

Independent Project Accountability Mechanism

First Problem Solving Monitoring Report

Albanian Railways EBRD Project Number 48466 Case 2023/02

February 2024

The Independent Project Accountability Mechanism (IPAM) is the European Bank for Reconstruction and Development's (EBRD) accountability mechanism. IPAM independently reviews issues raised by individuals or organisations concerning Bank-financed projects that are believed to have caused or be likely to cause harm. The purpose of the mechanism is to facilitate the resolution of social, environmental, and public disclosure issues among project stakeholders; to determine whether the Bank has complied with its Environmental and Social Policy and the project-specific provisions of its Access to Information Policy; and, where applicable, to address any existing noncompliance with these policies, while preventing future non-compliance by the Bank. For more information about IPAM, contact us or visit www.ebrd.com/project-finance/ipam.html

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How to submit a complaint to the IPAM

Concerns about the environmental and social performance of an EBRD Project can be submitted by email, post or via the online form at:

https://www.ebrd.com/project-finance/ipam.html

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Unless otherwise indicated, capitalised terms used in this report are those as set forth in the 2019 Project Accountability Policy.

LIST OF ABBREVIATIONS

Abbreviation	Long Form
Board	the Board of Directors of the European Bank for Reconstruction and Development
Case	the consideration of a Request under the Project Accountability Policy following its registration
CAO	the Chief Accountability Officer of the EBRD, and IPAM head
Case Registry	the registry of Cases created in accordance with Section III, Paragraph 3.1 of the Project Accountability Policy, which can be found on the IPAM Webpage
Compliance	the IPAM function which determines whether EBRD has complied with its Environmental and Social Policy or the Project-specific provisions of its Access to Information Policy in respect of a Project
EBRD (or Bank)	the European Bank for Reconstruction and Development
ESIA	Environmental and Social Impact Assessment
ESP	the EBRD's Environmental and Social Policy in force at the time of Project approval
IPAM	the Independent Project Accountability Mechanism of the EBRD established as per the 2019 Project Accountability Policy
IPAM Head	the EBRD managing director responsible for the running of IPAM, the implementation of the Project Accountability Policy and for making the decisions that are the responsibility of IPAM under said Policy
PAP	the 2019 Project Accountability Policy
Parties	the individuals, entities, and/or organisations with a direct interest in a Case. Parties may include (but are not limited to): the Requesters; their Representatives, if any; the relevant Bank department, team, or unit, the Client; and other Project financiers or other entities responsible for the implementation of a Project
Problem Solving PSD	the IPAM function which supports voluntary dispute resolution engagement between Requesters and Clients to resolve the environmental, social, and public disclosure issues raised in a Request, without attributing blame or fault. Project Summary Document
President	the President of the EBRD

Executive Summary

On 15 December 2022 the Independent Project Accountability Mechanism (IPAM) received a Request from Mr Ditmir Zeqa, a representative of 60 individuals (Requesters) residing in the Berxull community, in Vore Municipality, Albania, related to the EBRD-funded Albanian Railways Project (OP ID 48466). Requesters alleged that they would lose access to their businesses and residences as well as to the local mosque because the level rail crossing, they currently use would be closed as the railway corridor would be fenced. Although they acknowledged that the Project considered a vehicular crossing some kilometres away, they considered that too far for pedestrians and expressed that the connecting access roads are unsuitable for heavy vehicles. Requesters asked for their concerns being addressed through the Problem Solving.

IPAM registered the Request on 6 February 2023 under <u>Case 2023/02</u> and initiated the Assessment stage which was conducted until end of June 2023. As part of the <u>Assessment</u> stage, IPAM visited the Project site in Albania during 3-6 April 2023 and engaged in-person with the Albanian Railways (the Client), the Requesters and the EBRD project team in Tirana to get a better understanding of the Project and the issues raised in the Request. IPAM also met with the Mayor of Vore Municipality, the Head of the Administrative Unit of Berxull and the Imam from the local mosque. At the end of the Assessment stage, IPAM confirmed that the Client was already working on a technical solution to provide access to the community. Parties asked IPAM to support them sign an Agreement on the solution identified and monitor the implementation of the Agreement.

The <u>Problem Solving Initiative</u> was conducted by IPAM in July 2023 and was focused on ensuring that the technical solution proposed by the Client addresses the needs of the Requesters regarding pedestrian and vehicular access that would substitute the level crossing they have been using for some time. Furthermore, the Requesters have asked for a guarantee that the current level crossing would remain open until the technical solution becomes operational. On their side the Client has asked the community to allow them to continue with railway construction works.

On 26 July 2023 IPAM facilitated a joint meeting of Parties in Berxull where the Agreement was signed. Parties also agreed that the terms of the Agreement would remain confidential and that IPAM would monitor its implementation. The Case was then transferred to the Problem Solving Monitoring stage.

