a categorisation of affected non agricultural land using relevant spatial planning categories (urban residential, non urban residential, industrial, etc...);
 - Provide a geographical categorisation of land relevant to valuation;
 - Prepare a matrix by crossing categories;
 - Calculate the current replacement value for each of the sub-categories;
 - Seek from relevant Government agencies reference transactions for each of the sub-categories and associated prices per square metre and establish a market value for each of the sub-categories of land ;
 - Evaluate transaction costs (cost of registration and any taxes, fees, rights, potential rights to subsidies that might be lost as a result of the change in land use, etc... that might be due to be added on top of the land value);
 - Evaluate the compensation value not only for full acquisition but also for the servitude resulting from the pipeline operations;
 - Compensation values were updated in 2014, and will continue to be updated on an annual basis by applying an official inflation rate to the approved compensation values, as necessary.

6.2 Identification, inventory and Socio-Economic Surveys

6.2.1 Overview

135. LEA Teams have been established by TAP to identify and compensate all properties potentially affected by the Project. The LEA Teams will work in cooperation with local authorities of affected communities. Starting in the spring of 2013, LEA Teams will conduct surveys of affected assets and affected people in the following successive steps:

- Pre-census: the objective is to confirm, through interaction with communal authorities, the identification of all affected land parcels based on an identification study already conducted by TSP East based on cadastral records, and check available data about ownership, land use category, and cadastral value. Based on this available information, landowners and land users will be tentatively identified at this stage. In a given municipality, the pre-census will result in a list of affected plots, affected landowners and affected land users. At the stage of the pre-census, the municipality will be visited by the LEA team, and information will be provided to municipality councils about the processes pertaining to survey and land identification, acquisition and compensation, and the grievance mechanism. Details on the pre-census are provided in section 6.2.2.
- Census of affected plots: LEA team members will further inspect all potentially affected plots in the presence of identified landowners and users (or their representatives). The plot and affected part thereof will be measured and described, including its current cover at the time of the inspection (annual and perennial crops), and all information needed for the valuation will be gathered. Details on the census of affected plots are provided in section 6.2.4.
- Census of affected people: Further to the plot inspection, the LEA team will meet with identified landowners and landusers for each affected parcel on an individual basis, to explain the Project as well as the identification and compensation process and to carry out a basic household identification and socio-economic survey. The purpose of this survey is to gather simple baseline information on all affected households, including their current socio-economic circumstances, and identification of potential specific vulnerabilities. Details on the census of

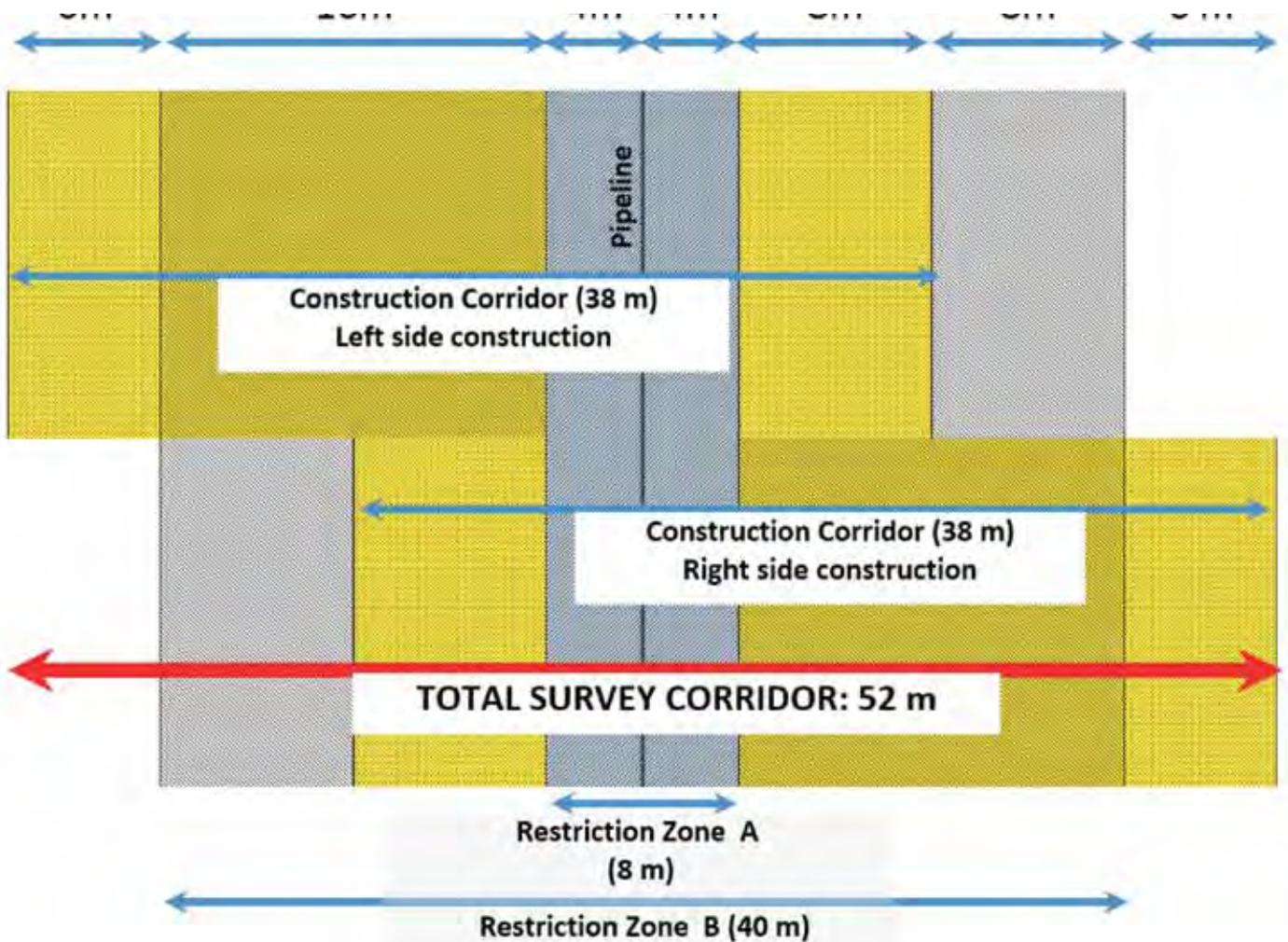
affected people are provided in section 6.2.5.

- Socio-economic survey: Further to the census of affected plots, and potentially in a separate exercise (in any event to take place before actual land acquisition), the LEA teams will conduct a detailed socio-economic survey over a sample of affected households. The purpose of this socio-economic survey is to establish a detailed baseline of the livelihoods of those who are potentially affected for the purpose of further monitoring. Details on the sampling procedure and information gathered in this socio-economic survey are provided in section 6.2.6.

6.2.2 Survey Corridor

136. The survey corridor is 52 m in width. This is because

- As mentioned above, the pipeline is not at the centre of the construction corridor, with one strip of land of 26m width on one side, and another strip of 12m width on the other side;
 - At the point in time when surveys will be undertaken, the side (right hand or left hand) on which construction will be undertaken is not known;
 - The corridor that needs to be surveyed is therefore the sum of the left hand side construction corridor and the right hand side corridor (ie. two times 26 metres = 52 metres).
137. The following figure presents the layout of the 52 m survey corridor, as well as the two possible construction corridors, and restriction zones A and B, which are entirely included in the 52 m survey corridor.



6.2.3 Pre-Census

138. The pre-census will start with LEA team interacting directly with communal authorities in each settlement with the purpose of explaining the TAP Project and its status, explain the process, seek cooperation from communal authorities in the identification and survey process, and explain the grievance mechanism and the role of municipal authorities therein. The affected Project footprint will be jointly visited by the LEA team and municipal representatives. The list of identified properties initially established by TSP East will be presented and discussed, and the identification of all affected land parcels will be confirmed, as well as available data about ownership and actual use, land use category, and cadastral value. Landowners and land users will be tentatively identified at this stage for further confirmation and surveys. In a given municipality, the pre-census will result in a list of affected plots, affected landowners and affected land users. Once finalised, this list will be posted at the municipality's premises with a notice for any interested parties to comment and come forward to either the municipality or TAP. The list will be publically posted for no less

than 30 calendar days (however, further stages of surveying can proceed before the end of this posting period). Any comments or claims related to the posted list will be registered in TAP's grievance mechanism and resolved according to the procedures described in Chapter 8.

139. A specific form is developed to reflect the results of the pre-census for each affected plot.

6.2.4 Census of Affected Plots

140. Based on the list of pre-identified properties, the LEA team will physically visit the affected plot in the presence of the affected landowner and/or land user to carry out a detailed inventory and inspection of the land, development and enhancements if applicable, and crops on the affected parcel of land. The purpose of this process is to make a written record of the condition of the land parcel, including all assets and crops, to prepare for its further valuation. The following details will be recorded for all potentially affected plots:

- Annual Crops

- Perennial trees / plants
- Pasture
- Any developments and enhancements (fences, buildings, irrigation / drainage, water sources, power supplies, roads)
- If structures are noted on the parcel, details of size, age, type, construction materials etc...
- Potential for orphan land (review of the shape of the parcel against the footprint of the Project)
- Any residential structure that might fall within the Construction Corridor and/or the 40m wide Restriction Zone B and may warrant a micro-reroute of the pipeline at that level.

141. The inventory act will be prepared on the spot ("parcel chit"), immediately submitted to the landowner and/or land user for signature and will further form the basis for valuation and calculating the compensation offer.

6.2.5 Census of Affected People

142. All affected households will be visited by the LEA team. A brief demographic and socio-economic questionnaire will be administered (See Appendix 6). This is also the stage where potentially vulnerable people will be pre-identified in view of further screening and final validation (see below Chapter 7). Preliminary information on handicaps, age, and income will be gathered for further processing by the TAP LEA team and consideration of specific support in further stages of the identification and compensation process. A specific form is developed to reflect the results of the census for each affected landowner and land user household.

6.2.6 Detailed Socio-Economic Survey

6.2.6.1 Purpose

143. A detailed socio-economic survey will be undertaken over a sample of landowners and land users. The purpose is to establish a comprehensive and statistically reliable baseline of livelihoods, for further monitoring of livelihood restoration within the affected group.

6.2.6.2 Sampling

144. Sampling will seek to achieve 95% confidence with a 5% margin of error. The sample will be stratified as follows:

- Land tenure stratification (two sub-populations - landowners and land users);
- Geographic stratification (three to four sub-populations).

145. Pipeline: Based on the current tentative assessment that about 11,000 landowners and land users are potentially affected, it is currently estimated that about 1,300 surveys will have to be conducted to achieve the level of statistical validity mentioned above.

146. Access Roads & Bridges: Based on the current assessment that about 1,400 landowners and land users are potentially affected, it is currently estimated that about 300 Sample Socio-Economic Baseline surveys have to be conducted to achieve the level of statistical validity mentioned above.

6.2.6.3 Questionnaire

147. A comprehensive socio-economic survey questionnaire is being established, to address the following issues:

- Livelihoods: current sources of livelihoods will be identified for all household members, including agriculture and other sources, with estimates of cash income and agricultural production used for self-consumption
- Standard of living: indicators of current living standards, such as the possession of certain household items will be gathered;
- Expenditures: household expenditures will be assessed, as well as their distribution amongst significant sources such as agricultural production, other productive expenditures, health, education, food, etc...
- Coping strategies: information on how households cope with potential temporary hardship will be gathered.

6.2.6.4 Socio-Economic Survey Replication for Monitoring of Livelihoods

148. The survey will be replicated once over the same households (both affected and control group) three years after completion of construction and reinstatement. Results will be compared to those of the initial socio-economic surveys and conclusions on livelihood restoration will be drawn.

6.2.7. Database

149. A database is being prepared to capture and record the results of all surveys and use them for calculation of compensation and socio-economic monitoring. This database will be structured along a file of affected plots with a unique plot registration number, linked to households dossiers.

