



ATKINS

Public Consultation and
Disclosure Plan (PCDP)
ANTEA CEMENT PROJECT

June 2007

Public Consultation and Disclosure Plan (PCDP)

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Abbreviations

ALL	Albanian lek ¹
Dynym	Measure of area. 10 dynym =1 hectare
EBRD	European Bank for Reconstruction and Development
ESIA	Environmental and Social Impact
IFC	International Finance Corporation
ILO	International Labour Office
OD	Operational Directive

¹ 1 Euro = 123 ALL

1. INTRODUCTION

Background to the Project Area

- 1.1 The development of a new cement works and associated limestone and clay quarries has been proposed and the necessary permits obtained from the Authorities in Albania. The facility is located, in the Municipality of Kruja, to the north east of Tirana. Most of the country's limestone production (80%) and a large amount of its aggregates (20%) is from the Kruja area.
- 1.2 The location of the proposed cements works and quarries and its relation to the nearest villages is presented in Appendix 1. Picrrada and Brett (in Kruja Municipality) are 2.5-4.5 km and 1.0–2.5 km from the cement works and quarries respectively. Burizana and Thumane (Koder Thumane Commune) are 5.5-8.5 km and 2.5-4.5km away respectively.
- 1.3 The project area has a population of some 7,465 inhabitants, or 1,409 households. Picrrage and Brett, are small rural hill villages in the hills. They each have 74 and 35 households respectively and populations of 453 and 212. Burizana and Thumane are situated at lower altitudes. These are larger villages with 800 and 500 households and populations of 4,200 and 2,600 respectively. Unlike Picrrage and Brett, these villages have reasonable transport and market access being situated on asphalt roads.
- 1.4 There is high unemployment in the country as well as in this project area. As a result households are obliged to rely on a variety of temporary and seasonal activities to supplement the semi subsistence agriculture of their small family farms. Farms in the hills are in the order of 1.3 and 1.7 ha in Picrrage and Brett. However, most of this area is rough pasture land. Approximately 30% and 40% is arable land or is under olive trees. Cropping rotations include an animal fodder crop, potatoes and a vegetable crop. In Thumane and Burizana total holdings are smaller, and average 1.1ha. Of this area, 65% is arable or is under fruit trees. Much of the arable land (70%) is irrigated.
- 1.5 All households have livestock for home subsistence purposes. Typically these include: 1 or 2 cows, 4 or fewer small ruminants, and a small number of hens. Eleven households in Brett and Picrrage have larger flocks of 30-200 sheep and goats.

- 1.6 Due to their location, poor access and land quality Brett and Picrrage are considered by local officials as the poorest areas of Kruja municipality, village leaders consider unemployment to be 60% and 90% respectively.
- 1.7 Household requirements are supplemented by income from a variety of off-farm sources. These include activities related to: lime production, local paid employment, long term and seasonal economic migration to neighbouring countries, small scale kiosks or shops in Thumane and Burizana.
- 1.8 The proposed limestone quarry and cement works will cover an area of 25ha. It will use national forestry land which will be used under agreement with the Government. Land for a proposed new access road from Thumane to the clay quarry near Brett will require the purchase of 0.6ha land, by the commune, affecting 7 families. The area to be used by the cement works and quarries is currently used for grazing animals, gathering herbs and extracting limestone.

Background on the cement works

- 1.9 The proposed facility would be owned and operated by ANTEA Cement, a new company established as part of the Titan Group. Titan is a large, Greek-owned company that produces, delivers and trades in cement, aggregate, concrete for mixture and similar products for the construction industry. The group has more than 100 years of experience in the industry and has operations in the Mediterranean, Eastern-South Europe and the USA.
- 1.10 The proposed cement plant will produce cement using a dry process. It will be linked to the exploitation of two new quarries responsible for producing the bulk of the raw materials (limestone and “flysch” [silica-aluminate]). The cement works will be situated on the hill west of Picrrage on the plateau above the town of Burizana.
- 1.11 The proposed cement plant and works will include:
 - An integrated 3,300 tpd clinker production line and cement production facility;
 - The clinker will be used for the manufacture of Ordinary Portland Cement (OPC clinker), according to Albanian and / or European standards;
 - Coal and/or petroleum coke will be used as main fuels for the kilns;
 - Mitigation measures will be implemented to prevent excessive dust release;

- 1.12 All plant installed and processes operated will be designed and operated in strict accordance with the appropriate standards and technical specifications as well as conforming to best EU practice².

