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# PRELIMINARY LAND ACQUISITION AND LIVELIHOOD RESTORATION PLAN / FRAMEWORK

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**Solar District Heating Prishtina (Solar 4 Kosovo II)**  
**KfW Order Number: 105663**

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Client:

**TERMOKOS Sh.A.**

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## **ABBREVIATIONS**

AHP	Absorption heat pump
AIK	Archaeological Institute of Kosovo
a.s.l.	surface height above sea level
BMZ	German Federal Ministry for Development Cooperation
CCTV	Closed-circuit television
CES	Clean energy solutions GesmbH (Austrian Consultant Company)
CHP	Combined Heat and Power (= Cogeneration) power plant
COP	Coefficient of performance
CRA	Climate Risk Assessment
DH	District Heating
DN	Diameter Nominal – Nominal Pipe Size (NPS)
EBRD	European Bank for Reconstruction and Development
ESHS	Environmental and Social, Health & Safety
ESIA	Environmental and Social impact assessment
ESMP	Environmental and Social Management Plan
EU	European Union
FC	Financial Cooperation
FS	Feasibility Study of Solar4Kosovo project (July 2022, by CES)
GRK	Government of the Republic of Kosovo
GIIP	Good international industry practice
H&S	Health & Safety
HX	Heat Exchanger
IFC	International Finance Corporation (part of The World Bank)
IFI	International Financing Institutions
IHMK	Kosovo Hydrometeorological Institute
ILC	Ibër-Lepenc Canal
ILO	International Labour Organization
IMC	Implementation and Monitoring Council on Special Protective Zones (unit at MESPI)
KFOR	Kosovo peacekeeping military forces (UNSCR 1244)
KfW	KfW Development Bank (Germany)
KOSTT	Kosovo Electricity Transmission System Operator
LAP	Land Acquisition plan
LCO	Local Community Office
LRP	Livelihood restoration plan
MESPI	Ministry for Environment, Spatial Planning and Infrastructure of the Republic of Kosovo
MoF	Ministry of Finance
NEET	Youth not in employment, education or training
NGO	Non-governmental organization
NTS	Non-technical summary
OHS	Occupational Health & Safety
O&M	Operation and Maintenance
PAP	Project affected persons
PEA	Project Executing Agency (=TERMOKOS)
PIU	Project Implementation Unit (established for management of Solar 4 Kosovo Project within PEA)
PFS	Pre-Feasibility Study Solar Thermal Project for TERMOKOS DH network (Jan 2020, CES)
PR	Performance Requirement of EBRD (with regard the E/S Policy Framework)
RAE	Roma, Ashkali and Egyptian minority.
RAP	Resettlement Assistance Plan
RWCP	Regional Water Corporation of Prishtina
S4K	Solar4Kosovo II – Solar District Heating project
SDH	Solar District Heating
SEF	Stakeholder Engagement Framework
SEP	Stakeholder Engagement Plan
SIA	Social Impact Assessment
SIBS	Social Impact Baseline Study
t.b.d.	to be defined
URP	Urban Regulation Plan
VGGT	Voluntary Guidelines of the Responsible Governance of Tenure of land, fisheries and forest
WB	The World Bank
WHO	World Health Organization
Y	Yes

## **GLOSSARY**

Project Affected Persons	Persons, (a) who have formal legal rights to land or assets. (b) who do not have formal legal rights to land or assets but have a claim to land or assets that is recognized or recognizable under national law. Such claims could be derived from adverse possession or from customary or traditional tenure arrangements, or (c) who have no recognizable legal right or claim to the land or assets they occupy or use.
Census Survey	<p>The census is administering a socio-economic survey with the population of individuals, households and businesses (formal or informal) which will be physically and/or economically displaced by a project.</p> <p>The socio-economic survey is used to determine and analyse the socio-economic conditions of individuals, households and businesses (formal or informal) which will be physically and economically displaced by a project.</p>
Cut-off Date	Following administration of a census of affected people in a project area, the cut-off date establishes the PAPs that are eligible for compensation and/or assistance. Cut-off date must be well-documented and disseminated to all project affected people throughout the project area in order to ensure that no new entrants will be eligible for compensation.
Economic Displacement	Economic displacement refers to loss of assets, resources, and access to assets lead to a loss of income or means of livelihood, as a result of land acquisition or restrictions on land use due to project related requirements. People or enterprises may be economically displaced with or without experiencing physical displacement (EBRD, 2014c).
Physical Displacement	Relocation or loss of shelter due to land acquisition as a result of project related activities or requirements (EBRD, 2014c).

Entitlement	Compensation and assistance which affected people have the right to receive during economic or physical displacement. Entitlements are defined for each individual project and are listed in the form of an Entitlements Matrix, i.e., a table containing information on who is entitled to what type of compensation and/or assistance.
Land Acquisition	"Land" refers to anything growing on or permanently affixed to land, including crops, buildings and other improvements, and adjacent water bodies. All methods of acquiring land for project purposes, including outright purchase, expropriation of property, and acquisition of access rights, such as easements or rights of way, are included.
Livelihood	"The full range of means that individuals, families and communities utilise to make a living, such as wages from employment; cash income earned through an enterprise or through sale of produce, goods, handicrafts or services; rental income from land or premises; income from a harvest or proceeds of animal husbandry, a share of a harvest (such as various sharecropping arrangements) or livestock production; self-produced goods or produce used for exchange or barter; self-consumed goods or produce; food, materials, fuel and goods for personal or household use or trade derived from natural or common resources; pensions and various types of government allowances" (EBRD, 2014c; International Finance Corporation, 2012a).
Livelihood Restoration	Livelihood restoration are the measures implemented to restore and improve the effects of economic displacement on people. Livelihood restoration and improvement are characterised by restored or improved income levels, household food security, standard of housing, security of tenure, household health and nutrition, income sources, access to infrastructure and services, access to markets, yields, food consumption and diet, resilience to natural or economic shocks (International Finance Corporation, 2019).
Vulnerable Groups	Vulnerable or 'at-risk' groups include 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 (EBRD, 2014c).



## **0. PREAMBLE**

This subject document is produced under the service contract “Environmental and Social impact assessment incl. ESMP, SEP, LRP/LAP including Social impact baseline study and Climate risk assessment for the Solar4Kosovo II / Solar District Heating Prishtina project (ESIA S4K SDH)”, contracted by the KfW Development Bank to an international Consulting team led by CES clean energy solutions GesmbH (Vienna, Austria) together with local experts from Kosovo and Albania. The document has been drafted between July and November 2022.