6.3 Compensation Calculation

150. Based on the agreed inventory, the proposed compensation will be calculated for land and standing annual and perennial crops, according to the entitlement matrix and applicable rates. All compensation will be based on the entitlement matrix and rates detailed in section 5.5. Developments and enhancements on land, as well as any structure, will be valued on a case-by-case basis. A clear compensation calculation sheet will be developed that can be easily explained to the land owners and land users. In view of preparing the different compensation agreements mentioned below in paragraph 160, this sheet will clearly distinguish the different nature and duration of impacts, i.e.:
- Compensation arising from permanent acquisition of land (above ground installations), which will further be sanctioned in a sale-purchase agreement as described in paragraph 160;
 - Compensation arising from temporary occupation of land (pipeline construction corridor and temporary facilities), which will further be sanctioned in a rental agreement as described in paragraph 160;
 - Compensation arising from restrictions upon land (pipeline restrictions zones A and B), which will further be sanctioned in an easement agreement as described in paragraph 160;
 - Compensation arising from the destruction of both Annual and Perennial Crops standing in the field at the time of occupation;
 - Any other category of compensation for which the PAP is eligible.

6.4 Offer and Negotiation

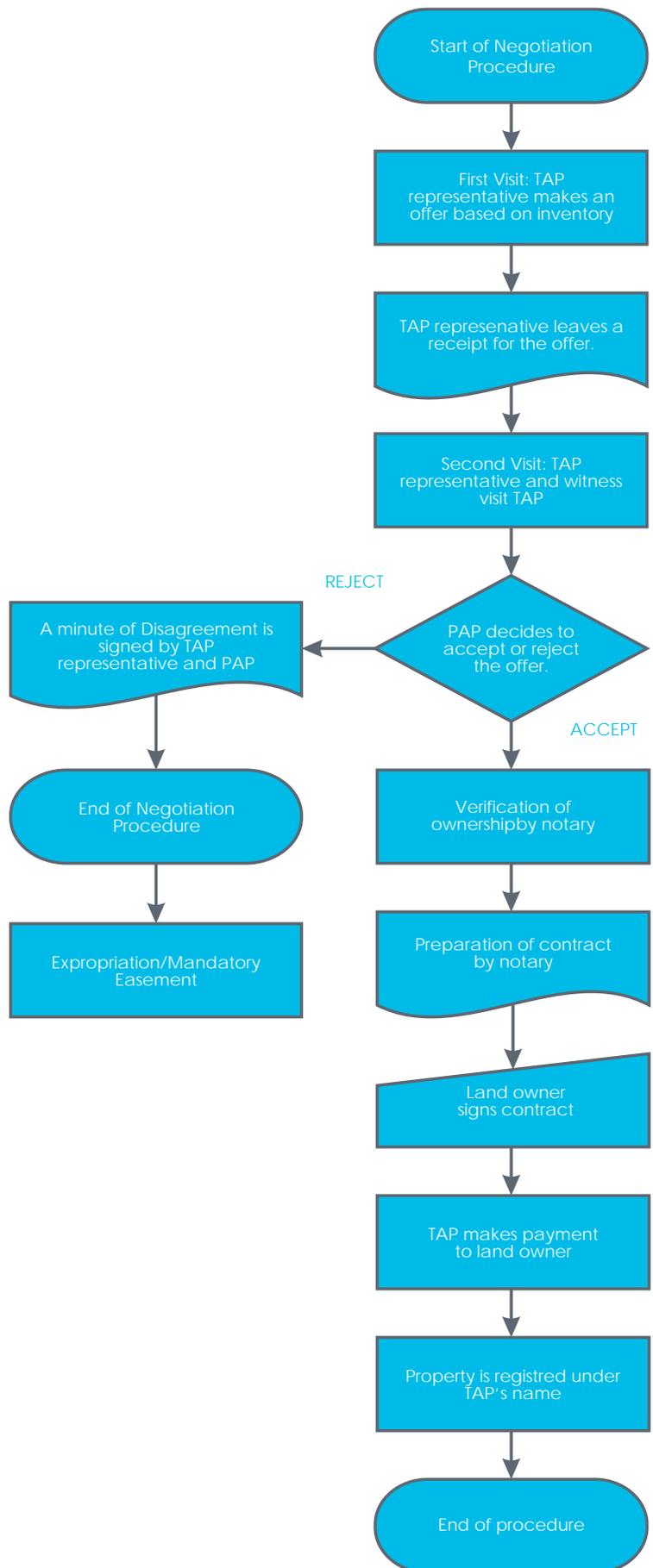
151. Once the compensation that is owed to a landowner or user has been calculated, the owner or user will be notified in writing in Albanian language of the compensation offer. The offer will include all relevant details per the compensation calculation sheet mentioned above in paragraph 153.
152. The negotiation process starts with the first visit to the PAP by a representative of the TAP land access team. The procedure for securing land access is elaborated upon, after which the offer is presented and explained. During a period of approximately two weeks, the PAP is given the time to consider the offer, to ask for additional explanation and information, or to seek legal advice. Dedicated Community Liaison Officers will be available, operating from TAP's temporary field offices, to answer questions on procedures and other legal solutions.
153. Two weeks after the first visit, the PAP is visited for the second time. A witness will accompany the representative of the TAP land access team, to be present during the signing of the offer. If the PAP refuses to sign the offer during the second visit, a Minute of Disagreement is signed by the representative of TAP and the witness. The PAP is asked to sign for confirmation. Depending on the size of the region, the number of land access teams and the availability of witnesses, the signing procedure will take two weeks up to one month per region.
154. If despite reasonable endeavours of TAP the PAP cannot be persuaded to sign the offer, and the Minute of Disagreement is drawn up, the negotiation procedure will be deemed unsuccessful. In that case, an expropriation procedure will start to obtain rights for the land required by TAP. The offer remains open until the expropriation (or mandatory easement) has ended, to allow the PAP to change his/her mind and sign the Offer.
155. If the PAP does sign the offer, local TAP offices will assist the PAP to collect all necessary documents and permits, and prepare for the signing of the contracts for lease, easement, or transfer of ownership. Because the PAP has to be present when the deed is signed by the notary, local notaries will be selected. In case no local notary is available, transport for the PAP to and from the notary could be provided. Depending on the cooperation of the Government, this procedure will take one or two months. In case the PAP is not able to produce all necessary documents, the expropriation procedure may yet be used.
156. The compensation amount in the TAP offer will be based on the asset record (TAP valuation procedures). The Government could use a separate valuation procedure for the expropriation procedures.
157. EBRD Performance Requirements prescribe that compensation must be paid prior to entry into land. In compliance with EBRD Performance Requirements, TAP shall disburse compensations payments to the PAPs in time. In some cases, it might be that the host government determines a higher valuation of compensation payments

for the expropriation of land. If this were the case, TAP would pay the difference in a second instalment to the PAP.

Figure 9 – Negotiation Procedure

158. Figure 9 below provides an overview of the negotiation procedure.

159. The compensation offer will be confidential, but the landowner/user may invite outside advisors or other assistance if desired. Payment will typically be made within one month after the compensation agreement is reached and in any case before entry into land.



160. Once an agreement on compensation is reached, agreements will be signed as relevant to the situation under consideration, as follows:

- Sale Purchase Agreement for permanent acquisition of land (above ground installations);
- Rental Agreement for temporary occupation (pipeline construction corridor and temporary facilities);
- Easement Agreement for restrictions upon land (pipeline restriction zones A and B). Although the Easement Agreement will enter into force only upon land hand back at the end of construction, it will nevertheless be signed before entry into land and associated compensation will be paid at that time too. Its contents will be re-explained to the land owner (particularly in respect of restrictions to building and construction in Restriction Zones A and B) at the time the Easement Agreement enters into force at land hand back after construction and reinstatement are complete.

161. After execution of the agreement by both parties, compensation will be paid in one installment in Albanian Leke on the bank account designated by the land owner and/or land user and mentioned in the compensation agreements. In case the compensation beneficiary does not have a bank account, s/he will be supported in opening such at the nearest bank subsidiary. TAP will work with Albanian banks to devise a payment mechanism that does not entail any cost to the compensation beneficiaries, and may pass an agreement with one or several banks to allocate the responsibilities of payment logistics to these banks.

162. The landowner will be asked to vacate the land one week after payment. After such period, the Project will have the right to enter into the land if required. Upon entry into land that is to be temporarily occupied (pipeline construction corridor and temporary facilities), a Land Entry Agreement will be signed between the landowner, the land user (if relevant), TAP and the relevant construction contractor. This agreement will describe the condition of the land upon entry by the Contractor and establish respective responsibilities of TAP and the Contractor to the landowner and land user with regards to land maintenance during occupation and further reinstatement.

6.5 Land Exit Agreement and Hand Back

163. Upon completion of construction and reinstatement in temporarily occupied land (pipeline construction corridor and temporary facilities), the Land Acquisition Team and the construction contractors will carry out an exit inspection with the previous land owner/user of all land that was used during the construction period. The aim of this inspection is to ensure that the land has been left in a suitable state whereby previous agricultural activities may be resumed on the land, subject to reuse restrictions mentioned above in section 4.1.2. If the inspection concludes that reinstatement is satisfactory, the usage right of the affected land plot will be handed back to the land owner and/or land user for agricultural activities. A land exit agreement will then be signed to include this information and will be signed by the construction contractor and the affected landowner or land user, and by TAP as a witness. This agreement will confirm that the affected landowner or land user is satisfied with the quality of the reinstatement of the land. Any claim arising from potentially unsatisfactory reinstatement will be managed through the grievance management mechanism outlined in Chapter 8.

164. During the exit inspection the landowner/user will also be provided with all required information in respect of permissible and restricted activities on the land plot, both in writing and verbally, and contact details of the team responsible for the monitoring of the project during operations. The contents of the Easement Agreement signed upon entry into land will be re-explained to the landowner.

7. VULNERABLE PEOPLE

The contents of this section apply equally all aspects of the Project, including Access Roads & Bridges and Pipeline.

7.1 Overview

165. **Vulnerable people** are people who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status, may be more adversely affected by the land acquisition process than others and who may be limited in their ability to claim or take advantage of compensation.

166. In the context of the TAP project in Albania, vulnerable people include:

- Disabled persons, whether mentally or physically;
- Seriously ill people;
- The elderly, particularly when they live alone and/or have no networks of solidarity to support them;
- Households whose heads are female and who live with limited resources;
- Households who have no or very limited resources;
- Widows and orphans;
- Households who are affected by the Project but whose ownership or usufruct rights are not registered or otherwise supported by documentation, thereby putting them at risk of not receiving compensation (this may include informal tenants and sharecroppers, and other *bona fide* occupiers with no legal recognition).

7.2 Identification of Vulnerable People

7.2.1 Overview

167. Screening people for vulnerability can be challenging for the following reasons:

- Vulnerable people do not necessarily attend meetings with the project because they are marginalized and do not access information that would easily be available to other members of the affected community.
- Some vulnerable people do not have the capacity to understand communication messages related with land acquisition or compensation.
- Screening people for vulnerability in a community that is generally poor can give rise to discontent in the general population.

168. The TAP vulnerable people identification process will include two stages:

- Pre-identification, essentially done as part of the normal land acquisition process by the TAP Land Acquisition Teams.
- Screening of those people pre-identified as potentially vulnerable by a specialised TAP social worker.

169. While pre-identification will be undertaken by the TAP Land Acquisition Teams, the further screening process may be undertaken either by internal TAP resources or by a sub-contracted specialist NGO with experience in dealing with vulnerability issues in Albania.

7.2.2 Pre-Identification

170. Vulnerable people will be pre-identified during the negotiation and land acquisition process (see above paragraph 142) using:

- The rapid socio-economic questionnaire administered on a systematic basis to all potentially affected households (See Annex 5);
- Interviews with relevant officials at Commune and village levels, including those in charge of health, social assistance and social welfare activities.

7.2.3 Screening

171. Further to the pre-identification of vulnerable people carried out by the Land Acquisition Teams as part of the initial stages of the process outlined in Chapter 6, a TAP social worker will visit all pre-identified vulnerable individuals and/or households and will administer a screening interview to better understand the nature and consequences of vulnerability in each particular case. The screening process will include confidentially investigating the following:

- Detailed circumstances of the household and potentially vulnerable individuals therein, including their personal history, income sources, details on illnesses and handicaps;
- Details on the implications of vulnerability, including;
- Mobility issues (will they need assistance to participate meaningfully in negotiations, including visiting the affected land parcel, etc...);

- Understanding issues (will they understand the process, the documentation, the agreements)
- Conclusion on categorisation as vulnerable, and types of assistance that will be needed further in the process of negotiation, agreement, land entry and exit, explanations on restrictions and grievance mechanism, etc...
- Assistance in the payment process (provision of transport to the bank effecting compensation payment in support of physically handicapped or chronically ill people, support in securing powers of attorney for those unable to understand or sign their compensation agreements, individualised support in the payment procedure, etc...).
- Prioritization for training courses to enhance employability, and prioritization for employment by contractors where possible.
- Where specific benefits provided by Government or other institutions may exist that affected vulnerable people are unaware of or have been unable to secure, review with the relevant organisations of eligibility for such social benefits, and assistance in submitting applications, for identified vulnerable people to be able to benefit from assistance opportunities not provided by TAP but that TAP field staff can help in obtaining.