Construction Work and Temporary Work Camp

- 1.13 The construction of much of the plant will require a labour force with specialist skills and therefore most of this workforce will need to be imported. During the installation and construction phase a temporary work camp of up to 700 foreign workers will be established. The location of the camp has not been finalised but it is expected to be on the plateau close to the construction site of the cement plant. More detailed information will be provided in the Environmental and Social Impact Assessment (ESIA).

Public Communication and Disclosure Plan and Impact Assessment for Co-Funding Purposes

- 1.14 As part of the development process there are a number of stages required to comply with Albanian law and also to meet international funding and co-funding requirements (discussed in more detail in Chapter 2). These are briefly set out in Figure 1-1.

Figure 1-1 Stages and Documents in Development and Co-Funding Process

Project Phase	Required documents	Stage of development
1. Site selection, appraisal and National EIA of limestone and clay quarries and permit authorisation	National EIA and permit applications	Completed. Applications agreed.
2. Site selection, appraisal and National EIA of cement works plant and permit authorisation	National EIA and permit application - initial EIA review document - Final EIA	Completed. EIA submitted and Permits obtained.
3. Co-Funding Process	ESIA to provide information for co-funding agent requirements: - Public Communications and Disclosure Plan (PCDP) - Scoping report - ESIA for consultation	- PCDP submitted and available from Antea office, or Titan web site June 2007 - Scoping report submitted June 2007. - ESIA expected August 2007
4. Future communication and consultation during operation		ANTEA official annual reporting mechanisms

² As specified in Best Available Technique (BAT) Guidance provided by the EU BREF note.

- 1.15 Note that under Albanian law the process relating to the assessment of impacts and provision of permits associated with the proposed project is termed Environmental Impact Assessment (EIA). This process includes an assessment of the social impacts of the proposed projects. Under the requirements of the investment banks, essentially the same process is undertaken which considers Albanian standards and requirements as well as EU and international standards and requirements. In this document it is termed Environmental and Social Impact Assessment (ESIA). The term National EIA and ESIA are used in this document to distinguish between the National EIA and this ESIA undertaken for funding and co-funding purposes.
- 1.16 Both the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC) are considering taking an equity stake in ANTEA Cement. The Banks have confirmed that the proposed development is a category 'A' project³ and will require a full ESIA. This Public Communication and Disclosure Plan (PCDP) has been prepared on behalf of Titan in compliance with the Banks' procedures.

Objectives of the PCDP

- 1.17 The objectives of this PCDP are to:
- Describe the main stakeholder groups and understand their main concerns and views and interests in relation to the cement works and associated quarries;
 - Capture these concerns and interests in the scope of the ESIA work so stakeholders concerns are adequately assessed in the ESIA and mitigated as necessary;
 - Identify and allow for time and resources sufficient to develop participative dialogue to explore alternative and preferred mitigation measures, if necessary;
 - Establish a formal channel for any member of the public to communicate directly with the ANTEA if they wish to;
 - Provide information on the schedule for the completion of the draft ESIA and consultation on the findings.

³ A significant project which will use new land and is expected to have significant environmental impacts

1.18 This document is based on visits to the project site and nearby villages and interviews with Local Government representatives and villagers in Kruja and Picrrage, Brett, Burizana, Thumane in December 2006 and June 2007.

Potential Project Impacts

Table 1.1 Potential Environmental and Social Impacts of the Development in Construction

Activity	Change	Potential Impacts	Mitigation Measures
Construction Camp	A temporary residential camp of approx. 700 foreign workers with specialized skills will be hosted in the Plateau for up to 30 months	Nearest local villages in terms of interaction with foreign workers and demand for additional services or facilities.	Ensure the work camp is suitably equipped and adequate measures have been made by the contractor and company to ensure that local services can meet any additional demand.
Noise and dust	New road infrastructure and transportation of heavy equipment	Possible disturbance from noise and dust on local population	Employ best practice minimising construction site disturbance according to guidance
Access and Land Use	Quarries and cement factory will restrict the use of the specific area for other activities and uses previously undertaken by local residents	Loss or reduced livelihood for those who previously may have used or accessed the site.	Discussion and consultation with local residents to avoid or minimise impacts and implementation of alternative measure to recompense identified losses.
Ground and Surface Emissions	It is not expected a significant change as adequate controls are in place	Impact on ground and/or surface water due to mishandling of substances. Potential for release of suspended solids into water ways in construction activities	Secondary containment of all hazardous materials. Ensure that all drainage is controlled so as to prevent release of suspended solids, install drainage settlement lagoons where appropriate
Road and transportation	Construction of two new roads. 1) a new road link between the flysch quarry area, passing by Thumana to join the National Highway . 2) A second road linking the flysch quarry with the cement works will be built.	Potential for traffic accidents for pedestrians and motorised and non motorised road users, increased noise and dust from traffic.	Safety measures for pedestrians and other road users (motorised and non motorised) to be included in road design and construction.