Because a detailed project design was not finalized during the Feasibility phase of the S4K SDH project, this document is of preliminary nature and will require additional efforts at later stages of project design and implementation to review and update full livelihood restoration measures and guide the land acquisition process.

The assessment has identified no need for physical resettlement of project-affected people (PAP), but has managed to identify, engage and collect Information from two impacted farmers. These two farmers are informal users of a public owned land where the main project site (project component 1) will be located.

Completion of the conceptual or detailed design will allow TERMOKOS to identify and to appropriately profile all PAPs and to review and update the entitlements for compensation and support for the project.

## 1. **INTRODUCTION**

This subject document is rendered as a part of the service contract “Environmental Social impact assessment (incl. ESMP, SEP, LRP/LAP including Social impact baseline study and Climate risk assessment for the Solar4Kosovo II / Solar District Heating Prishtina project (ESIA S4K SDH)”.

### 1.1. **PROJECT PARTICIPANTS**

**Table 1.1: Project Participants**

<b>Role</b>	<b>Institution</b>	<b>Abbreviation</b>
<b>Contractor for Consultancy Services</b>	CES clean energy solutions GesmbH, Schönbrunner Str. 297, 1120 Vienna, Austria	CES
<b>Beneficiary / Project Executing Agency (PEA)</b>	Ngrohtoren e Qytetit TERMOKOS SH.A., Prishtina, Kosovo	TERMOKOS
<b>Lender</b>	KfW Development Bank Frankfurt am Main, Germany	KfW
<b>Contract Date</b>	13.10.2021	
<b>Contracted services</b>	Environmental Social impact assessment (incl. ESMP, SEP, LRP/LAP including social impact baseline study and Climate risk assessment for the Solar4Kosovo II / Solar District Heating Prishtina project (ESIA S4K SDH)”	ESIA
<b>Project name</b>	Solar4Kosovo II / Solar District Heating Prishtina	S4K / SDH
<b>Contract no.</b>	BMZ 201868702, KfW 105663	

For Responsibilities of Project Parties see Table 6.1.

### 1.2. **PURPOSE AND SCOPE OF THIS DOCUMENT**

The subject Land Acquisition and Livelihood Restoration Framework comprising a preliminary Livelihood Restoration plan describes already performed steps and measures for the preparation of the LRP and is defining all further procedural steps, to be conducted during the implementation of the Solar4Kosovo II/ Solar District Heating Prishtina project (S4K SDH).

The S4K SDH project development is at the stage of Feasibility Study and a detailed project design is not yet available.

As the exact nature or magnitude of the land acquisition or restrictions on land use is still unknown, the EBRD's Environmental and Social Policy Performance requirement PR5 (paragraph 22) and WB ESS5 (paragraph 25) advises to develop a Livelihood Restoration Framework that is used as a basis for the development of a detailed Livelihood Restoration Plan (LRP) once the individual project components are defined and the required information becomes available.

A non-Technical Summary (NTS) of this preliminary document has been prepared to support the public disclosure and is delivered as a separate document.

### 1.3. CONTENT OF THIS DOCUMENT

In line with the project concept proposed by the feasibility study, this document distinguishes between the following project components:

- a) **Component 1** "Project site", i.e., the area of solar collectors, seasonal pit storage and the operation building
- b) **Component 2:** "Pipeline Corridors" and DH extension area(s), i.e., areas required for the underground positioning of pipelines
  - Pipeline corridor A from the project site (component 1) to Prishtina including (as applicable) substations and the connection points with the existing District heating network infrastructure
  - Pipeline corridor B from the project site (component 1) to Obiliq including (as applicable) substations and the connection points with the existing District heating network infrastructure
  - DH Extension area within the city of Prishtina (area and extension not defined yet)

Whereas the topographical footprint of Component 1 can be currently outlined based on the Solar4Kosovo/Solar District Heating Prishtina feasibility study report and related administrative agreements and decisions, this is not possible for Component 2, as its alignment and potential extension areas have only been roughly defined by TERMOKOS within the Feasibility study.

The Pipeline A and B corridors of Component 2 are deemed technically feasible, but a detailed topographic alignment will be required in further project design phases. During these phases, a detailed survey of livelihood restoration and/or land acquisition requirements shall be performed.

**As a result, once a detailed project design with exact alignments and boundaries of the Pipelines Corridors A+B is available, an LRP will be drafted and approved by the project proponent and the related IFIs, KfW and EBRD.**

**However, the preliminary LRP/Framework document reflects to the greatest extent possible the requirements for land acquisition and livelihood restoration, as outlined in both the EBRD's Performance Requirement PR5 and the World Bank's ESS5.**

Following these requirements and considering the available project concept information, the authors have structured this document to guide activities related to:

- a **Preliminary Livelihood Restoration Plan (P-LRP)** for Component 1 (Project site) and
- a **Livelihood Restoration Framework (LRF)** for Component 2 (Pipeline Corridors and extension area) only.

Therefore, sections within this document provide general valid information/procedures for both Component 1 and Component 2 and describe in further subsections P-LRP-related content for Component 1 and LRF-content for Component 2.

#### **1.4. SELF-COMMITMENT**

The project proponent, Ngrohtorja e Qytetit TERMOKOS SH.A., i.e. the Municipal District Heating Company of Prishtina, represented by its CEO Mr Fisnik Osmani and Mr Naim Bytyci (Head of the PIU, Director of distribution department) is committed to allocate the necessary resources to follow the steps and to conduct the measures as outlined in the preliminary LRP/LRF as well as to make efforts to apply best national and international practices to restore affected people's livelihoods in the same or higher level.

## **2. DESCRIPTION OF SOLAR4KOSOVO PROJECT**

### **2.1. GENERAL**

#### **2.1.1. Background**

The Prishtina Region is the biggest urban agglomeration of the Republic of Kosovo, with approx. 500.000 residents. It consists of the Municipality of Prishtina, being the Capital city, and further 7 Municipalities which are mainly located in the landscape of the Kosovo Field. The Capital city is home of various important governmental, administrative, juridical, economic, educational, cultural, defence and security, infrastructural and foreign institutions with relevance for the Municipality, the Region and the Country and provides the relevant office and commercial space in dedicated buildings. The agglomeration is characterised by a recent boom of building construction inside the city, but also at its urban edges, which is often deemed to be incompliant with principles and documents of sustainable development and proper urban planning and zoning. This results in overburden of public infrastructure, such as water, electricity, heating and road traffic, which are characterized by inefficiency and low levels of service.