7.3 Assistance to Vulnerable People

172. Working with relevant local authorities, TAP will seek to ensure that no vulnerable people are disproportionately affected by the land acquisition process. The following activities will be implemented by TAP in cooperation with local authorities in respect of vulnerable people affected by the TAP project:

- Assistance during the land acquisition and negotiation process, including, at the stage of plot and landowner identification, specific individual meetings to explain eligibility criteria and entitlements; the clauses of compensation agreements; and grievance avenues. Where people may need to be assisted to transport themselves to the plot for inspections and land entry/exit, TAP will provide such assistance.

8. GRIEVANCE MANAGEMENT AND REDRESS

The contents of this section apply equally to all aspects of the Project, including Access Roads & Bridges and Pipeline.

8.1 Principles and Overview

173. TAP will apply the following principles to the management and redress of grievances and complaints associated to land and easement acquisition:

- Any grievance will be registered, acknowledged receipt of within 7 calendar days of its receipt, responded to within 30 calendar days of its receipt with proposed resolution, and tracked until it is closed;
- TAP has put in place an amicable grievance resolution mechanism, with the objective of helping third parties to avoid resorting to the judicial system for as many grievances as possible;
- The existing grievance management mechanism will be further developed to include two successive tiers of extra-judicial, amicable grievance review and resolution, with the first one internal to TAP AG, and the second one involving of external parties;
- In cases where the aggrieved individual or group is not satisfied with the outcome proposed by the amicable mechanism, they will always be able to resort to Justice at any stage in the resolution process.

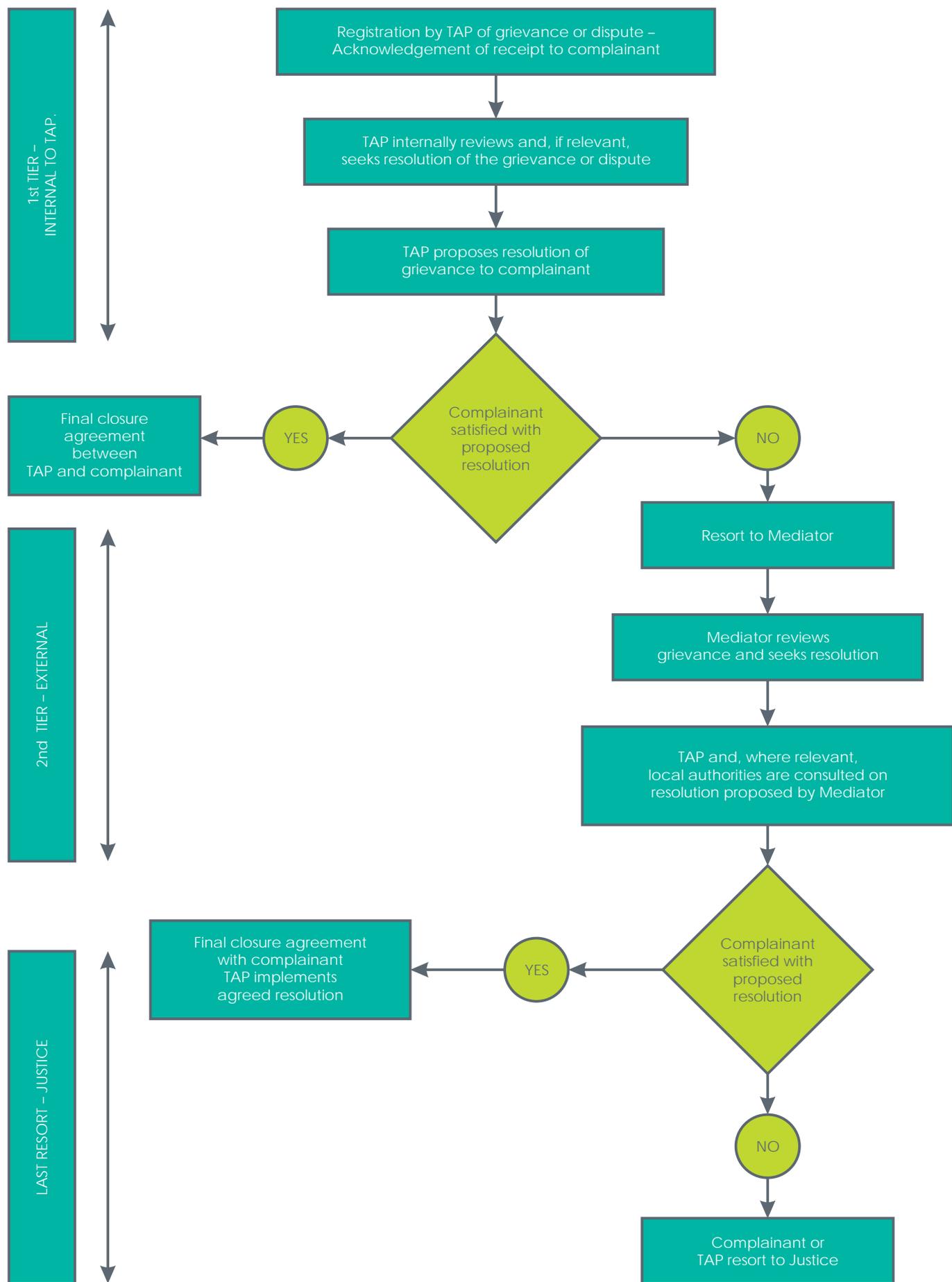
174. The following figure presents an overview of the two tiered grievance management mechanism that the Project will put in place.

8.2 Anticipated Categories of Grievances

175. In practice, grievances and disputes that may be anticipated for the TAP land acquisition programme are the following:

- Misidentification of properties (allocation of a property to the wrong owner due to wrong cadastral information and/or deliberately misleading statements);
- Disputes over plot limits, between affected persons and the Project or between two neighbours;
- Dispute over the ownership of a given property (two or more individuals claim to be the owner of this property);
- Disagreement over the valuation (either unit rate applied or count) of a plot, crop or structure;
- Post cut-off establishment of a structure or other asset, whether deliberate (opportunistic occupation in anticipation of compensation) or not;
- Absentee landowners;
- Confusion between legal occupants and informal occupants;
- Forged documents (identification, ownership or others);
- Deceases and unresolved successions, divorces, and other family issues, resulting in disputes between heirs or shareholders in the disputed property, particularly when such occur after identification and before payment;
- Damages occurring during construction;
- Unsatisfactory reinstatement.

Figure 10 – Principles of the Grievance Management and Redress Mechanism



8.3 First Tier (Internal) of Grievance Management

176. TAP has established a register of grievances. Avenues to lodge a grievance will include the following:

- TAP Albania offices in Tirana;
- Construction camps and related offices along the route;
- Any TAP land acquisition team staff, including staff of the land agent.

177. The existence of the grievance mechanism, as well as avenues and procedures to lodge a complaint (where, when, to whom, etc.), will be broadly communicated to Project Affected People through the Guide to Land Acquisition and Compensation (GLAC)⁶, which will include the exact locations of the different avenues to lodge a grievance with all relevant information, and by land agent staff during the negotiations. Complainants will be able to register grievances at these offices, sent them in written form or hand them over to the land agent staff. For each grievance, an electronic grievance file will be opened, including the following elements:

- Initial grievance (including the description of the grievance), with any supporting document (certificates, photos, etc)
- Acknowledgement letter sent back to the complainant upon the receipt of the grievance;
- Acceptance letter describing the results of preliminary investigation and proposed grievance resolution actions, if any (investigation, corrective measures);
- Closure letter, one copy of which will be provided to the complainant after he/she has agreed to the results of the resolution actions and signed-off.

178. Grievance review will typically include the following steps:

- Allocation of the grievance to a designated officer for review and resolution proposal;
- Review of TAP's identification files;
- Review of disputed properties, disputed boundaries, or property characteristics in the field, as applicable, and hearing of interested parties (the complainant and third parties as need be);
- Review with external parties such as local

administrative authorities in interested communities;

- Internal meeting of staff involved in the grievance resolution (including those who participated in the census if needed), and decision on proposed resolution;
- Approval of the proposed decision by TAP Albania management;
- Drafting of a letter to complainant stating the proposed resolution.

179. Any given grievance will be allocated to a designated staff member in TAP Albania team, whose responsibility it will be to review the grievance and come up with a proposed resolution per steps above. The close out at the level of the first tier will be sanctioned by a document, whereby the complainant acknowledges receipt of the letter including proposed resolution, mentions whether he/she is satisfied or not, and whether the grievance should be handed over to the second tier.

8.4 Second Tier (Independent) of Grievance Management

180. The second tier will process grievances that have proved impossible to resolve as a result of the first tier process. Resolution outcomes will be proposed by a committee including external parties. These outcomes, if agreed by both parties, will be binding to both TAP Albania and the complainant(s). The objective is to avoid resorting to legal proceedings and try to reach amicable settlements wherever possible. No grievance will be considered through the second tier unless it has already been reviewed through the first tier.

181. The second tier of grievance management will involve an external entity such as an NGO or a group of specialised experts ("Mediator") to be selected based on the following criteria:

- External to TAP;
- Experience in working on land issues;
- Experience in resolving disputes and/or mediation;
- Capacity to deploy staff in the regions covered by the pipeline.

182. The Mediator will review grievances with all interested parties and endeavour to identify agreeable outcomes. These outcomes, once identified as tentatively agreeable, will be reviewed by TAP and, where relevant,

⁶ See section 10.2 for details on the GLAC.

by local authorities, for final agreement. Minutes of meetings, including proposed resolution arrangements, records of decisions, agreements reached, will be prepared and logged.

183. In case this mechanism will not allow reaching a settlement, either the complainant or TAP

can resort to the judicial system. The aggrieved party will have the faculty to resort to the judicial system at any time in the process. However, in such an occurrence, TAP will be able to interrupt the amicable resolution process.

9. MONITORING AND EVALUATION

The contents of this section apply equally to all aspects of the Project, including Access Roads & Bridges and Pipeline.

9.1 Overview

184. Monitoring and Evaluation are key components of the land acquisition process. The Monitoring and Evaluation process examines what worked with the process and why, what did not and why it did not, and what adjustments or changes need to be made.

185. Monitoring⁷ is the measurement through time that indicates the movement toward the objective or away from it. Monitoring provides the raw data to answer questions. Evaluation is putting those data to use, thus giving them value. Evaluation is where the learning occurs, questions are answered, recommendations are made, and improvements are suggested. Yet without monitoring, evaluation would have no raw material to work with.

186. Monitoring and Evaluation are typically divided into three components, defined below

- Input monitoring,
- Output monitoring,
- Outcome evaluation.

187. Input (or progress) monitoring: Measures whether inputs are *delivered* on schedule and as defined in the Land Acquisition and Compensation Framework or Plan. Inputs are the services, resources or goods that contribute to achieving outputs and, ultimately, desired outcomes. Input monitoring is done internally on an on-going basis, often as part of the project general management system or quality assurance system.

188. Output (or performance) Monitoring: Measures the direct measurable results of the inputs, for example the number of people receiving compensation or completing livelihood restoration training course. Input and output monitoring together keep track of project

implementation *efficiency*, and indicate whether changes need to be made to make the program operate more efficiently. Output monitoring is done internally.

189. Outcome (or impact) Evaluation: Defines the extent to which the project inputs and outputs are achieving or are likely to achieve the objectives of a program. Examples of outcomes include the effectiveness of livelihood restoration or reinstatement. Outcome evaluation, coupled with output monitoring results, indicate whether the program is genuinely working and should continue to be implemented as is, or whether fundamental changes have to be made. Outcome evaluation is usually carried out by an external independent group.

190. Outcome evaluation often uses proxy (or indirect) indicators. Many people, for example, are reluctant to divulge their actual income. Proxy indicators can be used to help determine whether affected people are re-establishing (or improving) their livelihoods and standard of living. These kinds of indirect indicators may include nutritional status, school attendance, or the purchase of certain items such as vehicles or household appliances.