1.19 Table 1.1, 1.2 and 1.3 outline the main potential social impacts (both negative and positive) of the project during construction and operation. These are taken from a disclosure leaflet distributed in June 2007 (See Appendix 2).

Table 1.2 Potential Environmental and Social Impacts of the Development in Operation

Activity	Change	Potential Impacts	Mitigation Measures
Air emissions	Emissions will arise in production	Potential reduction in local air quality in the absence of appropriate mitigation measures	The use of the best technologies will prevent significant impact. Emissions will be below the Albanian regulatory requirements
Dust	Increase dust emissions in the local atmosphere	Potential reduction in local air quality in the absence of appropriate mitigation measures	Use best practice to minimise dust, including covering all conveying of materials
Water Use	Extraction of water from groundwater reserves	Reduction of water available for other uses in the area, including water for domestic use and water feeding natural water courses	Minimisation of water use by use of best available technologies and extraction of water across a wide area to minimise local impact
Traffic	New road will be constructed to the plant and works	Local residents through increased noise, dust and potential risk of accidents.	The road will be located so as to skirt local villages as far as is possible. Attention to safety measures to minimise the risk of accidents will be detailed in the plans.

Table 1.3 Potential Social Benefits of the Development in Operation

Activity	Change	Potential Benefits	Management Measures
Employment related to the cement works	New jobs will be created servicing the project either directly or indirectly	Local residents will have the opportunity to apply for various jobs as well as to develop existing or new jobs related to services, i.e. catering, cleaning, road maintenance, logistics, etc..	Maximized job prospects for local people will be enhanced through appropriate policies. Training to develop necessary skills will be provided to prospective employees of the new investment
Employment related to the construction camp	New demands from the camp may increase opportunities for commercial activity	Opportunity to expand current commercial and semi commercial activities such as fruit and vegetable production and marketing, laundry, beverage and other sales.	Client to encourage contractors to source supplies locally where feasible.
Municipal Budget	ANTEA will pay business taxes	Increased municipal budget will be available for distribution and further development in the Kruja commune	Local populations are encouraged to clearly develop and present community needs and development plans

1.20 Chapter 4 of this report records additional potential impacts identified by stakeholders and summarises the comments, concerns and expectations that stakeholders have in respect to the project impacts above.

2. THE MAIN REGULATORY REQUIREMENTS RELATING TO THE ESIA

2.1 The cement facility must comply with the requirements of Albanian legislation to obtain an operating permit. The applications for development and operation of the quarries and cement plant have already been completed in compliance with Albanian legislation. ANTEA hold the relevant licences to begin exploitation of the quarries and develop the cement plant.

2.2 As well as the controls placed on the development and the operations by the local and national regulatory agencies, the IFC and the EBRD require that the facility will comply with international best practice in technical aspects of construction and operation and with respect to the social aspects for employees and the local community.

Albanian Regulatory Requirements

2.3 There are two main Albanian environmental laws that apply to the development and operation of the proposed cement facility. These are outlined below.

2.4 Law 8934 (05/09/2002) on Environmental Protection

- This law provides the necessary legal framework under Albanian legislation to enable the control of impact on the environment as a result of industrial activities to ensure that the constitutional right of an ecologically sound environment is achieved.
- In reference to industrial development projects, the law details that protection of the environment will be maintained by a process of EIA (Chapter IV of the law) as well as the Permitting of Activities that Affect the Environment (Chapter V of the law). It is understood from this law that environmental protection is maintained by two separate processes, the first for development control and the second for process permitting. This is in line with the European model of legislative control for development and operational control of industrial facilities.

2.5 Law 8990 (23/01/2003) on Environmental Impact Assessment.

- This is the main regulation describing the requirements of persons involved with proposed industrial and other developments to report potential impacts on the environment.
- The law includes details on the types of project that may require an EIA and provides guidelines concerning the detail of the EIA.
- Those activities that are likely to have a severe impact are detailed in Appendix 1 of Law 8990 and require a 'profound' impact assessment. Those projects that are detailed in Appendix 2 of the law require a summary assessment first to be undertaken by the regional environmental agency in order to make a decision of whether the development requires a profound assessment or not.
- Proposals which fall under Appendix 1 or 2, both require an initial review by the regional environmental agency.
- The EIA is produced by the agents of the persons proposing the development and is reviewed by competent persons.
- The law details the persons who shall be involved with undertaking the EIA and the details information required in order to submit a satisfactory EIA.
- It also details requirements for public consultation. The relevant article relating to public consultation is provided in Appendix 3

2.6 The parity with European law is highlighted by the implementation of council directive 97/11/EC on EIA into the Albanian law.