Kosovo's Economy relies on local lignite-coal mines, which provides for the fuel of the majority of electricity energy generation, based on the KEK's Power Plants Kosovo A and the newer Kosovo B. Mines and plants are located in the Municipality of Obiliq, neighbouring to the west to the Municipality of Prishtina, having caused a specific air quality issue, for this territory including the Capital city. Specific monitoring systems imposed by international and national institutions on dust, particulate matter and gaseous air pollutant are tracking the situation, which is worsened in wintertime also by a bigger number of private residential heating systems fuelled with wood, coal or burnable waste. Nearby ash landfills at Obiliq were subjected by strong winds occasionally when its surface was not covered sufficiently, leading to a secondary dust transfer with the air flows towards the neighbouring lands and an added burden of residents and structures.

In Kosovo B plant, the KEK undertakes measures to install appliances to reduce the emission of gaseous air pollutants, such as NO<sub>x</sub> and SO<sub>2</sub>, as well as installed a Combined heat and power system, extracting heat for the Prishtina District heating system since 2016.

The Solar4Kosovo project aims to provide additional heat energy from renewable energy sources to the heating system without additional air pollution.

### **2.1.2. Aim of the Solar4Kosovo Project and project description**

The Project aims at enabling TERMOKOS with the provision of additional heat energy capacity to the existing district heating network of Prishtina on a solar thermal basis.

The overall investment will enable TERMOKOS to supply at least an additional 65 GWh/a of heat energy to the DH network of the city of Prishtina.

In Prishtina itself the existing district heating network will be expanded, the decision which districts are supplied is pending and was discussed in the S4K Pre-Feasibility Study.

Additionally, new customers will be connected to the network and profit from a more economic and reliable heat supply.

The additional heat energy capacity is allowing for:

- Higher reliability of the district heating system through additional heat source
- Higher efficiency of DH system through reduction of peak loads and consequently allowance for a higher level of DH throughput with existing infrastructure.
- Heat energy supply of additional facilities or areas in Prishtina through extension of the DH network to adjacent urban districts

Through expansion of District heating in general, and the use of solar thermal plants, making use of renewable energies for heat and hot water production, various private households and public and commercial facilities are relieved from individual heating systems.

As these are traditionally operated with solid fuels, such as natural wood, wooden waste, paper waste as well as Lignite or Coal, resulting in emissions of particular matter as well as air pollutants (CO, NO<sub>x</sub>, SO<sub>2</sub>), one significant factor of the known severe air pollution in Prishtina could be further reduced. Also, carbon dioxide (CO<sub>2</sub>) emissions will be reduced.

Thus, a major contribution is done to improve the international and national sustainability goals of urban areas in terms of fighting climate change, increasing energy efficiency and protecting natural resources.

The project concept and main facilities as described in the feasibility study are summarized hereunder.

#### Project concept:

The central element is the construction of a solar thermal collector field with an approximate collector surface of 69,000 m<sup>2</sup> and a seasonal pit storage with a capacity volume of approximately 400,000 m<sup>3</sup>.

Furthermore, an absorption heat pump (AHP) with an auxiliary heating component will increase the overall efficiency of the system.

#### Solar Collectors

Solar thermal collectors are connected with water pipes to the operation building and will be erected on concrete foundations or similar. Details are to be defined in a design phase.



**Figure 2.1: Visualization of Solar Collectors location (Source: Feasibility Study 2022)**

Solar thermal collectors are consisting of solid material, such as wood, aluminium, glass, metal, rockwool. They do not contain hazardous material.

#### Seasonal pit storage

The principal structure of the seasonal pit storage (storage of hot water) consists of an underground excavation covered with a protective foil, a so-called water-tight liner. The storage is water filled and covered by a floating insulated cover liner.

Inside the pit storage, a water temperature is maintained between 35 °C at bottom layer and up to 95°C on top layer.

#### Pipelines A+B and DH extension area

The connector pipeline needs to be laid in a trench of significant depth (approx. 2.5 meters) and bottom width (approx. 3.1 metres).

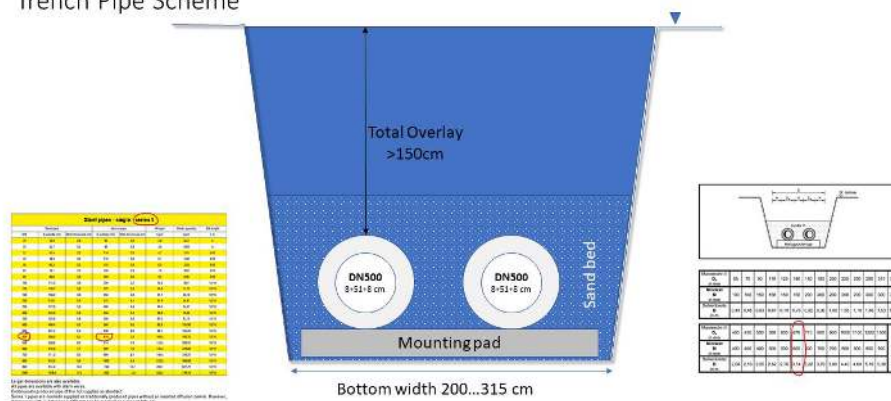
Works will at least consist of

- construction of site access
- preservation of evidence
- temporary closure of existing roads or walkways, resp. road traffic management
- protecting and safeguarding flora and fauna and building stock and underground infrastructure
- conduct of trench excavation and excavation support, securing the excavation pit/trench,
- temporary storage or removal and dumping of excavated material,
- temporary deviation of creeks at pipe crossings
- production of the mounting pad,
- laying/welding/insulating of pipe elements inside the trench,
- filling in sand beds and drainage around pipes,
- producing culverts incl. water protection measures and

- refill of the trench
- Reinstating of previous state but construction ban, greening
- Construction of substations (at high points)
- Setting of alignment markers

In urban surroundings, the DH pipelines might be laid in underground collector made of concrete, existing or to be still constructed.

ESIA Solar DH Pristina  
Connector line Project Site to City  
Trench Pipe Scheme



**Figure 2.2: Pipeline A and B trench scheme**

While the provided standards require a minimum distance between both pipes inside the trench, the FS team provided a required trench bottom width of 2.16 m and a depth of 2.37 m of trench bottom.