This is the first Problem Solving Monitoring Report on the implementation of the Problem Solving Agreement for the period August 2023 – January 2024. During this period, IPAM engaged with Parties to listen to their views and concerns, reviewed the updates and documentation provided by them and facilitated the information flow between Parties.

During this period, the Client has undertaken several administrative steps to secure land required for the ancillary road. This process has taken more time than initially foreseen so the timeline for completion of the agreed actions had to be extended until December 2024. IPAM appreciates the Parties' flexibility and openness in working together towards the implementation of the solution and wants to thank everyone for their collaborate approach.

The report includes a short summary of IPAM's monitoring activities and the status of the Agreement implementation. A draft version of the Report was shared with Parties and their comments were considered by IPAM in finalising it. The Report is submitted for information to the EBRD Board of Directors and the President and the Parties are notified of its disclosure in the virtual case file <u>Case 2023/02</u> in both English and Albanian.

IPAM will continue monitoring the implementation of the Problem-Solving Agreement until all commitments made by Parties are effectively carried out. The second Problem Solving Monitoring Report will cover the period February - July 2024 and is expected to be issued in August 2024.

1. BACKGROUND

1.1. REQUEST

On 15 December 2022 the <u>Independent Project Accountability Mechanism</u> (IPAM) received a <u>Request</u> from Mr Ditmir Zeqa, a representative of 60 individuals (Requesters) residing in the Berxull community, in Vore Municipality of Albania, related to the EBRD-funded <u>Albanian Railways Project</u> (OP ID 48466). Requesters alleged that they would lose access to their businesses and residences as well as to the local mosque because the level rail crossing, they currently use would be closed as the railway corridor would be fenced. Although they acknowledged that the Project considered a vehicular crossing some kilometres away, they considered that too far for pedestrians and expressed that the connecting access roads are unsuitable for heavy vehicles. Requesters asked for their concerns being addressed through the Problem Solving.

IPAM registered the Request on 6 February 2023 under Case 2023/02 and initiated the Assessment stage. As part of this stage, IPAM visited the Project site in Albania during 3-6 April 2023 and engaged in-person with the Albanian Railways, the Requesters and the EBRD Project team in Tirana to get a better understanding of the Project and the issues raised in the Request. IPAM also met with the Mayor of Vore Municipality, the Head of the Administrative Unit of Berxull and the Imam from the local mosque. At the end of the Assessment stage, IPAM confirmed that the Client was already working on a technical solution to provide access to the community. Parties asked IPAM to support them sign an Agreement on the solution identified and monitor the implementation of the Agreement.

1.2. PROJECT

The <u>Albanian Railways Project</u> (OPID 48466) is a sovereign loan of 36.87 million euros to the Republic of Albania and is implemented by Albanian Railways. The Project seeks to rehabilitate the existing railway line of 34.17 km in length between Tirana and Durres and build a new railway link of approximately 5 km to connect the existing Tirana-Durres rail line with the Tirana International Airport and the interchange with the existing line.

The Project was approved by the EBRD Board on 30 November 2016 and was classified as category B under the Bank's 2014 Environmental and Social Policy. According to the <u>Project Summary Document</u>, the Project would involve specific environmental and social issues, mainly due to the fencing of the rail corridor and closure of a number of crossings that are currently used by communities along the railway.



Tirana - Durres Railway line to be rehabilitated (red line), new Tirana International Airport connection (blue line)

Source: Land Acquisition Framework for the Albanian Railways Project

2. THE PROBLEM SOLVING INITIATIVE

The Problem Solving function of IPAM, supports dialogue between Requesters and Clients to resolve environmental, social and public disclosure issues underlying a Request, without attributing blame or fault. IPAM engages with Project-affected People, Clients, and other stakeholders as a neutral third party, to help them find mutually satisfactory resolutions through flexible, consensus-based problem-solving approaches.

IPAM started designing the Problem-Solving process for <u>Case 2023/02</u> during the Assessment stage. A few considerations were key in the process design: the Client had already a technical solution to address the concerns raised in the Request by proposing to build an ancillary road parallel with the railway to the closest level crossing; the timeframe for finalising the Project was short and, the solution required the participation of third Parties.

For the success of the process, IPAM had to include all stakeholders who had an interest in the Project and were needed to ensure its success. The two key Parties in the Problem Solving were the Requesters under the leadership of their Representative Ditmir Zeqa and the EBRD Client, the Albanian Railways, operator of the railway system in charge of the railway infrastructure and trains operation.