IFC and EBRD Requirements

2.7 Both the EBRD and IFC have standards which define clients' roles and responsibilities for managing their projects. These include requirements to disclose information.

2.8 This project is categorised as 'A' by the EBRD and the IFC. Projects in category A require an Environmental Assessment (including social assessment) to ensure that they are environmentally and socially sound and sustainable. A full Environmental and Social Impact Assessment (ESIA) must undergo public consultation for a minimum of 60 days prior to loan approval. It should be disclosed in the World Bank

Group Info Shop⁴ (and the EBRD Business Information Centre in London and Resident Office in Tirana. EBDT will also post a notification on its website (www.ebrd.com) and link to the ESIA on the project sponsor's site (www.titan-cement.com).

2.9 In addition the IFC has performance standards⁵ which include:

- Social and Environmental Assessment and Management Systems and which establishes the importance of effective community engagement through disclosure of project-related information and consultation with local communities on matters that directly affect them;
- Labour and Working Conditions;
- Pollution Prevention and Abatement;
- Community Health, Safety and Security which aims to avoid or minimize risks to and impacts on the health and safety of the local community during the project life cycle from both routine and non-routine circumstances. It can include and consider issues such as temporary or permanent in-migration of workers;
- Land Acquisition and Involuntary Resettlement in which clients are required to demonstrate a transparent and satisfactory process of land acquisition, where people are no worse off than prior to the project. In particular, it is important to note that this requirement affects people not only relocated physically, but also those whose livelihoods are significantly affected by the project;
- Biodiversity Conservation and Sustainable Natural Resource Management;
- Cultural Heritage.

2.10 IFC requires that the client has conducted free, prior and informed consultation, and enabled the informed participation of affected communities. The aim being to assess and understand the level of support and dissent related to the project among the affected communities has been identified and incorporated .

2.11 EBRD standards on social aspects relating to project practices and responsibilities are the more stringent of EU and national standards. It uses World Bank Operational Directives (OD) on resettlement (OD 4.30), indigenous people (OD 4.20) and

⁴ www.worldbank.org/WBSITE/EXTERNAL/PUBLICATION/INFOSHOP1

⁵ see <http://www.ifc.org/ifcext/enviro.nsf/Content/PerformanceStandards>

management of cultural property (OP 11.03)⁶ and ILO standards relating to forced labour, child labour and discrimination.

2.12 The EBRD requires that prior to undertaking the ESIA, the client (the sponsor) drafts a Public Consultation and Disclosure Plan (the PCDP). This report or “Plan” identifies affected people and those interested in the project (section 4 of this report), and sets out the means of communication between the sponsor and stakeholders (section 5 of this report), and how their views will be considered and contains a communications and grievance mechanism (section 5, paragraph 5.3) by which the public can feed back comments or issues at any time.

2.13 Both the IFC and EBRD require the project developer to meaningfully consult with stakeholders on the preparation and results of the environmental and social assessment and disclose the results of the environmental assessment process to the public. These requirements translate into open, direct and culturally appropriate communication with individuals and groups who may be affected by its projects. This means upholding the following principles:

- Written and oral communications in local languages and readily understandable formats;
- Easy accessibility by relevant stakeholders to both written information and to the consultation process;
- Use of oral or visual methods to explain information;
- Respect for local traditions of discussion, reflection, and decision-making;
- Care in assuring that groups being consulted are representative, with adequate representation of women, vulnerable groups, indigenous, ethnic or religious minorities (as appropriate to the locality), and separate meetings of various groups, where necessary; and
- Clear mechanisms to respond to people’s concerns, suggestions and grievances.

2.14 Consultation with affected stakeholders is required as a minimum on two occasions. The first consultation is to provide stakeholders with information on the process and to obtain their views and inputs into the scoping study. The second occasion would

⁶ <http://www.ebrd.com/enviro/policy/standard.htm>

require a presentation of the draft ESIA allowing stakeholders to have more information, understand the impacts better and raise any further issues or concerns.

2.15 Proposed stakeholder meetings are discussed in Section 5 of this document.

3. STAKEHOLDER IDENTIFICATION AND ENGAGEMENT PROCESS

Stakeholder Identification

3.1 A project start up visit in December 2006 was made and provided the opportunity to visit the project sites and meet with Regional and National officials, and Local officials and villagers. The purpose of these meetings and interviews was to:

- Understand the industrial processes and their impacts and the potential development and EIA processes;
- Discuss and identify potential project impacts associated with the quarries, cement works and roads;
- Identify the impact zones associated with the components;
- Understand the local land use, activities and populations living and working within or near to these impact zones. Develop a stakeholder list of the groups of people most likely to be affected by the project.