### 2.1.3. Land impact of main components

The following parameters are preliminary valid for the two Project Components:

**Table 2.1: Parameters of impacted Land**

Parameter	Component 1 (Project site)	Component 2 (Pipeline corridors A and B)	Component 2 (Extension Area in the City of Prishtina)
<b>Land take area (permanent)</b>	≈250.000 m <sup>2</sup>	≈ 5 m <sup>2</sup> <sup>1</sup>	Unknown
<b>Land take area (servitudes)</b>	<i>none</i>	≈195.000 m <sup>2</sup>  <i>Consisting of:</i> <i><u>Pipeline A</u></i> <i>(Feeder Pipeline)</i> <i>4.600m at 33m</i> <i>width</i>  <i><u>Pipeline B</u></i> <i>(Connector Pipeline)</i> <i>1.48 m at 33m width</i>	Unknown
<b>Number of economically displaced households</b>	Approx. 2	Unknown	Unknown
<b>Number of economically displaced persons</b>	< 10	Unknown	Unknown
<b>Number of institutional buildings affected</b>	0	Unknown	Unknown
<b>Area of public land affected</b>	100 %	approx. 50%	Unknown

The construction of solar collectors, seasonal pit storage, and absorption heat pump (Component 1) will take place on municipal-owned land without associated private land acquisitions and/or land-use restrictions required.

The construction of the connector and feeder pipelines (Component 2: Corridors A and B) is likely to result in land acquisition and/or land-use restrictions and temporary livelihood restoration.

For the extension of the District Heating Network (Component 2) within the City of Prishtina no land acquisition and/or land-use restrictions are expected.

For Component 2 a detailed survey of affected land parcels is required and can be performed as soon as the pipeline corridors and the DH expansion areas in the city are defined.

<sup>1</sup> A plot of approx. 5 square meters might be required to construct a substation of Pipeline A at its high point in Arberia, on publicly owned land.

## 2.2. COMPONENT 1 (PROJECT SITE)

### 2.2.1. Description

An overview of the project site is presented in the following figures.

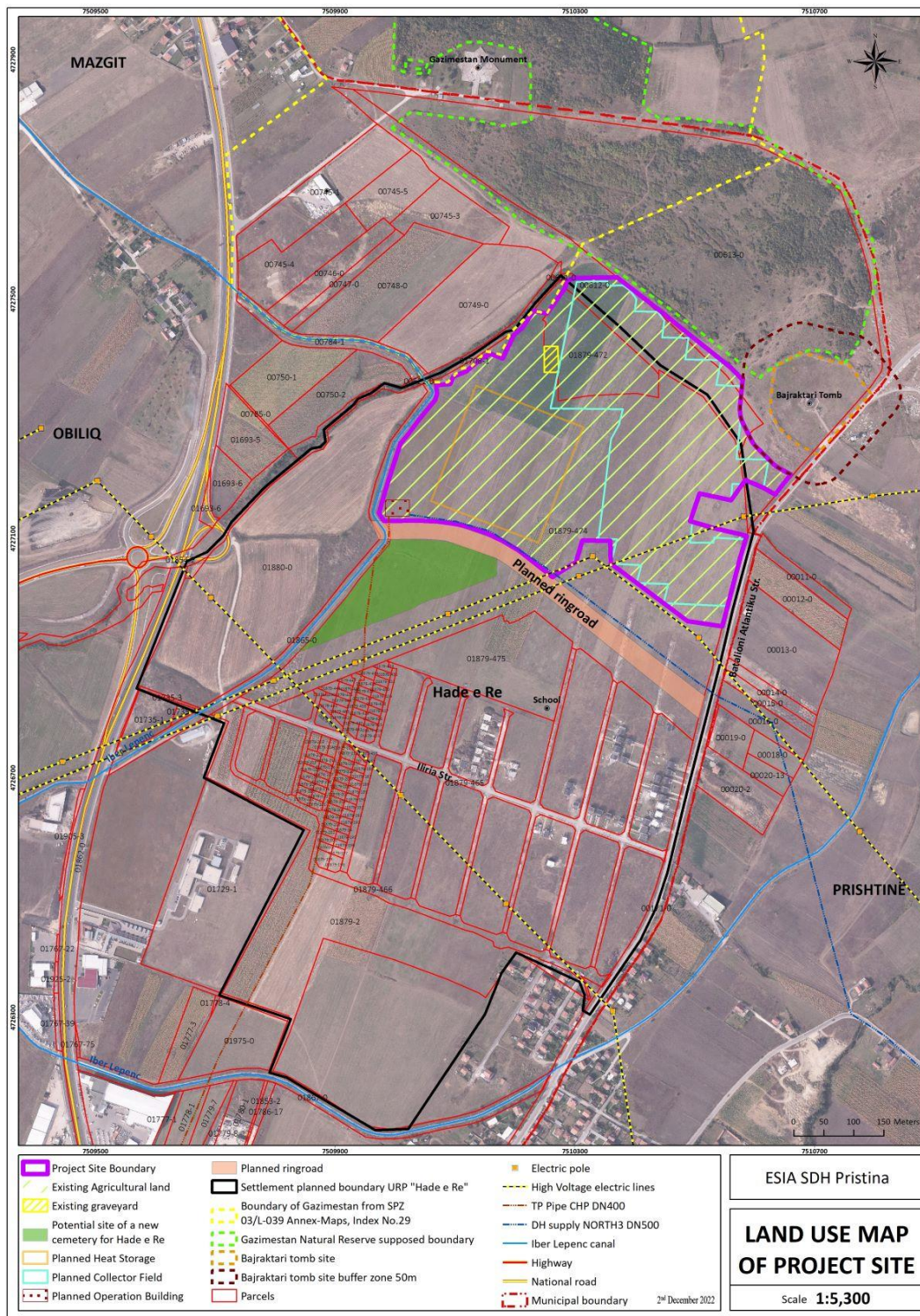


Figure 2.3: Map of project site and surroundings with numbered cadastral land plots.