191. The following table summarizes and illustrates these four different Monitoring and Evaluation concepts.

⁷ Although this is not per se a performance indicator, it is a key element of the monitoring and as such should be measured as a KPI.

Table 15– Components of Monitoring and Evaluation

	Input Monitoring	Output Monitoring	Outcome Evaluation	Compliance Auditing
Fushë veprimi	Measures inputs into the resettlement and compensation programme	Measures outputs of the resettlement and compensation programme	Assesses whether desired objectives and outcomes have been reached as they were set in initial commitments	Audits compliance with recognised international references (for instance EBRD PR5)
Examples of indicators or typical questions	<ul style="list-style-type: none"> • Person-hours of project staff dedicated to census operations every month • Number of vehicles available for the programme • Amounts paid in compensation every month 	<ul style="list-style-type: none"> • Number of people having received cash compensation every month • Number of businesses re-established every month 	<ul style="list-style-type: none"> • Grievances, including outcomes of grievances and average time for processing and redress • What is compensation used for? 	<ul style="list-style-type: none"> • Is compensation paid at full replacement cost? • Is compensation paid prior to taking of possession of affected property? • Have resettlement planning documents been meaningfully disclosed to affected groups and has consultation taken place prior to finalizing resettlement and compensation strategies • Are livelihoods restored?
Examples of data collection and analysis methods	Monthly progress reports (technical and financial) prepared by the project implementation unit with a list of input indicators including 3 to 5 Key Performance Indicators (KPIs)	Monthly progress reports (technical and financial) prepared by the project implementation unit with a list of output indicators including 3 to 5 Key Performance Indicators (KPIs)	Six-monthly or yearly monitoring and evaluation reports prepared internally and including a list of indicators agreed with external evaluators – Analysis and evaluation by external evaluators	Quarterly (for larger resettlements) to six-monthly visits by a group of two experienced social auditors during the active phase of resettlement, then yearly visits until completion. Completion audit will include a comprehensive livelihood survey to be compared with baseline conditions
Responsibility	<u>Internal:</u> Data is gathered and processed by project <u>imple-</u> <u>mentation unit</u>	<u>Internal:</u> Data is gathered and processed by project <u>omple-</u> <u>mentation unit</u>	<u>External:</u> based on internally gathered data (inputs and outputs) and supplemental external investigations such as random interviews or focus groups held by the external evaluators	<u>External:</u> based on internally gathered data (inputs and outputs) and supplemental external investigations such as random interviews or focus groups held by the external evaluators

9.2 Input and Output Monitoring

192. TAP will use indicators and KPIs shown in the following table to carry out input and output monitoring of its land acquisition and compensation activities.

Table 16 – Input and Output Indicators

Indicator	Source of Information	Frequency	KPI ¹
Input indicators			
Overall spending	Financial records	Quarterly	KPI
Distribution of spending by: <ul style="list-style-type: none"> • Cash compensation • Rehabilitation - livelihood restoration • Consultation and engagement • Vulnerable people • General implementation services & overhead 	Financial records	Quarterly	
Number of full time staff dedicated to land acquisition & compensation, with distribution in-house / outsourced if applicable, and distribution by skill type	HR Department	Quarterly	KPI
Number of vehicles, computers, GPSs, and other equipment as applicable available to the resettlement & compensation programme	Count	Quarterly	
Number of PAPs by categories (consistent with categories in the entitlement matrix)	Census and grievance management	Quarterly	KPI ²
Output indicators			
Number of people having received cash compensation in the period with distribution by compensation type and by classes of amounts	Data management system	Monthly	KPI
Number of individual compensation agreements signed in the period	Data management system	Monthly	

9.3 Outcome Monitoring & Evaluation

193. TAP will use indicators and KPIs shown in the table below to carry out outcome monitoring of its land acquisition and compensation activities.

Table 17 – Outcome Indicators

Indicator / Issue	Measured how	Frequency	KPI
GRIEVANCES			
Average time for grievance processing	Measure time interval between grievance registration and closure and time between grievance registration and first acknowledgement of receipt	Quarterly	
Number of open grievances and trend in time	Data Management System	Quarterly	KPI
Number of grievances opened in the period and trend in time	Data Management System	Quarterly	
Number of grievances closed in the period and trend in time	Data Management System	Quarterly	
COMPENSATION			
Average time for payment of compensation	Measure time between compensation agreement and payment	Quarterly	KPI
Has compensation been paid at full replacement cost? Is compensation updated to take account of increases in real estate value?	Compare results of real estate market survey for similar properties with compensation paid. Investigate whether recipients of cash compensation were able to purchase a similar property	Yearly	KPI
Use of compensation	What has compensation been used for? Survey of compensated households	Yearly	KPI
LIVELIHOOD RESTORATION			
Business re-establishment (if relevant)	Have affected businesses been successfully re-established (if applicable)? Survey of activities and sales over a sample of businesses and comparison with baseline	Yearly	
Employment of business employees in the relocated businesses (if relevant)	Are employees still employed in the relocated business (if applicable)? If no why? Survey of employees over a sample of businesses and comparison with baseline	Yearly	
Jobs and employability	Are affected wage earners still employed in their former jobs? Survey of employment over a sample of wage earners and comparison with the baseline	Yearly	
Income	Are incomes restored? Survey of occupations and income over a stratified sample of PAPs and comparison with baseline	Yearly and at Completion Audit	KPI

9.4 Compliance Monitoring and Completion Audit

9.4.1 Compliance Monitoring

194. TAP will procure the services of an external compliance auditor to check whether the implementation of the programme complies with this framework and international requirements (PR 5). The scope of work of the compliance auditor will include the following tasks:

- General:
- Assess overall compliance with LRF commitments and PS5;
- Interview a representative cross-section of affected households and enterprises:
 - to measure the extent to which project affected people's standards of living and livelihood are being restored or enhanced,
 - to gather their opinions on compensation delivery, resettlement housing and grievance management;
- Compensation process:
 - Review if entitlements are delivered in time (as set out in the LRF) and, if not, whether delays are justifiable;
 - Assess whether compensation is at replacement value;
- Livelihood restoration:
 - Assess the extent to which the quality of life and livelihoods of affected households are restored, verify that measures to restore or enhance project affected peoples' quality of life and livelihoods are being implemented and assess their effectiveness;
 - Review any livelihood restoration / rehabilitation programmes and the extent to which they are assisting in providing alternative livelihoods for affected households to help offset the impacts of displacement;
- Monitoring & Evaluation:
 - Review internal monitoring and reporting procedures to ascertain whether these are being undertaken in conformance with the LRF;
 - Review internal monitoring records as a basis for identifying any potential areas of non-compliance, any recurrent problems, or potentially disadvantaged groups or households;
- Grievances:
 - Review grievance records for evidence of significant non-compliance or recurrent poor

performance in resettlement implementation or grievance management;

- Vulnerable people:
 - Assess the vulnerable people screening, tracking and assistance systems, related records, and performance to determine compliance with this framework and further RAPs if such are warranted;
 - Implementation:
 - Assess whether resources are adequate for implementing commitments in this framework and any training or capacity building requirements;
 - Assess the data management system and its outcomes;
 - Compare actual progress with initial schedule;
 - Review any situations of fraud, corruption or extortion and the way they have been managed.
195. Compliance monitoring will take place twice a year during the active phase of land acquisition and compensation. The external auditor will dedicate approximately 10 days to each of these missions, with most of this time dedicated to field visits, including interviews with key informants and affected people. Each of the auditor's missions will be sanctioned by a report prepared independently for TAP AG. The auditor will be selected amongst reputable individuals with significant international experience in resettlement.

9.4.2 Completion Audit

196. TAP will organise that a completion audit be carried out by an external auditor (potentially the same as that involved in the compliance monitoring). The overall goal of the completion audit is to verify that this Livelihood Restoration Framework as implemented has been effective in restoring project affected peoples' standards of living and livelihoods. Accordingly, the completion audit has the following objectives:

- Assess the effectiveness of measures to avoid and minimize displacement impacts by comparing project actual impacts on land and people versus those documented in the LRF;
- Verify that all entitlements and commitments described in the LRF have been delivered;
- Determine whether LRF measures have been effective in restoring or enhancing affected peoples' living standards and livelihood;
- Check on any systemic grievances that may have been left outstanding;

- Identify any corrective actions necessary to achieve completion of LRF commitments.

197. The Completion Audit will focus on livelihood restoration. Methods to assess whether livelihoods are restored will be carefully devised. They will mainly include quantitative surveys, resulting in a comparison with the baseline data. This will be done over a statistically significant⁵ sample of affected households chosen from all interested components of the Project. Macro-economic factors will be taken into consideration when interpreting the results of the comparison (for example inflation, real estate cost, general growth of the economy or recession).

198. In addition, the Completion Audit will utilize qualitative approaches to gather data and assess household standards of living. Particular attention will be paid to assessing the impact of land acquisition on the circumstances of vulnerable households.

199. The Completion Audit report will present conclusions on the effectiveness of livelihood restoration and identify any corrective

measures that would be necessary to complete rehabilitation of PAPs.

200. The Completion Audit could be undertaken by the same consultant also in charge of Compliance Monitoring (see above section 9.4.1). In addition to this individual (team leader), a team of enumerators will be recruited to carry out the verification surveys. The Completion Audit will be carried out two years after the active phase of land acquisition and compensation is complete (including reinstatement and hand back), or when the Compliance Auditor deems appropriate.

10. DISCLOSURE

The contents of this section apply equally to all aspects of the Project, including Access Roads & Bridges and Pipeline.

10.1 Livelihood Restoration Framework

201. The Livelihood Restoration Framework will be disclosed electronically in Albanian and English languages on TAP's website. Paper copies of the LRF will be made available in Albanian language in a number of locations easily accessible to interested parties, including the following:

- TAP Albania, Tirana
- District administration in the three district capitals.

202. Electronic documents will be made available to the public for the life of the Project, and will be updated if necessary.

10.2 GLAC

203. TAP will produce a Guide to Land Acquisition and Compensation (GLAC), intended as a user friendly and practical version of this LRF, to provide affected landowners and land users with all essential information in respect of the Project; the land acquisition process; compensation rates; grievance procedures; and essential contact information. One copy of the GLAC in Albanian will be made available to each affected landowner and land user. The GLAC will be made available in electronic and paper form at the same locations as the LRF and at the office of the district administration of each district.

⁸ In accordance with good practice, a margin of error of 5% for a confidence level of 95% will be targeted.

11. IMPLEMENTATION ARRANGEMENTS

The contents of this section apply equally to all aspects of the Project, including Access Roads & Bridges and Pipeline.