3.2 Stakeholders were identified in relation to the proximity of their homes, lands and activities to the project components and their potential interests. The different stakeholders were firstly identified in a stakeholder matrix which identified potential stakeholder interests and locations (see Appendix 4). This report focuses on the stakeholders most likely to be impacted by the project. These are people from the local communities.

3.3 These stakeholders include:

- Local residents from Piccrage, Brett and Burizana and Thumane;
- Local Authorities from Kruja and Thumane (Local Council and Mayor, Health and Education Authorities);
- Vulnerable groups, including old or young people or the poorest households. Old and young people may have particular health susceptibilities, or other

needs. The well-being of the poorest households, (often female headed households), may be at greater risk from a small project change. They may also have least opportunity to air their views.

- Particular resident groups who may not attend key meetings. This may include women, minority groups or less advantaged groups.
- Local NGO groups;

Stakeholder Engagement Process

3.4 Initial discussions and information was disclosed by Silva studio who made a presentation on behalf of ANTEA to stakeholders in Brett and Picrrage in August 2006 informing them about the quarries and works. A further meeting was held with 32 stakeholders in Kruja on 10 January 2007 a presentation was made about the cement works as part of the National EIA.

3.5 In June 2007, a local Social Scientist was employed to work with the Atkins Social Scientist and ANTEA staff. A schedule of visits and interviews with stakeholders in Picrrage, Brett, Thumane and Burizana was organised with the help of the Mayors Kruja and Thumane who provided initial introductions to the village community representatives. They also provided information on the planned and potential economic impacts on the Commune.

3.6 In each village interviews were held with the:

- Village head;
- Village Teachers, municipal and communal health staff;
- Village women and young people;
- Grazier/herders;
- Lime burners;

3.7 The objective of the interviews were to obtain a socio-economic picture of each of the villages, the main livelihoods in the village and how households considered they

would be impacted by the cement works, quarries and the new roads. We also asked interviewees about preferred their means of communication in relation to the project.

- 3.8 Interviews were held with residents and local authorities in each village. This is the busiest time of the year for the villagers and so people preferred to arrange an interview rather than meetings. Twenty seven interviews were held across the 5 locations, as indicated in Table 3.1.

Table 3.1 Summary of interviews by location

Location	Interviewee
Kruja	Mayor, Director of Polyclinic , Doctor to Piccrage, Kruja Ecological Club NGO
Piccrage	Community representative, teacher, 3 young people and 2 residents (male and female)
Brett	Community representative, teacher, and residents (male and female)
Burizana	Community representative, health centre staff, 7 residents (male and female)
Thumane	Mayor, and a resident living close to the planned road.

- 3.9 A check list of questions was developed covering the main aspects of:

a) Population: Topics covered included: the village population and its composition, village and family structure; number of households; migration, employment and unemployment, and local skills.

b) Land use: Topics covered included: main forms of land use in the area; average farm size; land quality; land ownership and local aspects of the land reform; the value/ha for land in different purposes; agricultural land use, crop rotations, agricultural activities and labour; importance to local livelihoods and impact of the construction camp, cement works and quarries on this activity.

c) Livestock: Topics covered included livestock ownership, livestock numbers, grazing patterns and customs, and grazing areas; importance to local livelihoods and potential impact of the construction camp, cement works and quarries on this activity.

d) Aromatic and Medicinal Herbs: Topics covered included the organisation of the collection and marketing, family members and numbers involved in collecting herbs, income from the activity; location of the activity; importance to local livelihoods and impact of the construction camp, cement works and quarries on this activity;

e) Lime burning: Topics covered included the processes involved (wood cutting, limestone cutting, and burning), the numbers involved in each process, location of the activity, the income from the component activities, the market demand and price, local competition, its importance to local livelihoods and impact of the construction camp, cement works and quarries on this activity.

f) Utilities: Topics covered included the condition of the local infrastructure and quality of services (water, sewage, and electricity, roads and transport), importance to local livelihoods and the potential impact of construction camp, cement works and quarries on the infrastructure and services.