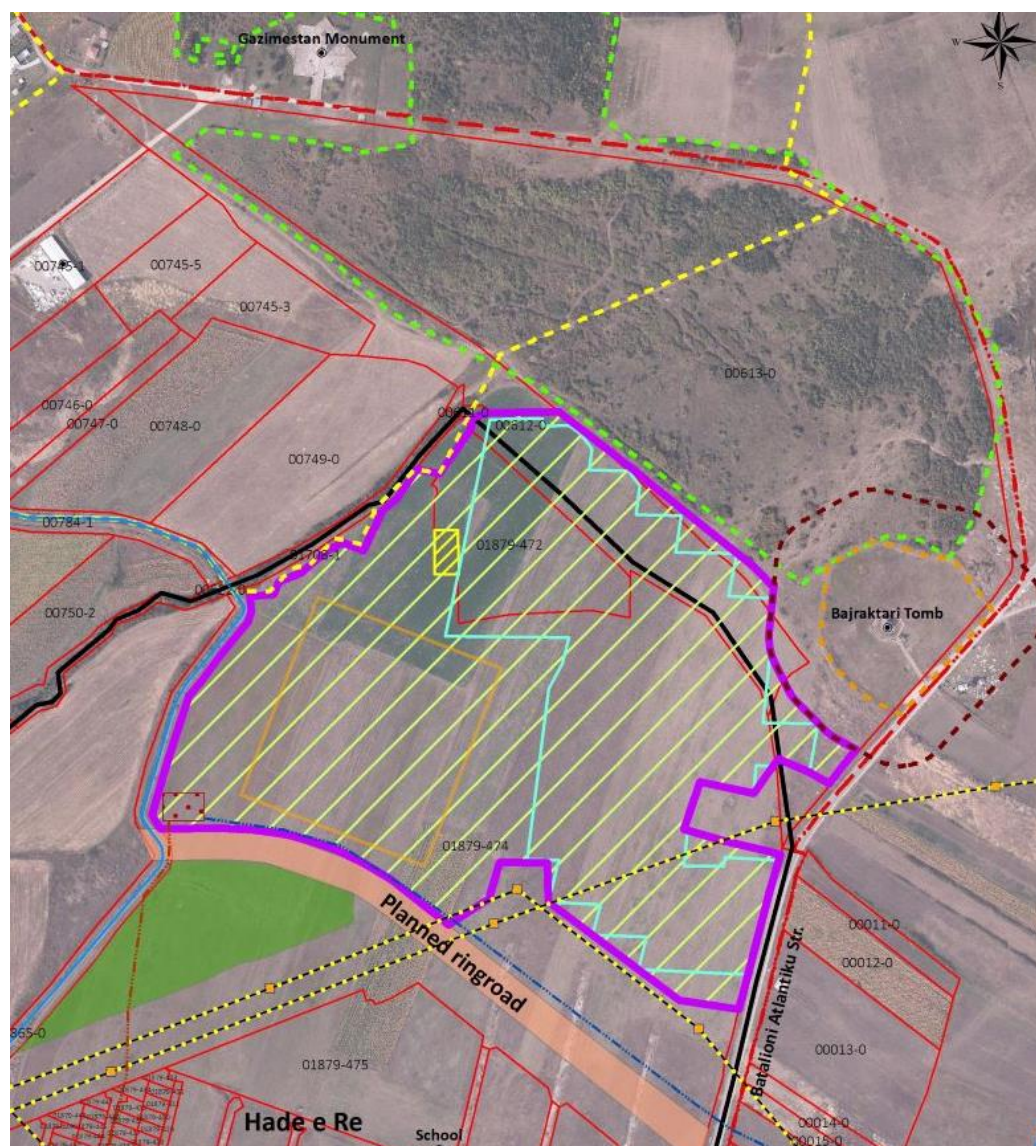


Figure 2.4: Magnified map of Figure 2.3 for project site.

### **Solar plant, pit storage, operation building**

The solar plant and the seasonal pit storage are envisaged to be built on an undeveloped plot in the northeast of the territories of the Municipality of Obiliq.

Table 2.2: Overview of land use

Item	Approx. Sizes
Solar thermal collector's footprint	13 hectares
Pit Storage	6 hectares (V=400.000 m <sup>3</sup> )
Operation Building (Absorption heat pump) footprint	400 m <sup>2</sup>
<b>Total Land Plot (Project area)</b>	<b>25 hectares</b>

The project site is confined by the Ibër-Lepenc irrigation canal and the Gazimestan creek in the west, the Gazimestan Protected area in the north, the Batalioni Atlantiku Road (i.e., the Municipal border between Prishtina and Obiliq) in the east and the Hade-e-Re residential area in the south.

Hade e Re is located almost near the site boundary within a visual distance of 200 m of the project site with no presence of inhabitants at the time the preliminary LRP/LFP was prepared.

The Southern border is additionally characterized by several high voltage lines (10 kV) from Obiliq Thermal Power plant to Prishtina, owned by KOSTT, that border the project site from the Hade-e-Re new residential site, coming from the southwest and veering here to the east/southeast.

The Expressway M2 (Kastrioti Road) is passing by the area some 250 meters west of the site's border with the Ibër-Lepenc canal, whereas the motorway exit with connecting road to M7 is located here and connected with a local road to Hade-e-Re central road (Iliria street).

A preliminary design of a part of Prishtina ring road has been brought up since March 2022 by EBRD, that shall be constructed as a 2x1 lane road from the M2 exit in the west with Prishtina in the east, separating the Hade-e-Re residential area from the project site entirely.

### **Site Condition and Land use**

The land plot where the project site (component 1) is to be constructed is for about 95% of land used for agricultural purposes (wheat). A gravelled dirt road leading through the fields leads to a small burial site with about 6 Muslim-type graves (since 2018). These areas account for approx. 5% of the land plot.

The project site itself, being under regular agricultural use, does not contain any lines of higher vegetation that would structure the plot.

However, the direct footage of the several high Voltage poles as well as the areas towards the edges are non-cultivated.

### **The existing graveyard**

The existing graveyard (see yellow hashed rectangle) including a new access way from a public road (e.g., along the western site boundary) is to be excluded from the project site in the design phase. Additionally, a specific stakeholder engagement process is required to define suitable measures to protect the graveyard that are accepted by affected stakeholders.

Reference is made to section 0.

## **2.2.2. Cadastral Data and land ownership of project site**

The cadastral parcels to be used for the project site were subject of the Governmental Decisions of 23<sup>rd</sup> March 2022, which approved the exchange of land plots ownerships between the Government of Kosovo (represented by MESPI, on behalf of the project) and the Municipality of Obiliq<sup>3</sup>.

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<sup>3</sup> Vendimet e Qeverisë për projektin Solar4Kosovo, 22 March 2022.

In an additional agreement of 31<sup>st</sup> March of 2022 between the Minister of Environment, Spatial planning and Infrastructure and the Mayor of the Municipality of Obiliq on securing the locations for the Solar heating project “Solar 4 Kosovo”, the parties agreed that there is a public interest which results in re-designation of the related parcels.

For more details reference is made to section 0

## 2.3. COMPONENT 2 - PIPELINE CORRIDORS

The alignments of both pipelines A and B are only provisionally defined and are based on optimized routing and vertical profiles in the Feasibility Study<sup>4</sup>. Selection criteria were:

- 1) the location of the infill point into existing Prishtina DH network
- 2) the tangent of potential future supply areas
- 3) the minimization of high points in the vertical axis of the pipeline
- 4) the avoidance of heavy used public roads or built areas
- 5) the preferred use of public infrastructure corridors and minor roads

Small-scale optimization of routing is still expected, to bypass certain items or land plots.