11.1 Overall Organisation

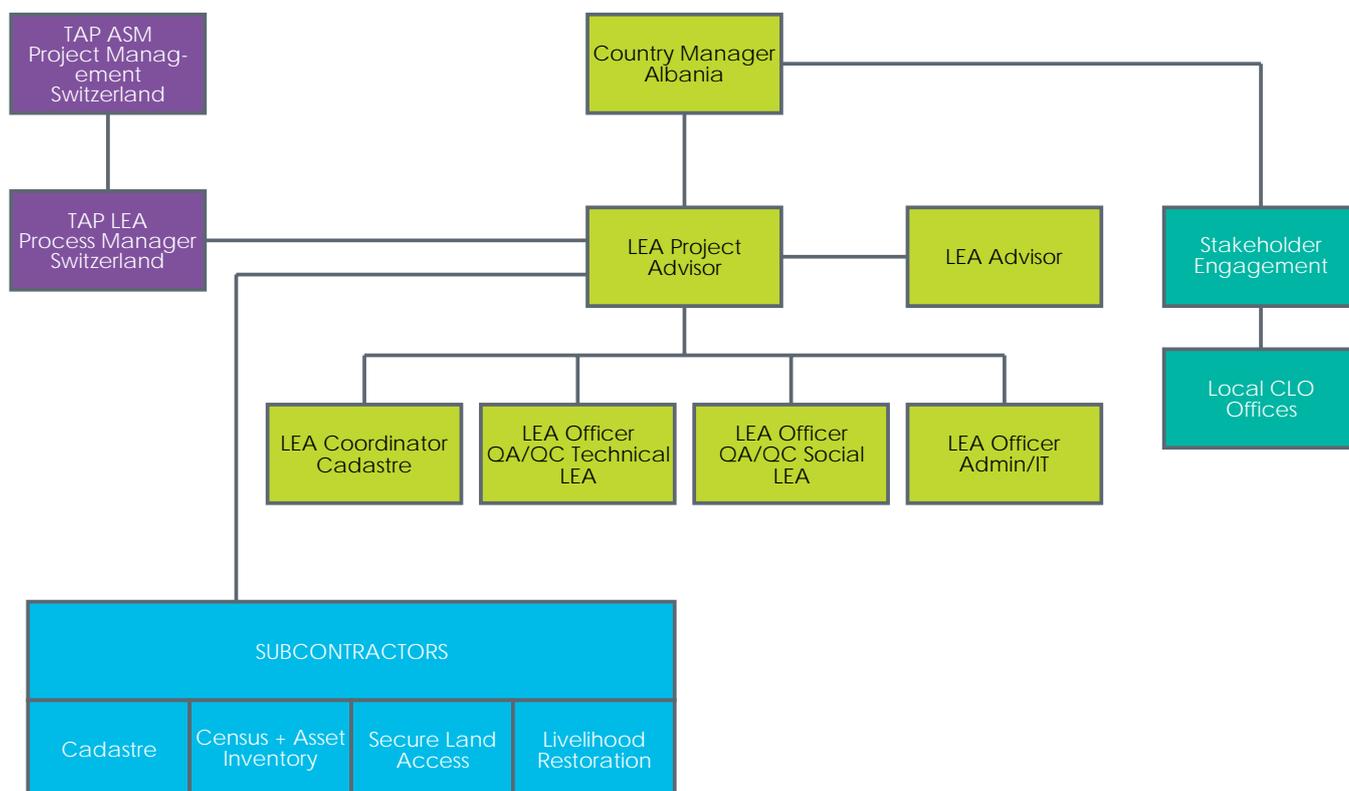
204. The LEA process is centrally managed from TAP AG headquarters in Switzerland, but addresses all in-country requirements in the greatest detail. Dedicated LEA Project Coordinators are based in all three country offices. These LEA Project Coordinators are responsible for the establishment and built-up of local teams, day-to-day management of the LEA activities, quality assurance and control. The Project Coordinators are supported by local country staff, drawing on their knowledge of the local culture and society.

205. TAP AG, through its Albanian office, will implement the land and easement acquisition process according to the procedures detailed in Chapter 6, and effect all related compensation.

206. The LEA process is structured in four main components, each headed by task managers to guarantee their consistent and successful implementation, as follows:

- Social (LRF and LRP)
- GIS and data management (LEAMS)
- Legal (HGA, negotiation, contracts)
- Technical (cadastral data collection and mapping).

Figure 11 – TAP LEA Activities Organisation Chart



207. Figure 11 shows the overall LEA organisation chart, including aspects relevant to Albania. TAP has elected to source most implementation from various qualified contractors and sub-contractors.

208. As shown in Figure 11, most positions in the managerial and technical support level are filled. Staff is currently being recruited for implementation related positions. Staff involved in field activities such as surveys and negotiations will be Albanian speakers.

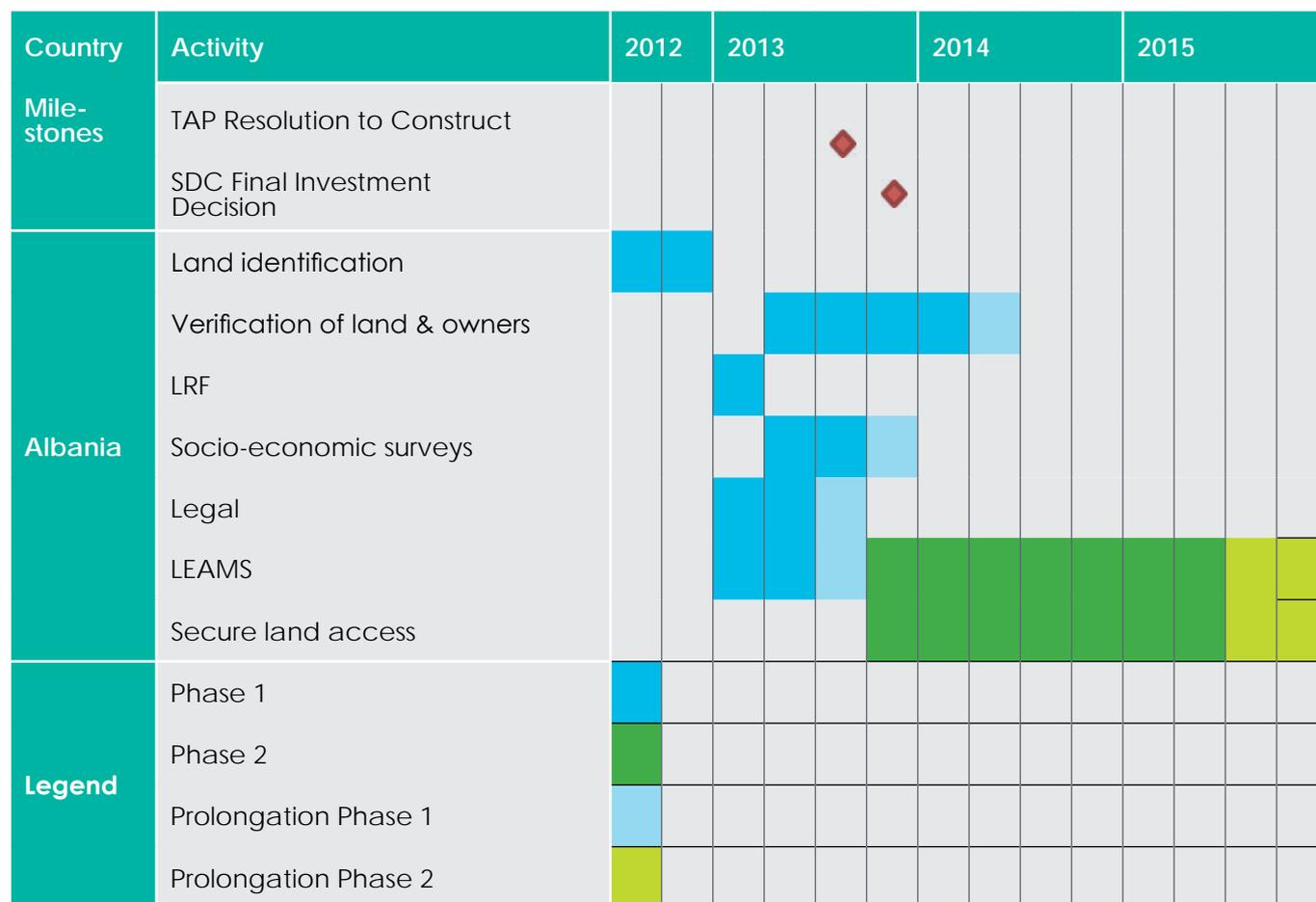
209. Regional offices will be opened prior to the start of the field activities. The purpose of these offices is threefold: (i) support the organisation and implementation of field activities; (ii)

enable Community Liaison Officers to engage with local authorities, village councils, and project affected people; and (iii) facilitate the provision of information and grievance management.

11.2 Implementation Schedule

210. A tentative implementation schedule is shown in the figure below⁹ for all three countries including Albania.

Figure 12 – Implementation Schedule



⁹ SDC: Shah Deniz Consortium
 LEAMS: Land and Easement Acquisition Management System
 LRF/P: Livelihood Restoration Framework / Plan

Annex 1 – Key Terminology

Term	Proposed meaning and comments
Involuntary resettlement	<p>Stricto sensu, “resettlement” refers to a form of compensation whereby affected people are offered replacement housing and “resettle” to that housing. However, “involuntary resettlement” has taken a broader signification and is used as an overarching term covering both impacts (“involuntary resettlement impacts”) and compensation measures associated to land acquisition and/or restricted access.</p> <ul style="list-style-type: none"> • “Involuntary resettlement” understood as an impact is caused either by project-related land acquisition or by restriction of access to land or natural resources. Impacts covered by “involuntary resettlement” include both “physical displacement” (relocation or loss of shelter) and “economic displacement” (loss of assets or access to assets that leads to loss of income sources or means of livelihood). Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition that results in displacement. This occurs in cases of expropriation or restrictions on land use based on eminent domain and negotiated settlements in which the buyer can resort to expropriation. • “Resettlement” understood as a <u>compensation measure</u> is generally used in a broad sense that covers all forms of compensation, not only those entailing physical relocation to replacement housing.
Land acquisition / Land access	<p>In the sense of EBRD PR5 and other similar international requirements, “land acquisition” is understood to include both full purchases of property and purchases of rights other than full property rights, such as rights-of way. In the last few years, specialists have often preferred to use “land access” rather than “land acquisition”, to cover not only actual purchases but also other forms of access to land, such as temporary occupation or acquisition of rights other than full property rights (rights of way or certain usufruct rights).</p>
Physical displacement	<p>Loss of dwelling or shelter as a result of project-related land access, which requires the affected person(s) to move to another location. Physical displacement typically entails economic displacement too, as physically displaced people usually lose access to land, employment, or business opportunities associated to their former location, and most specialists use “physical displacement” to cover both physical and economic impacts.</p>
Economic displacement	<p>Loss of assets (including land) or access to assets that leads to loss of income sources or means of livelihood as a result of project-related land acquisition or restriction of access to natural resources. People or enterprises may be economically displaced with or without experiencing physical displacement. Usually the term “economic displacement” is used when affected people are not also physically displaced (see above “physical displacement”).</p>
Affected person – Project Affected Person (PAP) – Displaced person	<p>Person or enterprise experiencing either physical or economic displacement.</p>

Term	Proposed meaning and comments
Informal right holder	<p>Person or group of persons recognised by custom, unwritten rules, or other socially accepted processes as holding certain ownership or usufruct rights over an asset or resource, although these usufruct rights are neither formalised in a legal document such as a title nor officially registered. Typical situations where informal right holders are encountered include:</p> <ul style="list-style-type: none"> • Slum dwellers in urban settings, where neither landlords nor occupants have formal ownership or occupation rights; • Road side or street side businesses established on a public space (a contradiction typical of such businesses is that while their occupation of the public domain is not recognised, their existence as a business is recognised through registration or payment of taxes); • Customary land holders in rural settings, where access to land derives from unwritten customary rights; • Customary usufruct rights over natural resources such as water bodies, grazing land, forest, that can be held at individual or group level. <p>Informal ownership or occupation of agricultural land may or may not enjoy a certain level of recognition in written law. Land tenure legislation in some jurisdictions does recognise customary community rights over land or other resources and formally empowers traditional institutions to informally manage these resources. Other jurisdictions ignore customary rights completely.</p> <p>Informality of occupation or ownership is not a “black-and-white” situation and there are many gray areas: informal right holders may be illegal from the standpoint of some authorities, and legal or even encouraged for others (see road side businesses above).</p>
Compensation	<p>Payment in cash or in kind for loss of an immovable asset or a resource that is acquired or affected by the project. This is typically understood to include all forms of compensation, including the provision of replacement land and housing, also sometimes referred to as “resettlement” stricto sensu. In some jurisdictions, compensation in cash is referred to as “indemnification” to distinguish it from other forms of compensation. For better clarity, compensation should be used only in the context of the loss of an immovable asset. It does not include allowances paid or provided in respect of various inconveniences not directly related to the loss of an immovable asset or vulnerability, nor should it include livelihood restoration allowances or activities.</p>
Allowance	<p>Cash paid in respect of losses or resettlement related expenses other than losses of immovable assets. For example, tenants can be provided with a cash “allowance” to support their effort to secure alternative housing. A moving “allowance” can be paid to people who have to relocate as a result of Project land access. An “allowance” should be distinguished from compensation, which is intended to cater for the loss of an immovable asset.</p>