3.10 The base line information gathered and views expressed by the local people are recorded in Section 4.

4. STAKEHOLDER INFORMATION AND VIEWS

Resident Views and Expectations of Potential Project Impacts

- 4.1 Picrrage and Burizana villages are situated closest to the cement works and the limestone quarry. Households from these villages use the area for gathering herbs⁷, grazing livestock and to extract lime for lime burning activities. Brett village is situated close to the clay quarry. Households from Brett use the area for grazing livestock.
- 4.2 In all the villages livestock raising is important for self sufficiency purposes. In Brett and Picrrage in particular, livestock production is better suited to the poor quality hilly land. Eleven households have large livestock herds of between 30 and 200 small ruminants.
- 4.3 The collection of aromatic and medicinal herbs is often carried out by women, children and retired people in conjunction with herding. The activity can provide returns ranging from ALL 10,000 to 50,000 (€ 80-400) /year.
- 4.4 Lime extraction is undertaken by the men of Picrrage (from all 74 households) for sale, or for processing in their own pits. A man can cut between 15-30 m³ in a month or as much as 210 m³ in a year. At €4.8 /m³ this can provide a total yearly income of up to 126,000 ALL (or € 1,024). Lime is extracted from a number of locations including the area where the cement factory and limestone quarry will be built. Lime burning activities are also undertaken in Burizana however, these people obtain limestone from North East of Kruja.
- 4.5 Community leaders and lime burners interviewed said they expected that:
- “Employment created during construction and later on by the operation of the new business will pull local people away from their present occupation toward new more secure and safe income (in legal employment, with insurance and regular monthly wages). Wages will be higher than earnings in their present activity”.
 - “If someone is more interested to continue with their former work within the village territory there is still unused areas for them”, (statements by lime producers in Picrrage.)

⁷ 52 of 74 households in Picrrage and 120 of 800 households in Burizana

- 4.6 A villager in Brett when asked about the loss of grazing land indicated that there was still a large area of rough grazing land above the village and in other areas surrounding the village. A similar response was given when asked about herb gathering.
- 4.7 People who are or have recently used the actual project area for lime production purposes, grazing or herb gathering will be interviewed and the extent of any economic displacement and measures of redress and, or reparation identified and disclosed in the ESIA.
- 4.8 These villages have similar demographic characteristics to those found throughout the rural area in Kruja Region. The population has a high proportion of young people under 15 (30-40%) and a small proportion of people over 65 years (10-15%). The working age population accounts for 45%-60% of the population. Interviews with the village heads suggest that approximately 25% of the working age population is involved in seasonal or long term migration for work. There is high unemployment in the area (reported as 60% and 90% of working population in Brett and Picrrage). To earn money to support their families between 70% and 100% of households in Brett, Picrrage and Burizana have one or more family member involved in long term or seasonal economic migration to neighbouring countries. There is huge pressure to find employment and people have great hopes that the works will alleviate this.
- 4.9 Brett village will be located close to the road head of both the access road from Thumane and the road which will transport the clay to the cement works. Lorries collecting cement for transfer and sale, and other lorries collecting clay and bringing cement from the cement plant will converge on this area. Currently the road is only passable to 4x4 vehicles. No one from Brett mentioned any inconveniences but did mention the improved access. The new access road from Thumane will directly affect seven households in Thumane whose land it will pass through and who will be located near to the new road.
- 4.10 Residents of Thumane see the new road as a positive benefit. Two reasons were given. Firstly, the road planned is expected to provide better access to the Thumane village cemetery and a holy place of Muslim religion in Boka e Kuqe. Current access to these places is by foot or pack animal. Approximately 12000 -15000⁸ people are thought to visit these places annually. Better access, it is thought, will encourage more visitors. This may help the local economy, increasing demand and providing a market for kiosks and small shops. Secondly, the new road will link the cement plant and the national highway Shkoder-Tirana, at the same time improving access by residents of Thumane to the national highway. This it residents believe will improve access for the residents and local business to wider markets.

⁸ Figures within this range were confirmed in three separate villages at different interviews

Resident Views On Power, Water And Sewerage

- 4.11 All four villages in the project area are served by the national system. Although available to all households the system suffers low voltage and power cuts during summer and wintertime (up to 12 hours in 24 hours). People in Picrrage operate small domestic diesel generators. The communities are not satisfied with the quantity or quality of the electric supply.
- 4.12 People in all villages hope that as the cement works would need a good 24 hour electricity supply this would also benefit nearby villages and improve their current situation. At the same time concern was raised by people in Burizana regarding air pollution should a TEC plant were used at the cement plant (as used in the other local works).
- 4.13 Drinking water is sourced from streams in the Picrrage and Brett, and from streams and wells in Thumane and Burizana. Burizana has piped water which serves 25% of the population. Residents in Burizana are concerned that the use of explosives in quarrying limestone may damage the structure of the underground water passages and layers that provide the drinking water for the Burizana village. In Thumane commune Antea has agreed, as part of its social or community programme, to improve the water supply to Derven village⁹. In Picrrage and Brett, people hope that piped water can be supplied either using increased tax revenues or with direct assistance from Antea.

