All procedures for expropriation are based on:

Law No 8561 dated 22.12.1999
"On Expropriation and Temporary Utilization of Private Property for the Public Interest";

Government Decree No 126 dated 23.3.2000
“Composition and Procedures of the Special Committees for Expropriation”;

Government Decree No 127 dated 23.3 2000
“On the Content and Procedures for the Submission of the Requests and Notifications for Expropriation and Temporary Utilization of Private Property for the Public Interest”

Government Decree No 138 dated 23.3.2000

Government Decree No 147 dated 31.3.2000H.E. Dr. Bajram Raxhepi
“On Functioning Rules and Modalities for Special Committees for Expropriations”

Summary of Land Expropriation Procedures

When the realization or protection of public interests cannot be achieved without exercising the rights of ownership over movable or immovable properties that are privately owned, the Council of Ministers, on the application of the requesting subject in favor of whom the expropriation is to be done, on the proposal of the minister who is competent under this law, decides on the expropriation of these properties.

When the expropriation is done on the application of a private juridical subject, the competent minister, in the capacity of legal representative of state property, is authorized by this law, on the preliminary application of this subject, to make the transfer of ownership of the properties expropriated by the state in favor of the private subject who has applied for expropriation, on the condition that the realization of the building or investment for a public interest for which expropriation was performed has been verified according to law.
When the private applicant does not seek the transfer of property in his favor, the property remains in favor of the State.

Based on the Law and Government Decrees listed above, the interested person (juridical person) submits the request to the line ministry (or ministry responsible for the sector), with, as attachments, documents which are listed in Article 10 of the above law.

- A Special Committee for expropriation is established in the responsible line ministry.

- When the ministry, through the Special Committee, is convinced that the documents are prepared based on the law and government decrees, it decides to accept the request for the expropriation and notifies the person that has made the request.

- Within 10 days from such a notification it is foreseen to enter into agreement between the Ministry and the person which has made the request.

- Within 10 days from the date of the signing of the agreement, the Ministry starts the procedures with respect to the owners of the properties affected. In the meantime a public notification is published in official newspapers and reputable national and local newspapers. These notifications are published during one week.

- One month after the latest date of publication, the ministry submits the proposal for the expropriation to the Government, to take the final decision.

The subject in favor of whom the expropriation is done submits the application for expropriation to the ministry that is competent pursuant to law. The application shall be accompanied by the following documentation:

(a) Official documents that attest its status and registration as a juridical person.

(b) Necessary designs, approved according to law, as well as the respective legal arguments about the public interest connected with the realization of these projects.

(c) Documentation related to the source and guarantee of the financial funds necessary for the realization of the project, including those for expropriation or because of devaluation.
(d) A preliminary valuation of the objects of expropriation and the amount of compensation that is contemplated for each private owner.

(e) Appropriate licenses and approvals from the competent organs according to the law, in accordance with the nature and type of the project that is sought to be realized.

(f) Official documents that attest to the manner of realizing the project by the applicant for expropriation itself or with third parties, as well as the respective time periods.

(g) A list of the owners of the private properties, for which expropriation is sought; a list of the owners of private properties that are devalued because of the expropriation; and a list of the third persons who should be compensated for their rights to the private properties that are sought to be expropriated, together with 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.

Detailed regulations related to the content and standards that are to be respected in the compilation and presentation of the documentation that accompanies an application for expropriation for the public interest are set by decree of the Council of Ministers.

**Procedures for Public Notification**

The procedures for the notification of the affected people are as follows:
Ten days from the signing date of the agreement between the Ministry and the person which has done the request, the Ministry starts the procedures concerning the owners of the properties affected. In the meantime a public notice will be published in official newspapers and reputable national and local newspapers. These notifications will be published during one week.

**Procedures for Establishment of Land Value**

The evaluation of the land value is established as an average of the selling price of the region which is registered in the Immobile Properties Office Registration (IPOR). The period of this evaluation must not exceed three months from the date of the official request. If there has been no selling contract the Special Committee fixes a price based on the rules described in Government Decree no 138, dated 23.3.2000, “On Technical Criteria for Evaluation and Calculation of Compensation of Expropriated Private Property, Devalued Properties and Third Party Rights.”
Opportunities for Redress by Affected Persons

The price is established according to Government Decree no. 138, dated 3.23.2000. The owners have the right to go to the court to contest the amount of compensation. This does not result in suspending the expropriation procedures.

Previous Land Acquisition

Some previous land acquisitions for KESH have been for:

1. Sharrasubstation
2. Elbasan 1 and Elbasan 2 substations (under the procedures)
3. Elbasan 1 - Elbasan 2 line 220 kV (under procedures)
4. Lushnja - Plastmas line
5. Vau Dejes - Shkodra line 110 kV
6. 110 kV line Tirana centre - Tirana 220 kV substation
7. Durres substation
8. Zemlak substation
9. 110 kV line Zemlak-Korca
10. Kucova substation
11. Porto Romano substation

Compensation Policies

Please see the section on Procedures for Establishing Land Values.

Amount of Land to be Acquired

About 0.8 hectares of land will need to be acquired for the foundations of the transmission towers for the seven km of double-circuit 220 kV transmission line needed to connect the plant to the Babica substation. The land acquisition will not involve any resettlement.

Monitoring of the Land Acquisition Process

During project implementation, the land acquisition process will be carefully documented. This will be done using a table that is periodically updated, which lists owners, the sizes of the plots affected, the amount of land expropriated (physical size and percent of the whole
plot), amount of compensation and records of any court suits and settlement amounts, if they differ from the initial compensation. Households which lose more than 10% of their plots will be surveyed to assess the impact of the loss on their household income. The results of the survey will be discussed with the Association and, if required, appropriate mitigation measures will be taken. This aspect of the project will be supervised carefully twice a year during the first two years, and annually thereafter.