The Study foresees that each pipeline will comprise of two DN500 steel pipes with insulation, to be positioned approx. 1.5 m below surface, whereas the trench may have a bottom width of 3.15 metres.

### 2.3.1. Route and Corridor of Pipeline A

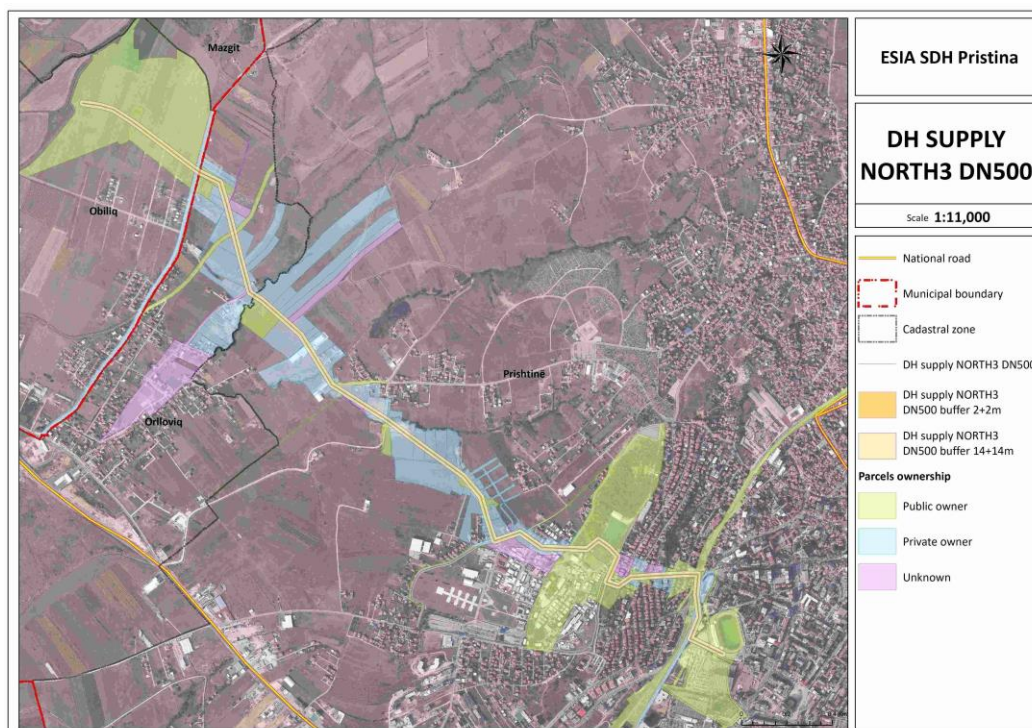


Figure 2.5: Map of ownership categories along the preliminary alignment of Pipeline A

<sup>4</sup> Feasibility Study on Solar4Kosovo Solar District Heating Prishtina, CES clean energy solutions, July 2022

Pipeline A serves as a heat transport pipeline that provides heat energy (hot water) from the project site to the city of Prishtina (Tophane Area) and has a length of approximately 4.6 km. The infill point into the existing DH network will be located in Prishtina City at Madeleine Albright Square, close to the Prishtina Stadium “Fadil Vokri”, where pipelines of DN500 or bigger exist. This location is 584 m above sea level (a.s.l.).

From there, the pipeline runs in a westerly direction on the southern edge of the stadium, then turns north along Tirana Road, crosses the currently inactive railway line at the level of the Road ‘UÇK’ and runs within the infrastructure corridor (footpath with flight of steps) up Arberia Hill to the 24 May Road in a steep slope. The recent land-use in this area is publicly owned roads and walkways including roadsides and verges.



**Figure 2.6: Magnified map of Figure 2.5 for section between Prishtina City and KFOR area.**

From Toni Blair Road onwards, the pipeline bypasses the eastern outline of KFOR barracks complex on Stambolli Road to the level of the KFOR fire reservoir.

Here is the highest point with 653 m a.s.l. The alignment is foreseen to use publicly owned roads and public greens. In this preliminary pipeline routing it is foreseen that at the highest point on public land a substation will be constructed, that may require additional land of approx. 5 m<sup>2</sup> size.

From there on, the pipeline runs across undeveloped, rural areas (from west of the Washington Residence development area) to the northwest, parallel to the existing high-voltage line, partly using Qemal Stafa Road and Bardhok Biba Road respectively, whereby the two Shkabaj creeks have to be crossed -as well as the Ibër-Lepenc Canal.

After crossing the Prishtina/Obiliq municipal border on Batalioni Atlantiku Road, being another high point (625 m a.s.l.) the pipeline reaches the agriculturally used project area north of Hade-e-Re, with the high-voltage line. The AHP is located at approx. 595 m a.s.l.

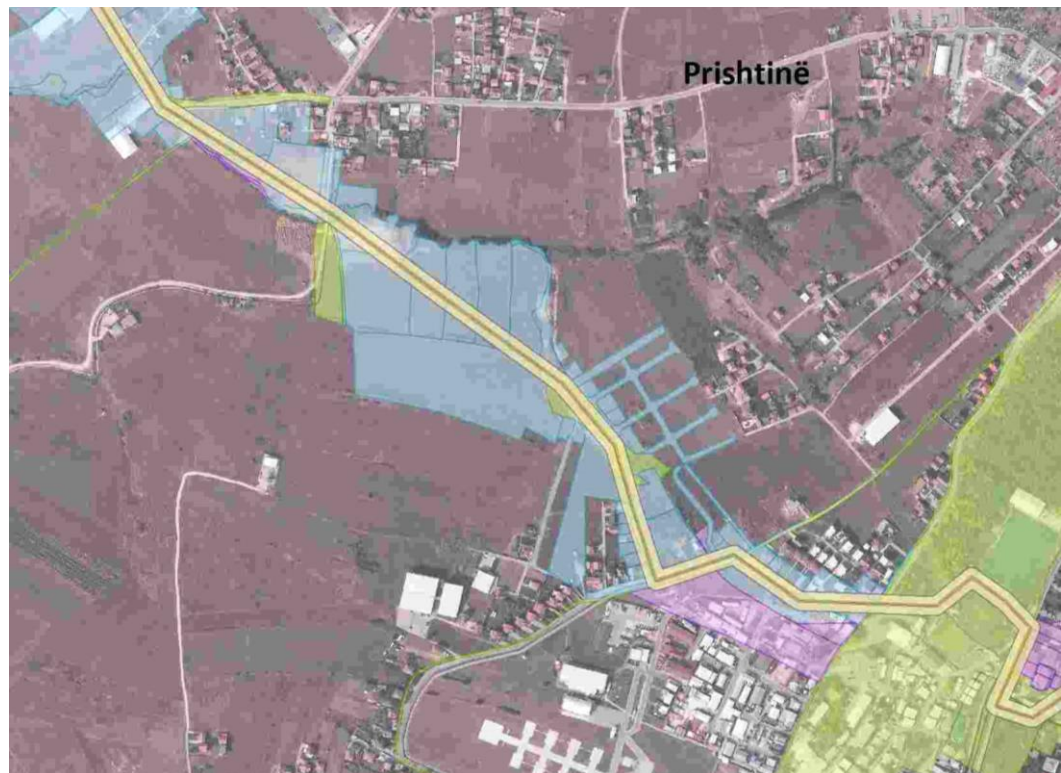


Figure 2.7: Magnified map of Figure 2.5 for section between KFOR area and Prishtina Shkabaj.