Resident Views On The Construction Camp

- 4.14 Community leaders are aware that a construction camp of up to 700 foreign workers will be located near the cement plant and limestone quarry site for a period of up to 3 years. They did not identify any particular concerns and mentioned the Albanian tradition of welcoming and respecting foreigners. However, they could see that locally there was a lack of facilities that such people might want to access in terms of leisure /sport facilities and activities and the availability of special goods to cater for food tastes (e.g. Chinese food or special ingredients). Further information and discussion will allow local residents to better appreciate a wider range of changes that might result from the camp.

Other Resident Concerns

- 4.15 Available information indicates there are administrative issues between villagers and the Municipality of Kruja concerning the ownership of Municipal land previously offered to residents who refused it. This it is understood is being resolved by the

⁹ The village is not directly related to the project area or plans

Municipal Authorities. The details of these issues are not fully known. During the recent assessment undertaken in the area, the community leaders have expressed the opinion that these issues are between the Municipality and village.

- 4.16 This will be investigated further and progress made in resolving the issue will be ascertained and disclosed in the ESIA.

Local Health and Education Authority Views

- 4.17 Picirage and Brett both have schools which together cater for 65 children between the ages of 6 to 14 years. Picirage village has a primary school serving 9-14 year olds, and has 55 pupils. Brett has an elementary school (covering four years of education) for 10 children. Children from Brett walk 2 hours to Picirage to complete the second part of their primary education. As a result, of this and the poor availability of facilities, only half the children from Brett complete the second part of their primary education. Half of the pupils finishing the compulsory education in Picirage enrol for secondary education in one of the vocational schools situated in Kruja town.

- 4.18 The School in Picirage understand that one of the schemes to be proposed by the villages for local funding (possibly with support from ANTEA) may be a new road linking the villages and local centre. This it is believed may reduce the school drop out rate, in particular of those from Brett village. Such improvements to the road that connects both villages may allow a minibus transport service for villagers.

- 4.19 The public health system in the Kruja district consists of:

- a) A primary health network with health centres in large villages and health points in small villages and neighbourhoods;
- b) A polyclinic situated in the Kruja town; and
- c) A hospital situated in Kruja Town.

- 4.20 In Picirage village the primary public health centre is staffed full time by a nurse (although it was not open on the day of the visit), and facilities are considered to be limited and in poor condition. A general practitioner from Kruja visits the centre once a week. Brett village has no health service facility and is served by Picirage. In emergencies, local people travel to Kruja hospital. Part of this 6km journey must be by foot or donkey as the connecting road system is inadequate.

- 4.21 Burizana and Thumane each have a health centre staffed by two doctors and 6-8 nurses and midwives. Each centre is relatively well equipped to meet basic needs.

- 4.22 Dental treatment and medicines are purchased privately in the main local centres
- 4.23 In Burizana an increased incidence of allergic and pulmonary diseases among children and old age people has been observed by Local Health Authority experts. This is attributed to increases in dust created by transport and from the roads passing near the village. They also believe (based on experience and observations) that limestone extraction workers and ex-workers of Fushe Kruja cement factory (working there before privatisation) have a higher incidence of pulmonary diseases compared with others in the population.

Local Council Views and Expectations

- 4.24 Municipal areas are administered by a municipal council; rural areas are administered through the commune council. Each council has 13 or more councillors depending on the population size of the area. Kruja has 17 councillors. Subdivisions are urban quarters and rural villages, with locally elected village heads.
- 4.25 All businesses pay a local tax. New tax revenue from the cement works and quarries will generate an additional ALL 60 million/year or € 0.49 million /year to the municipal budget of Kruja. The Municipal Council agrees the allocation of the budget based on competing requests from different parts of the municipality. The local villages of Brett and Picrrage receive 3% of the current budget. This mainly covers social assistance, teacher salaries and school maintenance. These villages are concerned about how future municipal revenues will be allocated.
- 4.26 The municipality suggested that an increase in employment will reduce the burden on the “ndihme ekonomike” or benefits payment system for poor households and in unemployment benefit. However it is not clear to what extent poor people will directly benefit and so realise these changes. However any increase in local permanent employment will in the long run offer future employees better pensions than is the current expectation.
- 4.27 The council believes that the employment opportunities available will need new skills, and local people will be trained by the company.
- 4.28 Thumane commune held similar expectations including the hope that the works, and in particular the new road, would encourage more new small business which in turn would provide some additional local tax revenue.
- 4.29 Director of Forests and Environment for Kruja district identified the benefits to be had if employment opportunities reduced lime burning activities. These activities are detrimental to the environment causing deforestation, unrestricted exploitation of

limestone, and high pollution due to the use of tyres as a fuel source in limestone burning.