Term	Proposed meaning and comments
Livelihood	<p>A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base. (Chambers & Conway, 1991, quoted by UNDP – Guidance Note on Livelihoods, 2010)</p>
Livelihood restoration	<p>Specific allowances or activities intended at supporting displaced peoples' efforts to restore their livelihoods to pre-project levels. Livelihood restoration should preferably be distinguished from compensation. Livelihood restoration measures typically include a combination of cash or other allowances and support activities such as training, agricultural assistance or business enhancement. Livelihood restoration is sometimes referred to as "rehabilitation", a term used in a number of Asian jurisdictions.</p>
Resettlement Action Plan (RAP)	<p>A planning document generally structured like an impact assessment, presenting:</p> <ul style="list-style-type: none"> • Displacement impacts resulting from land access entailed by a given project or sub-project, • Impact minimisation and mitigation measures, • Impact compensation measures for those displacement impacts that cannot be minimised or mitigated, • Arrangements associated to the implementation, monitoring and evaluation, and funding of the compensation measures. <p>A number of guidance documents specify requirements of various institutions such as the World Bank, the International Finance Corporation, the Asian Development Bank, etc... pertaining to the structure and substance of RAPs. A RAP is expected to be based on a detailed inventory of affected assets, the associated census of affected people, and a valuation of compensation for affected immoveables, which require the Project to be in such a development stage that a final or quasi final footprint can be assessed. For project with significant displacement impacts, most International Finance Institutions require RAPs to be submitted and approved for finance to be made available to the Project, although timing and disclosure details may vary from one IFI to another.</p>
Resettlement Framework (Livelihood Restoration Framework)	<p>Where a project or sub-project is not defined to such a level that a final footprint is available, and if displacement impacts are of lesser significance, a resettlement or livelihood restoration framework may be deemed acceptable for the Project to proceed to approval by an IFI. A resettlement or livelihood restoration framework includes an outline description of impacts and all principles applicable to compensation, but the census of affected people and inventory of affected assets are not provided. The resettlement or livelihood restoration framework is typically expected to be complemented by a RAP at a further stage of project development.</p>

Term	Proposed meaning and comments
Replacement value	<p>This is usually calculated as the market value of the asset plus transaction costs (e.g. taxes, stamp duties, legal and notarization fees, registration fees, travel costs and any other such costs as may be incurred as a result of the transaction or transfer of property). In applying this method of valuation, depreciation of structures and assets should not be taken into account. For losses that cannot easily be valued or compensated for in monetary terms, in-kind compensation may be appropriate. However, this compensation should be made in goods or resources that are of equivalent or greater value and that are culturally appropriate. With regard to land and structures, replacement costs are defined as follows:</p> <p>Agricultural land—the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, and transaction costs such as registration and transfer taxes.</p> <p>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.</p> <p>Houses and other structures—the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labour and contractors’ fees and transaction costs such as registration and transfer taxes.</p>
Vulnerable groups	<p>Vulnerable or “at-risk” groups includes people who, by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits. Vulnerable groups in the context of displacement also include people living below the poverty line, the landless, the elderly, women- and children-headed households, ethnic minorities, natural resource dependent communities or other displaced persons who may not be protected through national land compensation or land titling legislation. These groups should be identified through the process of environmental and social appraisal (see PR 1).</p>
Adequate housing	<p>Adequate housing or shelter can be measured by quality, safety, affordability, habitability, cultural appropriateness, accessibility, and locational characteristics. Adequate housing should allow access to employment options, markets, and basic infrastructure and services, such as water, electricity, sanitation, health-care, and education. PR 5 affords adequate housing and security of tenure to displaced persons at resettlement sites.</p>
Security of tenure	<p>A resettlement site offers security of tenure if it protects, to the greatest extent possible, the resettled persons from forced evictions.</p>

Annex 2 – Detailed Table Presenting Key Albanian Legislation

Albanian name	English name	Number and reference of approval	Subordinate acts if applicable	Key issues addressed
Kushtetuta e Republikës së Shqipërisë	Constitution of the Republic of Albania	Law no. 8417, dated 21.10.1998, amended with the law no. 9675, dated 13.01.2007 and law no.9904, dated 21.04.2008.		Main constitutional principles, essential rights and freedoms, organization of the state and independence of the state bodies, elections, hierarchy of the laws etc.
Kodi Civil i Republikës së Shqipërisë	Civil Code of the Republic of Albania	Law no. 7850, dated 29.07.1994, amended with law no. 8536, dated 18.10.1999, law no. 03.05.2001 and law no. 17/2012, dated 16.02.2012.	N/A	Legal rights related to immovable properties (such as ownership, easement-servitudes and usufruct rights, lease, etc.) Interacting and beneficiary parties, their contractual rights, modalities of acquisition of rights referred above, and the obligation to register them.
Për regjistrimin e pasurive të paluajtshme	Law "On Registration of Immovable Properties"	Number 33/2012 approved by the Parliament on 21.03.2012. Published in the Official Journal issue number 34/2012 of 13.04.2012	Yet to be enacted by Cabinet of Ministers (COM)	Organization and operation of the Immovable Property Registration Office (IPRO), terms and procedures for the registration of immovable properties and administration of immovable properties public registry.
Për shpronësimet dhe marrjen në përdorim të përkohshëm të pasurisë pronë private për interes publik.	Law "On expropriation and temporary use of private property for public interest"	Ligj nr. 8561, datë 22.12.1999. Botuar në Fletoren Zyrtare në. 37, datë 25.02.2000.	COM Decision no. 127, dated 23.03.2000 "On content and procedures for request of expropriation and temporary use of properties for public interest". COM Decision no. 138 dated 23.03.2000 "On technical criteria of evaluation and calculation of the compensation for the expropriated and devaluated properties and the rights of third parties" amended with the decisions no. 662, dated 18.12.2002, decision no. 872, dated 12.12.2007, decision no. 136, dated 23.02.2011, decision no.563, dated 03.08.2011	Regulates the right of the state to expropriate or take in temporary use, for public interest the properties of legal entities or individuals and the protection of the rights and interests of the expropriated owners.
Për shpronësimet dhe marrjen në përdorim të përkohshëm të pasurisë pronë private për interes publik.	Law "On expropriation and temporary use of private property for public interest"	Law no 8561, dated 22.12.1999. Published in Official Journal issue number 37, of 25.02.2000	COM Decision no. 127, dated 23.03.2000 "On content and procedures for request of expropriation and temporary use of properties for public interest". COM Decision no. 138 dated 23.03.2000 "On technical criteria of evaluation and calculation of the compensation for the expropriated and devaluated properties and the rights of third parties" amended with the decisions no. 662, dated 18.12.2002, decision no. 872, dated 12.12.2007, decision no. 136, dated 23.02.2011, decision no.563, dated 03.08.2011	Regulates the right of the state to expropriate or take in temporary use, for public interest the properties of legal entities or individuals and the protection of the rights and interests of the expropriated owners.

Albanian name	English name	Number and reference of approval	Subordinate acts if applicable	Key issues addressed
Për legalizimin, urbanizimin dhe integrimin e ndërtimeve pa leje	On the legalisation, urbanization and integration of the informal zones/ constructions	Law no. 9482, dated 03.04.2006 amended by law no .9786, dated 19.07.2007, law no.9895, dated 09.06.2008, law no.10 099, dated 19.03.2009, law no. 10 169, dated 22.10.2009 , decision no.3, dated 02.02.2009, of the Constitutional Court and law no.10 219, dated 04.02.2010.	<p>COM Decision no. 438, dated 28.6.2006 "On the definition of the criteria, procedure and applicable documentation to qualify the constructed objects to be legalized or not" amended with COM Decision no.994, dated 6.10.2010.</p> <p>COM Decision no.258, dated 04.05.2007 "On the registration of the legalized immovable properties".</p> <p>COM Decision no.259, dated 04.05.2007 "On the approval of the regulation and the minimal urban standards for the urbanization of the informal zones".</p> <p>COM Decision no.411, dated 19.5.2010 "On the criteria, procedures and type of the legalisation permit form".</p> <p>COM Decision no.289, dated 17.05.2006 "On the organization and operation of ALUIZNI", amended with COM Decision no. 678, dated 04.10.2006 and no. 1147, dated 05.08.2008</p> <p>COM Decision no. 397, dated 21.06.2006 "On the approval of the action plan for the legalisation, urbanization and integration of informal constructions".</p> <p>COM Decision no. 437, dated 28.06.2006 "On the definition of the procedures for the collection elaboration and management of the data on informal construction, for completing the data base".</p>	<p>Legalisation of informal constructions. Transfer of the ownership rights over the land plot where is constructed the object that will be legalized. Urbanization of zones, blocks of informal constructions and their integration into the urban development of the country. Procedures for the completion of the legalisation of the informal constructions and the establishment of the relevant structures for the legalisation.</p>
Për legalizimin, urbanizimin dhe integrimin e ndërtimeve pa leje	On the legalisation, urbanization and integration of the informal zones/ constructions	Law no. 9482, dated 03.04.2006 amended by law no .9786, dated 19.07.2007, law no.9895, dated 09.06.2008, law no.10 099, dated 19.03.2009, law no. 10 169, dated 22.10.2009 , decision no.3, dated 02.02.2009, of the Constitutional Court and law no.10 219, dated 04.02.2010.	<p>COM Decision no.870, dated 27.12.2006 "On the coefficient of exploitation of the construction under legalisation having a social economic purpose".</p> <p>COM Decision no. 1180, dated 05.08.2008 "On the definition of the tariff value for the legalisation service and collection of the income in the process of legalisation, amended with decision no.1587, dated 03.12.2008, no .246, dated 13.04.2010 and no. 368, dated 30.05.2012.</p> <p>COM Decision no 1655, dated 24.12.2008 "On the compensation of the owners of immovable properties, that are occupied by informal constructions".</p>	<p>Legalisation of informal constructions. Transfer of the ownership rights over the land plot where is constructed the object that will be legalized. Urbanization of zones, blocks of informal constructions and their integration into the urban development of the country. Procedures for the completion of the legalisation of the informal constructions and the establishment of the relevant structures for the legalisation.</p>

Annex 3 – Details on the Expropriation Process

Private property can be expropriated when required for a public purpose (interest) defined by law and against a fair compensation. Expropriation or taking under temporary use of the private property is made only for a “public interest” which may not be achieved or protected in another manner, and always the State must compensate any prejudice caused to adjacent property. Private property could be expropriated for the following purposes:

- Fulfillment of obligations of the State arising from treaties and international multilateral conventions;
- Performance of programs, projects and investments in Albanian territories and abroad, foreseen in international agreements executed by Albania;
- Developing of transport, energy, telecommunications, and waterworks and sewage infrastructure projects;
- Execution of projects and investments aimed at protecting the environment, health, culture and public education;
- Carrying out programs and investments focused on national defense;
- Protection of cultural heritage assets, including buildings and historic places, monuments, artifacts, etc., that are considered worthy of preservation for the future. These include objects significant to the archaeology, architecture, science or technology of a specific culture.

Expropriation for public interest in favor of a private entity is performed in case of realization of investments that present interest or have territorial extension either in national or local level, in the sector of energy, telecommunications, etc, in the service and interest of the public.

The request for expropriation is submitted by the interested investor to the ministry that covers the activity for which the expropriation is needed, which in TAP case is METE.

METE shall establish a special committee to follow up and implement the expropriation process. The application filed shall be supported by the following documents:

- Documents attesting registration of the applicant as a juridical person
- The necessary and approved projects and the argument related to the public interests, in connection to the realization of the project
- Documentation related to the source and guarantee of the financial funds necessary for

the conclusion of the project, including the costs of expropriation and devaluation

- A preliminary valuation of assets subject to expropriation and the amount of compensation that is contemplated for each private owner
- Relevant license(s) and approval(s) issued from the competent authority (ies) in relation to the specific project
- Documents showing the way of project implementation
- A list of owner(s) of private-owned properties, for which expropriation is sought; a list of owners of private-owned properties that are devalued due to expropriation process and a list of third parties whose properties will be subject to expropriation supported by explanations and data necessary for each of them, with the respective estimates of the value of these properties and rights, as well as the addresses and last known residences of the respective owners and third persons
- Documents attesting the cause of expropriation (i.e. realization of investments that present interest or have territorial extension either in national or local level, in the sector of energy, telecommunications, etc, in the service and interest of the public).

The committee examines and verifies the information indicated in the application and relevant documents attached therein. If the application meets the required criteria the committee accepts the application for expropriation by notifying the investor.

Within ten (10) days after the acceptance notice is delivered to the applicant (i.e. TAP), METE and TAP will enter into an agreement providing for the process and conditions of expropriation and payment of the compensation for the expropriated land right holders, in the form of the notary deed, having attached all documents accompanying the application for expropriation.

Within ten (10) days after execution of the said agreement, METE will notify directly (either by registered mail or other means of notification having confirmation that notice is received by the addressee; in case the addressee resides abroad, the notification will be made through publication in the commune/municipality where the land subject to expropriation is located) the persons affected by the expropriation and will publish during an entire week the application for expropriation in the Official Gazette as well as in a national and a local newspaper. Third parties should present their claims and supporting documents with

METE within fifteen (15) days from the expiration of the last publication term.