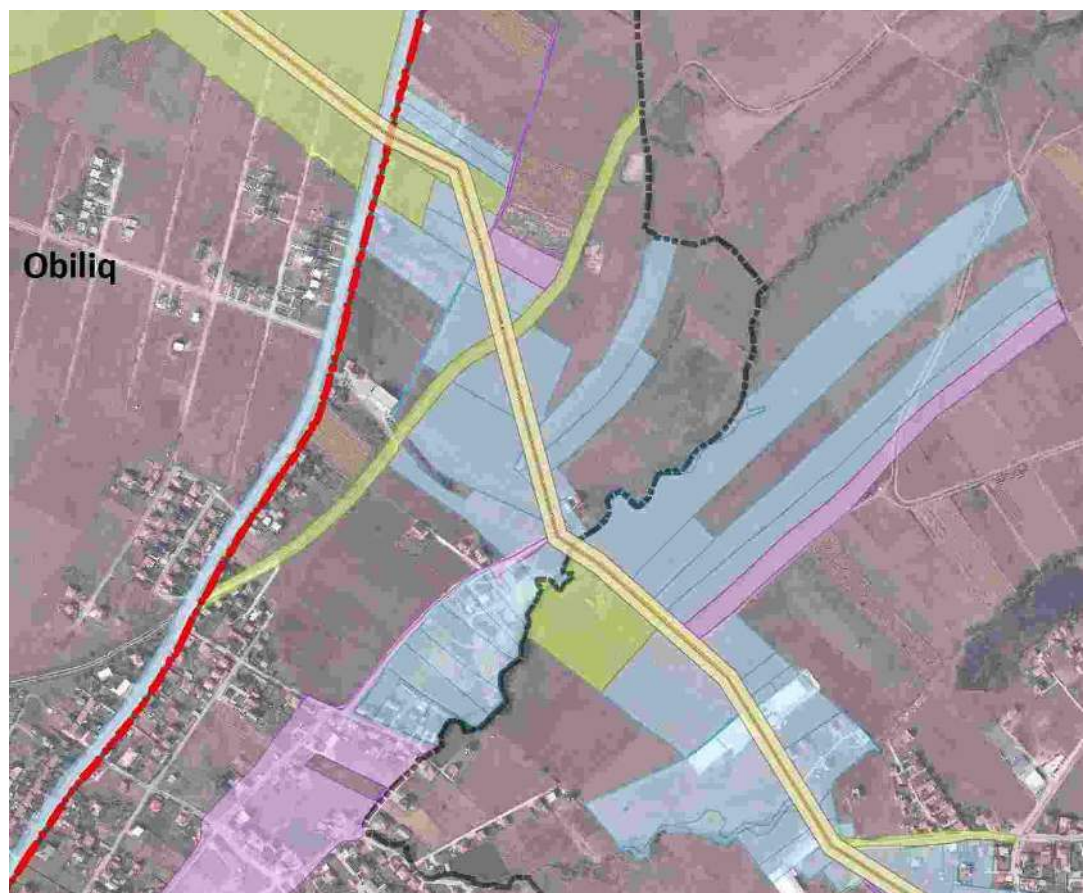


Figure 2.8: Magnified map of Figure 2.5 for section between Prishtina Shkabaj and Project Site.

### 2.3.2. Route and Corridor of Pipeline B

Pipeline B serves as an infill pipeline, which diverts from the existing heat transport pipeline and feeds pre-heated water into the Solar plant. It shall have a distance of 1.48 km.



**Figure 2.9: Map of ownership categories for preliminary alignment of Pipeline B.**

While the existing heat transport pipeline connects the CHP plant at Kosovo B Station (in the west of Obiliq) with the DH system in the southern City of Prishtina, the new pipeline



B shall run from a diverter station to be constructed in the commercial development zone near Shkabaj (Municipality of Obiliq) at a roadside of traffic circle on Road no. 220 at Obiliq Exit of motorway M2 at approx. 573 m a.s.l. From this point the pipeline shall be aligned towards north, cross the M2 motorway and an undeveloped, barren rural land plot north of it, cross the Ibër-Lepenc Canal, before following on residential road of Hade-e-Re settlement before arriving the Project Site from south.

The same alignment for Pipeline B will also include a DN32 freshwater line for regular re-filling of the pit storage.

### 2.3.3. Cadastral data and land ownership of pipeline corridors

To better understand the potential requirements for land acquisition and/or livelihood restoration caused by Component 2 (Pipelines A and B) of the project, the ownership of land potentially affected has been assessed.

Based on a request of TERMOKOS to the Municipal Cadastres of Obiliq and Prishtina in February and April 2022, ownership certificates resp. tabular data have been retrieved which includes names of owners but without contact data (address). In addition, land size information of each parcel has been extracted from the Geoportal Kosovo.

Based on these data and specifically based on the indication of owner's names, an indicative mapping was conducted to illustrate public and private ownership. The results of the assessment are depicted in Figure 2.5 until Figure 2.8.

As a conclusion, the Pipeline corridor B has been preliminary defined in the feasibility study (FS), could be aligned exclusively on publicly owned land. Pipeline corridor A as preliminary defined in the FS is crossing private and public land.

The list of ownership certificates cannot be published with this report but are available at Termokos.

As the pipeline corridors will be finally defined within the design phases (Corridor 1 and 2), further elaboration of this document towards a final LRP and LAP is required.

The related procedures are described in sections 4 and 4.2.