Vulnerable Groups

- 4.30 Particular attention was given to the identification of impacts on vulnerable groups. Health experts spoke of the impacts of dust on the pulmonary health of children and old people in Burizana. This they believe is related to the existing road and traffic. Women, children and old people herd animals and collect herbs, and women and children collect water. None of the women or men interviewed made mention of impacts on these activities, in terms of time, inconvenience or income. However, we will confirm this at a further meeting.

Construction Camp Labour Force

- 4.31 The members of the construction workforce are important stakeholders. At present plans are being developed for the camp and its workforce. The work camp will consist of accommodation for 700 foreign workers, who are expected to be on site for up to three years. The ESIA will include information on living conditions and working terms and conditions of foreign workers and information on the location and establishment of the camp and potential interactions and impacts on the nearby village(s). Further community meetings and interviews for the ESIA to be held in July 2007 will examine possible impacts of the work camp and the current and alternative means of preparing for the camp.

- 4.32 The ESIA will include and disclose information on the:

- Camp location;
- Accommodation, health, leisure and recreational facilities (including religious facility as required) provisions in total and /person;
- Camp infrastructure (power, water, waste water and waste disposal);
- Skills of the labour force and language ability and means of communication for foreign workers;
- Worker recruitment, worker living and working terms and conditions (pay, hours of work, health and safety and including transport to/from site);

- Compliance with performance standard 2 of the IFC and ILO core labour standards;
- Potential interactions with the local villages and towns (e.g. demand for goods and services, expenditure).
- Potential public health related issues.

5. PRIOR AND PLANNED FUTURE CONSULTATION

Consultation Activity Undertaken to Date

- 5.1 Meetings have been held with the Local Authorities and village heads in Kruja relating to the two quarries and the cement works plant. Villagers in Brett and Picrrage attended meetings in October 2006. A further meeting was held in January for the purposes of the national EIA and permitting process.
- 5.2 In June 2007 interviews and discussions were held in Kruja, Picrrage, Brett, Burizana and Thumane. At this time an information leaflet was distributed (see Appendix 2). It was accompanied by a public communication form (see Appendix 5). An explanation the communication process and of the how to register a concern, grievance or request for further information was given. This is explained below.

Communication Processes

- 5.3 Communications (concerns, grievances or clarification) about the project can be made directly (Rruga e Duresit, (Ish Uzina Tirana), Pallati "Lim-Em" Shkalla 4D, Zyra 1, Tirana, Albania) care of Mrs Teuta Dobi, Telephone +355 4 230402 / +355 692090547). ANTEA Cement in Tirana will register all communications received and will respond in writing informing the person concerned if and what action will be taken. A record of the issues and concerns will be reviewed by ANTEA Cement managers and the record will be passed onto to Atkins to ensure that the issues are considered in the ESIA.
- 5.4 In addition to this mechanism, people of the commune can provide written concerns to their community representative or to the Kruja Town Hall, Office for Public Complaints. These will be discussed and passed onto the Mayor and onto ANTEA.

Planned Future Communication Activities

- 5.5 Interviews and discussions in June 2007 have provided background information and a range of views, interests and concerns on the project which have been taken into account in the ESIA Scoping study. A further meeting with men and women in Picrrage will be arranged in Mid July. The objective of the meeting being to:

- Review in more detail any inconvenience caused by the location of the cement works for current activities and to understand the extent, location and availability of alternative sources of limestone and medicinal herbs;
 - To update villagers on the plans for the proposed work camp and its infrastructure (water, waste disposal and power);
 - To update villagers on the expected future situation with regards to the electric power supply.
- 5.6 The draft final ESIA document should be released in August. A number of copies of the summary will be provided to community leaders in the 4 villages. A full copy and summary will be placed with the Councils in Thumane and Kruja for public inspection. The documents will also be available for the internet sites of the bank (www.ebrd.com) and the Titan company (www.titan-cement.com).
- 5.7 The report will be presented to stakeholders in Kruja, Thumane and Piccrage. In each location a small poster exhibition will be available for 3 days to allow people to view the findings of the ESIA. Details of the locations will be confirmed with the mayor and community representatives. At the end of the 3 day period a representative will be available to discuss any questions raised. A comments book will be available at each venue. Details will also be available to identify the time that the representative will be available for discussion. Any comments made at this stage will be reviewed by the ESIA technical team and any needed changes will be incorporated in the final document. The final document is then presented to the Boards of both financial institutions for a decision regarding co-funding.