The committee will calculate (by considering their initial value of the property proposed to be expropriated, depreciation, destination, location, indexes of the market price changes and of the currency) the value of compensation to be paid to the persons affected by the expropriation. METE will propose to COM to approve the expropriation not earlier than one month from the day of termination of the procedures described in herein above. The Council of Ministers may approve or reject the application.

The COM Decision approving the expropriation shall include:

- The purpose and legal reasons for expropriation;
- The private properties that are expropriated and their respective owners;
- The amount of compensation for the owners who are expropriated, for the owners of the properties that are devalued or for those whatsoever prejudiced; as well as the time period and manner of payment;
- The term of the expropriation and the beneficiary;
- The term for the development of the project and the investment, as the case may be;
- The amount of the expenses incurred in the expropriation proceeding, assumed by the applicant.

Within thirty days after the approval of the expropriation by COM Decision, METE will transfer and register with the competent IPRO the ownership title on the expropriated land under the name and property of the State in case of the expropriation of the title, or register under the State name.

Transfer to the investor the ownership title on the expropriated property is registered in the name of the investor (if it requests so), provided that and when the investor has completed the construction of the project.

The expropriation shall be deemed invalid if (i) the beneficiary does not begin or conclude successfully the works for the project and investments that caused the expropriation; within three months following the end of the term stated in the COM Decision; or (ii) the compensation is not paid within three months following the end of the term stated in the COM Decision.

Upon the occurrence of any of these events, the former owners of the expropriated properties: (i) recover full title on the confiscated properties, at

their request; (ii) shall return any compensation received; and (iii) are entitled to claim further compensation from the beneficiaries.

Identification of right holders

From the process of identification of the land right holders may result that each of the following situations of a combination of them:

- (i) rights holders have their rights properly recorded with IPRO
- (ii) right holders have not recorded their rights with IPRO due to their negligence or other reasons (likewise farm families having obtained the decision transferring to them the title to the farm parcel of land from the land distribution commissions, or right holders in process of legalisation that has not been complete yet, etc.)
- (iii) informal right holders that are possessing and using the lands by fact without having any legal title acquired to them.

In the cases listed under (ii) above, TAP may consider supporting the right holders financially and technically for completing necessary registration process with IPRO which would enable TAP to registered thereafter the conditional/put contracts executed with them in case of successful negotiations.

Negotiations with right holders

Where the land is a farm land, it is most probably subject to joint ownership among all the members of the farm family, though it might be recorded under the name of the head of the said farm family. In this case the consent of all members of the farm family is necessary.

Though the law does not provide for a collective bargaining and therefore it is not binding, a collective approach could prove useful in rural areas where the head of the local government may be considered to be a trusted person by the local community and therefore seeking its support in approaching the land right holders could be useful. Nevertheless, individual contracts need to be entered into with each right holder any collective agreement that is not signed by each of the right holders would have no binding effect.

TAP may decide either (i) to engage first into negotiations with the right holders, after having identified them, and file for expropriation only for those properties for which voluntary negotiations were not concluded successfully with execution of agreements; or (ii) initiate negotiations with right holders and file for expropriation of all identified right holders at the same time, in which case TAP has to

adjust the list of right holders to be expropriated during the process to be carried out by METE, but in any case before METE notifies right holders affected by expropriation.

The scenario (ii) referred above – i.e. where TAP engages into negotiations and file for expropriation at the same time – may imply conflicts with EBRD PR5 on the grounds that negotiations could be considered prejudiced by the parallel expropriation procedures initiated by TAP. In order to avoid that, TAP may consider to file for expropriate at any time after engaging into negotiations with the right holders depending on the trend of the outcome of such negotiations. Said that the Flaw Chart above must be read that TAP does not necessarily have to engage into negotiations and file for expropriation at the same time.

Easement/servitude

Pursuant to the provisions of the Civil Code is established by operation law or by contract. Whenever it is by operation of law that a party has the right to establish easement/servitude (called statutory servitudes) over another party's property and they do not find an agreement, the party entitled to servitude may claim establishment by a court decision by bringing actions before the competent court.

The Civil Code provisions, as mentioned above in this report, whenever the servitude derives by operation of law, indicate that it can be established by act of a governmental organ that is foreseen by the law.

Neither the Civil Code provisions, nor the Expropriation Law not provide for establishment of easement/servitude by expropriation decree/decision.

Annex 4 – Legal Review of Certain Specific Situations (Fisheries, Pre-Communist Ownership Rights, Conflicts between Registry and Field Observations)

Potential Impacts of Off-Shore Facilities and Works on Livelihoods Associated to Fishing

Legal Framework

The following pieces of legislation are of relevance:

- Law no. 64/2012 “On fishery” (the “Law on Fishery”);
- Law no. 7908 dated 05.04.1995 “On fishery and aquaculture” as amended (the “Law on Aquaculture”);
- COM Decision no. 1062 dated 16.07.2008 “On defining the powers of the fishery inspectorate and establishment of the supervision system, in line with the fishery administration policies”;
- COM Decision no. 547 dated 13.05.2009 “On defining the procedures and lease prices for the water surface in carrying out the activity of intensive aquaculture” and various regulations issued by the Minister of Environment, Forestry and Water Administration covering the area;
- Lawno. 7746 dated 28.07.1993 “On hydrocarbons” (the “Law on Hydrocarbons”), as amended.

The Law on Fishery was recently passed by the Albanian Parliament and is expected to enter into force on 14.07.2012 (i.e. 15 days after publication in the Official Journal). It partially replaces the Law on Aquaculture as far as fishery related activities are concerned. The development and operation of fish farms is still regulated by the Law on Aquaculture.

Besides fishery and fish farm related rights, other offshore rights are those recognized under the Law on Hydrocarbons. According to the provisions of said Law, METE (through the National Agency of Natural Resources – the Agency) has the power to assign to companies (contractors) rights for the exploration, development and production of hydrocarbons (i.e. crude oil and gas) by executing with them an agreement (called “hydrocarbon agreement”). The hydrocarbon agreements define inter alia the areas where the exploration, development and production will take place.

Exceptionally, Albpetrol Sh.A (a company currently in the process of privatization) may enter into hydrocarbon agreements with private contractors for the areas that have been previously assigned to Albpetrol. Pursuant to the latest amendment of the Law on Hydrocarbons occurred in 2012, Albpetrol will preserve these rights also after its privatization.

Neither the provisions of the Law on Hydrocarbons, nor the provisions of the hydrocarbon agreements we have reviewed, provide for any right to contractors to oppose or suspend any other activity/developments (such as those of TAP Project) in the areas defined in the hydrocarbon agreements. Nevertheless, contractors may argue and claim that such other activities/developments in the hydrocarbon agreements' areas make difficult or impossible the effective use/exercise of the hydrocarbon rights.

Fishing Rights

The Law on Fishery provides that unauthorised fishing is a material breach of the Law. Fishing rights in Albania are subject to authorization/permit depending on the kind of fishery activity aimed to be performed. The law recognizes different kind of fishery activities:

- commercial fishery, including professional and artisanal;
- recreational fishing;
- research and scientific purposes fishery; and
- fishing in internal waters.

Commercial fishery is subject to a permit issued by the Ministry of Environment through the National Licensing Centre. Procedures relevant to issuance, administration and revocation of the permit are set out by the Law on Fishery and Law no. 10081 dated 23.02.2009 "On licenses, authorizations and permits in republic of Albania". The duration of the permit is determined on case by case basis.

Recreational fishing is subject to authorization issued by the local government authorities of the place where the fishery has to take place. Research and scientific purposes fishery is also subject to an authorization by the Minister of Environment. Fishery in the internal waters is subject to bid procedures as outlined in relevant COM Decision (Note that no sub-legal acts to the new law on fishery are so far enacted). Management agreements with the winning bidders are entered into by the Ministry of Environment and should provide for the following terms and conditions:

- delimitation of the fishery area;
- duration of the agreement;
- obligations undertaken by the contractor such as improvement of the existing facilities, construction of new facilities and payment of the annual fees;
- warranties of the contracting party in relation to its obligations;
- rights pertaining to the contractor with regard to each of the sources located within the area;

- measures undertaken in order to ensure observation of fishery rights as well as other activities traditionally carried out in the relevant area;
- obligations of the Ministry with regard to the management of the area;
- events of default for each of the parties to the managing agreement.

Fish farm activity (aquaculture activity) is subject to Law on Aquaculture and may be exercised by any natural person or legal entity which scope of activity includes aquaculture. The public property (either onshore or offshore) where an aquaculture activity is conducted is legally treated as 'agriculture land'. Such activities shall be subject to a bid procedure. The winning bidder shall enter into a lease agreement with the Ministry of Environment, and its duration may not exceed 25 years for onshore activities and 10 years for offshore activities. The bid procedure does not apply in case the aquaculture activity is carried out in private property.

The Law on Fishery provides the concept of fishery restricted areas which are designated upon COM Decision. In the fishery restricted areas it is *inter alia* prohibited to construct facilities both on shore and offshore and to carry out any activity which would have a negative impact on environment. In case the selected route for the TAP pipeline would pass through a fishery restricted area, TAP should manage to deviate the route given that in these areas are prohibited for construction of any facilities or the undertaking of any activity.

Law on Fishery determines that explosives or other chemical substances which would destroy or otherwise intoxicate the fishes and other water species are not permitted to be kept on shore.

Past Experience in Albania in Handling Compensation for Fishing Rights

To the best of our knowledge there has been no such previous practice in Albania as far as crossing rights are involved. This has been also confirmed verbally by the officials we met during our investigation.

From the review of the applicable legislation on Fishery we could not identify any regulation concerning the scenario where the rights contemplated by fishery licenses are crossed/affected by the works of third parties (i.e. TAP project implementation).

In addition, we could not identify whether there is any fish farm located in Seman, Fier (the area identified from TAP as preferred route for the project).

As far as hydrocarbons agreements are concerned, from a check of the official website of the Agency (www.akbn.gov.al) we observe that currently are

two hydrocarbon agreements in place, with regard to offshore rights in relation to the exploration, development and production of hydrocarbons, one located in the Ionian and Adriatic Sea.

The agreements are:

- Production Sharing Agreement for Durrës, with the company San Leon Energy, in force from August 2004;
- Production Sharing Agreement (Joni 5) with the company Capricorn Albania, in force from September 2007.

Way Forward

In order to identify the potential fisheries or fish farms laying across the TAP preferred route it would be suggested:

- to consult the relevant registry kept by the Ministry of Environment where fisheries rights and fish farm are recorded
- to check relevant lease or management agreements pertaining to the above permit holders entered into with the Ministry of Environment and identify possibilities for negotiations
- to enter into agreement with the permit holders, in order to avoid any objection or claim from them in connection with the project within the contract areas. Such agreement must provide inter alia for:
 - (i) the consent of the contractor to development of the project to the extent that it involves the contract area;
 - (ii) representation of the contractor to be aware of TAP pipeline route and safety zone;
 - (iii) contractor's warranty to refrain from activities that may have a negative impact or risk TAP pipeline.

In order to identify whether the TAP preferred route crosses the contract areas covered by the mentioned hydrocarbon agreements, maps attached thereto need to be consulted by TAP.

Subsequently TAP may enter into negotiations with the contractors for the proper compensation (always in case TAP works in the hydrocarbon agreements' areas would make difficult or impossible the effective use/exercise of the hydrocarbon rights).

Discrepancies between registry information and reality in the field

This addresses situations where there is a conflict or contradiction between registry information and reality in the field (for example the real owner is

different from the registered one, or the plot has different boundaries from that in the registry, or there is an unregistered structure, etc...).

The following legal framework is of relevance:

- Civil Code
- Law "On expropriation and taking in temporary use of the private property for public interest"
- Law "On registration of immovable properties"
- Law "On the legalisation, urbanization and integration of the informal zones/constructions"

The Immovable Properties Registration Law regulates inter alia cases where there are discrepancies between the data registered in the cadastral registry and the reality in the field. The said law provides for two scenarios to resolve these situations.