In addition to the main Parties, the following actors were considered fundamental to the effective resolution of the concerns: Vore Municipality, where the Requesters reside and work, Administrator of Berxull responsible for daily management of community matters, the Contractor in charge of the rehabilitation of the railway and the Construction Supervisor. Although the EBRD team was not considered to be an active participant in the Problem Solving, IPAM considered it essential to engage with them continuously as the team has worked with the Client to identify the solution to the concerns raised and they have jointly secured funds for its implementation.

In June 2023 IPAM hired a local facilitator from Albania to work jointly with the IPAM team in supporting Parties during the implementation of the solution until the issues raised in the Request are fully addressed. The bilingual facilitator has a good knowledge of the regional context and the local culture where the Project operates.

The <u>Problem Solving Initiative</u> was conducted during July 2023 and was focused on ensuring that the technical solution proposed by the Client address es the needs of the Requesters regarding pedestrian and vehicular access that will substitute the level crossing the community has been using for some time. Furthermore, the Requesters asked for a guarantee that the current level crossing would remain open until the technical solution becomes operational. On their side the Client asked the community to allow them to continue with railway construction works.

On 26 July 2023 IPAM facilitated a joint meeting of Parties in Berxull where the Client presented the technical solution to the Requesters and adjusted it based on their comments. Parties also agreed to abide by respectful behaviours during the implementation period. In that same meeting, the Parties signed the Agreement, which is confidential as per the Parties' request. IPAM's role is to monitor its implementation.

3. PROBLEM SOLVING MONITORING

As per paragraph 2.5 a) of the Project Accountability Policy, IPAM will monitor the implementation of any agreements reached by Parties through Problem Solving and will issue bi-annual Problem Solving Monitoring Reports to describe on-going monitoring activities.

After the signing of the Problem Solving Agreement on 26 July 2023, IPAM transferred the Case to the Problem Solving Monitoring stage. This document is the first Monitoring Report which covers the period from August 2023 to January 2024.

3.1. MONITORING ACTIVITIES

From July 2023, IPAM has been in constant communication with all Parties facilitating the flow of information and keeping them up to date on the changes in approach, via email, virtual meetings and in person meetings by the IPAM facilitator with Parties based in Albania.

The IPAM London based team held online meetings with the Albanian Railways on 15 and 28 September 2023, and 10 January 2024, with Requesters on 22 September, 20 November 2023, and 18 January 2024 and with the EBRD Project team on 26 September, 11 October 2023, and 9 January 2024.

The IPAM facilitator met in person meetings with local Parties (Requesters, Vore Municipality, Albanian Railways and Contractor) on 8 September, 20 September, 5 October, and 14 December 2023. The objective of these meetings was to share Project updates with Requesters on changes in the expropriation approach for the ancillary road construction and make sure that the suggestions made by the Requesters regarding the expansion of the existing underpass and the construction of a new underpass are dully considered by the Client and the Contractor.

3.2. STATUS OF AGREEMENT IMPLEMENTATION

The original timeline for completion of the technical solution was December 2023, however in early September 2023, the Client identified that land acquisition was required for the construction of the ancillary road. As this process involves several administrative steps, the original timeline for completion of the technical solution has not been met.

During IPAM's engagement with Requesters they shared their frustration for the delay and the fact that they couldn't see visible progress on the ground. To share updates on the status of the land acquisition process, in November 2023 IPAM produced an informational leaflet for community members explaining the delays and notifying them of the extension of the timeline. The community received copies of it thanks to the assistance of the Requesters' Representative.

The Berxull community were appreciative of the information provided and expressed their understanding for the delays and appreciated the need to follow the due process. They were particularly pleased to hear that steps were taken to avoid future conflict amongst residents in the area.

The Albanian Railways, in agreement with Vora Municipality, committed to undertake the expropriation of land parcels affected by ancillary road in line with EBRD performance requirements. Once the land acquisition process is completed, the works on the construction of the ancillary road and the additional underpass can be initiated, currently scheduled for summer of 2024. In addition, the Albanian Railways have reiterated their commitment to keep the current level crossing open until the new ancillary road and the underpass are built.

4. CONCLUSION

During the first monitoring period (August 2023 - January 2024), IPAM engaged with Parties to exchange information and understand challenges in implementing the technical solution. Given the importance of following due process, the timeline for completion of the agreed actions has been extended to December 2024.

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A draft version of the Report was shared with Parties and their comments were considered by IPAM in finalising it. The Report is submitted for information to the EBRD Board of Directors and the President and the Parties are notified of its disclosure in the virtual case file Case 2023/02 in both English and Albanian.

IPAM will continue monitoring the implementation of the Problem-Solving Agreement until all commitments made by Parties are effectively caried out. The second Problem Solving Monitoring Report will cover the period February - July 2024 and is expected to be issued in August 2024.