In the first scenario, that is described in art. 63 of the law, it is the owner of immovable property that may initiate the process by filing with IPRO under which jurisdiction the property is located, soliciting from IPRO to make the necessary corrections in the property records and ownership certificate of the immovable properties. This scenario would be applicable (i) in case of mistakes or omissions when those do not affect the rights of another owner, or (ii) when after the preparation of a new blueprint of the property, results that the surface registered in the property records does not match with the act of acquiring ownership – in which case, the registrar notifies all parties recorded in the registry held by IPRO that are interested or are affected by the correction, or (iii) in case of change of the address of the property owner.

Under the second scenario, described in art. 64 of the law, the process of correction is initiated by IPRO within which jurisdiction is located the immovable property and consists in updating of the property records and of the cadastral maps after completion of the initial registration of immovable properties. This scenario is applicable when (i) the data reeled therein does not match with the facts contained in the documents used for the registration of the ownership title or relevant right, or (ii) the relation between the property records and the cadastral map is missing, or (iii) the geographical position of the property reflected in the cadastral map does not comply with their real position as per the act of acquiring ownership.

The updating process is initiated by the relevant registrar and is subject to the approval of the Chief Registrar. The order of the Chief Registrar for the update of property records and cadastral maps is published. The data obtained after the updating process should be announced for a forty-five days period in the premises of the local IPRO and in the

offices of the local government (i.e. commune, municipality). The concerned parties should file their claims with the competent IPRO within the announcement period (i.e. forty-five days). The terms and conditions for the update of the cadastral data should be approved upon COM Decision.

In the cases when the documents filed by a party for the registration of the ownership or other real rights create overlapping with a prior registration (i.e. another owner of the property is already registered), the registrar upon its order accompanied with the legal rationale refuses the new request for registration and addresses the interested party to claim judicial or administrative resolution for the matter. Upon receipt of a final decision of the court the registrar proceeds with the registration.

The issue of the unregistered/informal constructions is subject to the provisions of law no. 9482/2006 "On the legalisation, urbanization and integration of the informal zones/constructions" as amended. The law provides the procedures for the legalisation of informal constructions, transfer of the ownership rights over the land plot where is constructed the informal object, urbanization of zones, blocks of informal constructions and their integration into the urban development of the country.

The informal owner of the structure should file for legalisation with ALUIZNI which would issue the legalisation permit after having assessed and found such filing in compliance with the law provisions. Upon receipt of the legalisation permit, the informal owner may apply for registration of the structure/building with the competent IPRO.

When the owner of the structure is not the same as the owner of the land beneath the structure/construction, ALUIZNI will complete the procedures for transferring the land plot from the current owner to the newly legalized owner of the structure and compensate the old owner.

In case the informal owner of the structure has not filed a request for legalisation, or has filed an uncompleted request, or the structure itself does not meet the criteria provided in the law for legalisation, the owner of the land is entitled to request the demolition of the structure pursuant to the provisions of the law no. 9780/2007 "On inspection of the constructions".

Data overlapping experience - In a similar case when the situation in the field (surface and borders) of the immovable property of our client was different from the surface registered with IPRO, based on the procedure provided in the law, we instructed the client to prepare an actual plan of the land in order to evidence the material discrepancies with the data reflected in the property records. Since the new

plan evidenced that correction of the data would affect the neighbouring property, following the negotiations an agreement was reached with the neighbouring owners. The agreement and the new plan of properties prepared by a licensed expert were filed with IPRO and the registrar reflected in the property records of the two properties the corrected data.

The preparation of a current property plan by a licensed expert and the negotiations with eventual affected neighbouring owners would be a viable solution for avoiding property dispute. However it is worth mentioning the in absence of an agreement between with the owners affected by the corrections or their property data, the court remains the last recourse of the parties involved. If this would be the case, any registrations on the property records will be suspended until the decision of the court becomes final and enforceable.

In case of a court dispute, a potential solution would be that TAP requires expropriation in line with HGA provisions.

Claims on land in relation to old ownership rights

This is relevant to situations where there is a claim on land in relation to old ownership rights (pre-existing rights before communist nationalizations).

The following legal framework is relevant:

- Civil Code
- Law "On the restitution and compensation of the property"
- Law "On expropriation and taking in temporary use of the private property for public interest"
- Law "On registration of immovable properties"

The restitution of the properties expropriated and nationalized by the former regime from 1944 is subject to the provisions of Restitution and Compensation Law. This law aims to provide in line with article 41 of the Albanian Constitution a fair compensation to former owners or their successors whom immovable properties have been expropriated, nationalized and/or seized during the communist regime. The compensation foreseen by this law consists in restitution of all or a part of the immovable property where possible, or transfers of title on different lands or by compensation in-cash. The law defines the procedures for the restitution and compensation of the properties. The Agency for the Restitution and Compensation of Properties (ARCP) is the authority in charge for the process of restitution and compensation of properties to former owners.

For the implementation of the above law the Council of Ministers upon decision no. 139, dated 13.02.2008 "On the approval of the prices of the lands, as defined in the respective maps of the regions of Fieri, Elbasani, Tirana, Vlora, Durres and Shkodra," has approved the price for the constructible land, agricultural land, forests, meadows and pastures in several regions. Said prices are used for the compensation of the former owners (or their successors) in cases when the physical restitution of their properties was not possible. There are certain categories of immovable properties that cannot be used for compensation of former owners (or their successors) such as land distributed to farmers pursuant to the law no. 7501, dated 19.07.1991 "On land", properties that serve the public interest and those that serve for the fulfillment of the obligation of the Albanian state deriving by international treaties and conventions where our state is a party, etc.

The deadline for the former owners to file requests for the restitution and compensation of properties was December 2008. The requests are examined by ARCP that following the verification of the presented documents resolves on the acceptance of the request and as the case may be restitution or compensation of the property or refusal of the request. The decision of ARCP may be contested by the interested party in front of the court.

Pursuant to art. 197 of the Civil Code all claims filed with the court regarding the acquisition, recognition, change or cease of the ownership or other real rights over immovable properties should be filed with the IPRO. The registrar reflects the respective claims in the property records and suspends any further registrations until the court has issued a final decision on the reflected claim. Anyhow, in practice there could be cases where the dispute is not reflected at IPRO

Based on the foregoing, taking into consideration that the judicial process may last in average three to four years, the only viable scenario that we see for TAP is to request expropriation of the said property in line with the HGA provisions. A potential scenario could be that TAP reaches an agreement with both the parties in the dispute to assign the relevant rights to TAP so that it can enforce that agreement after the final judgment of the dispute, but enforceability of this agreement is questionable as far as it is not registered with IPRO.

Deceased or Unknown Landowner

The following legal framework is relevant:

- Civil Code
- Law "On expropriation and taking in temporary use of the private property for public interest"
- Law "On registration of immovable properties"

Pursuant to art. 316 and consecutive of the Civil Code, when the deceased owner has not disposed of his property by a will, or the will includes only a part of the property, or results to be null and void than the legal inheritance process shall be opened in front of the court.

Legal inheritors are the children, nephews, consorts, parents, children of brothers and sisters that have died earlier, grand parents, persons with disabilities to work that were under the care of the deceased, other relatives until the sixth rank, and the State. The above are summoned as inheritors pursuant to the ranking defined by the Civil Code and in case no inheritors are found the property is transferred to the state.

Any of the inheritors is entitled to request from the court to open the legal inheritance. The court issues the inheritance deed upon examining the relevant documentation proving the relation to the deceased owner. The persons listed in the decision of the court as inheritors of the deceased should file said decision with the IPRO where the properties of the deceased are registered. The decision should be filed within 30 days from the day it has become final and enforceable. IPRO reflects the changes in the property records, registering the inheritors as owners of the property, pursuant to the proportions defined in the decision of the court.

Art. 172 of the Civil Code provide that the properties without owners (i.e. owners are unidentified or have resigned from their ownership rights) belong to the state. The transfer of the ownership title to the state is made upon decision of the competent court.

As far as concerns the expropriation process art. 6 of the law "On expropriation and temporary use of private property for public interest" provides that in the cases when the owner is deceased or is missing and the legal inheritance process is not initiated, the competent ministry is entitled to file with the court the request for opening the legal inheritance process.

When upon completion of the expropriation process the expropriated owner is not located, the ministry continues with the expropriation request and the amount of the compensation corresponding to the expropriated owner is deposited in a bank on his behalf.

In the cases when the owner of the properties subject to expropriation is unidentified, pursuant to art. 172 of the Civil Code, the competent minister is entitled to request from the court to transfer to the state the ownership title of the properties. Any expenses related to the judicial process shall be prepaid by the entity requesting the expropriation (i.e. interested investor).

In light of the foregoing, TAP faces two options:

- First Option - To engage in carrying out the process of identifying the inheritors of the deceased owner, request from them to proceed with the opening of the legal inheritance, and further negotiate and execute with the legal inheritors the agreement for the purchase of the ownership title or creation of easement rights over their properties
 - Second Option - to request from the State the expropriation of the relevant property.
- registration of the legal inheritors as owners with the IPRO where the property is located negotiation with all inheritors for acquiring the ownership title or creating easement right over their property. In the second option the relevant ministry may initiate the legal inheritance process pursuant to the regulation of Civil Code and the provisions Expropriation Law and that lack of identification of the owners would not constitute a cause for the delay or suspension of the expropriation process.

The first option may result to be cost and time consuming, since it will include the following phases:

- process of identification of the inheritors
- judicial process for the legal inheritance

Annex 5 – Rapid Socio-Economic Questionnaire (Preliminary)

Rapid Socio-Economic Questionnaire – Affected Household

1. Reference of affected land plot: _____ 2. Village: _____

3. Total surface of affected plot: _____ ha 4. Affected surface: r: _____ ha

5. Full name of household head: _____

6. Permanent address: _____

7. Telephone number: _____ 8. Mobile: _____

Composition of household

Member	1 (Head)	2	3	4	5	6	7	8
Relationship to HH Head - See codes below	N/A	9.	10.	11.	12.	13.	14.	15.
Age	16.	17.	18.	19.	20.	21.	22.	23.
Gender (M/F)	24.	25.	26.	27.	28.	29.	30.	31.
Primary occupation - See codes below	32.	33.	34.	35.	36.	37.	38.	39.
Educational level - See codes below	40.	41.	42.	43.	44.	45.	46.	47.
Handicap or chronic illness	48.	49.	50.	51.	52.	53.	54.	55.

Relationship to Household Head: Spouse Son or Daughter Father or Mother Brother or Sister Other Other

Primary Occupation: Farmer Pensioner Unemployed Civil Servant Business (non farming)

Educational Level: Primary Secondary Technical Higher (univ/institute) None (primary not completed)

Does your household own one or several of the following items:

Colour TV	Satellite Dish	Telephone	Mobile phone	Internet	Radio
56.	57.	58.	59.	60.	61.
Personal computer	Washing machine	Refrigerator	Motorcycle	Car	Bicycle
62.	63.	64.	65.	66.	67.

68. What is your first source of expenditures? _____

1. Food 2. Housing 3. Schooling or university expenses 4. Utilities 5. Health 6. Business Expenditures
7. Other

69. How much in average do you spend monthly on this first source of expenditures? ALL _____

70. Tenure of the affected plot:

You own it and you use it yourself	You own it and you rent it out to somebody else	You rent it from the State or Municipality	You rent it from a private owner
------------------------------------	---	--	----------------------------------

71. Do you use the affected plot for agriculture? Yes / No

72. If you answered No to question 71, what do you use the affected plot for? _____

- 0: Not used 1: Residence 2: Agricultural building 3: Industrial or commercial building 4: Other

If you answered Yes to question 71:

73. Do you irrigate this land? Yes / No

74. Typical crop on this plot: (coded answer): _____

- 1: Wheat 2: Maize 3: Other grain crop 4: Beet 5: Potato 6: Garden crop 7: Luzern 8: Other fodder crop
9: Grass for hay production 10: Grass for pasture 11: Fruit trees 12: Other

75. Is the affected plot mainly used for your own food needs? Yes / No

76. What is the total surface of your agricultural land (including this affected plot and all others):
_____ ha

77. What is your average yearly income from agriculture: _____ ALL

78. What is your average total income: _____ ALL

79. In enumerator's assessment, is there potential for vulnerability in this household: Yes / No

For more information,
please visit our website
www.tap-ag.al

Trans Adriatic Pipeline AG
Albania Branch
Building No.12
(ABA Business Centre),
9th Floor, Office No.906
Papa Gjon Pali II street
1010 Tirana, Albania
Phone: +355 (4) 4 306 937
Fax: +355 (4) 2 265 685
tapshqiperi@tap-ag.com