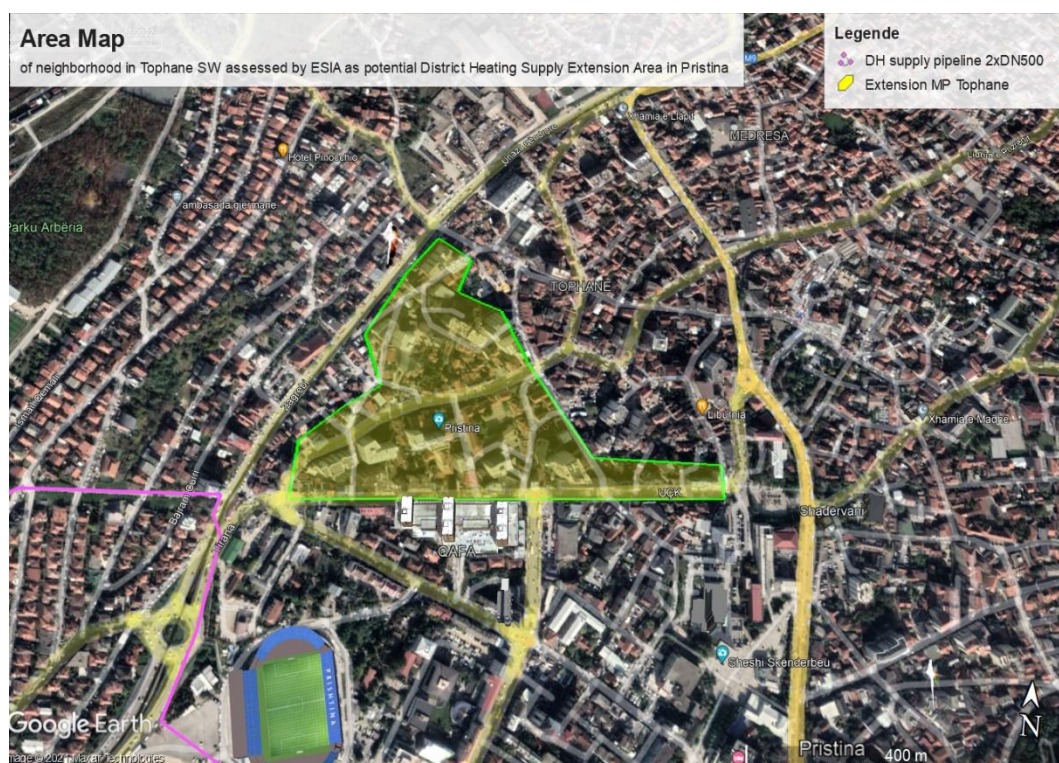
## 2.4. COMPONENT 2 - NEW DISTRICT HEATING SUPPLY AREA

The exact location of the associated facility of this project, being one or several new DH supply areas in the City of Prishtina is not yet defined. The Feasibility Study has assessed the following areas, depending on the future capacity of the Solar4Kosovo plant:

Names of neighbourhoods potentially supplied by S4K project	
in case of 30 MW capacity	in case of 50 MW capacity in addition
Lakrishte	Sunny Hill 2 (Bregu I Diellit)
Tophane	Mati North
Ginaj South	
Mati Middle	

The Expansion of the district Heating Network may be pursued in more than one area. As an example, a proposed expansion area is described hereunder and depicted in the following figure. The example shown merely serves to illustrate the urban planning conditions of a future new supply area and does not constitute a precedent for concrete implementation.

The Prishtina urban area of **Tophane Southwest** (see Figure 2.10) has been identified as suitable example resp. representative area for the Stratum 2 of the SIBS survey (see Vol. 5) and for the Task 1.3-V (“project relevant network extension areas”). This area was proposed based on its demographical and settlement structure and further supported by KfW, EBRD and TERMOKOS.



**Figure 2.10: Map of proposed area in Tophane SW, to be assessed as most potential DH supply extension area (Map 2)**

The Figure shows the street topology in which a supply network would be constructed in order to serve all residential and commercial clients / houses.

It is supposed that the pipes are laid under the surface of publicly owned streets and walkways like as usual for urban infrastructure media carriers. House connections (from the property line to the object) remain in ownership and are the responsibility of the landowner.

Considering a DH Expansion as tentatively assessed above it is not expected that a land acquisition will be required throughout the project implementation.

A livelihood restoration might be required for businesses due to temporary construction works.

## 2.5. LAND RELATED IMPACTS

The project (Component 1 and 2) has been developed in 2 main steps during the last years, the Pre-Feasibility study and the feasibility study. The studies have verified different locations and options for placement of the solar collector field and the seasonal storage pit (Component 1). These 2 project components and their location are key for the project feasibility and the baseline for all associated facilities.

As a result, Hade-e-Re has been selected as the most suitable project site and the land has been pre-secured by public agreements between the Government and the Municipality of Obiliq in March 2022.

The S4K project will have an impact on public and private land and affected people on the territory of Obiliq and Prishtina municipalities.

Land related impacts are described for Component 1 and 2 in chapter 5.

Physical resettlement will not occur throughout the implementation of the project and its associated facilities.

An overview of land related impacts is summarized below and discussed in more detail in chapter 5.

- Land for **Component 1** (project site) will be **permanently acquired** having impact on the development plans of the Municipality of Obiliq, on the **livelihood** of existing farmers and on **the protection of existing graveyards**
- Land Acquisition activities and constructions for **Component 2 - pipeline corridors** will have impact **through restricted land use** and **temporarily required livelihood restoration** caused by the pipeline construction works.
- Constructions for **Component 2 – new district heating supply area** in Prishtina might have impact on businesses and could require **temporary livelihood restoration**

As for **Component 1** a first assessment has been performed. Informal Interviews were held with farmers that are currently using the land and can be considered as a preliminary socioeconomic survey. Together with the detailed survey of the land plots for component 1 the detailed census and socioeconomic survey must be performed and the LRP accordingly updated.

As for **Component 2** a detailed land acquisition and livelihood restoration survey has to be performed as soon as the pipeline corridors are defined (and related surveys are performed), and the location of the DH expansion area is decided.

Land acquisition and restrictions on land use will commence during the project's pre-construction phase, i.e., as preparation for construction works, and will at least continue until construction activities are finalized. For the area of pipelines, some restriction on land use will last until the investment's end-of-life.

Identified impacts due to land acquisition during the pre-construction phase mainly include cultural and economic constraints imposed on Project Affected Persons (PAPs), including loss of land, loss of access to land, loss of crops, loss of and damage to (or temporary closures of) community infrastructure and public facilities / infrastructure (e.g., graveyards, sidewalks, water facilities, schools, roads, bridges, mosques, etc.), and loss of agricultural income or other businesses.

The preliminary LRP / LRF provides more detailed information with regards to the mitigation measures which will be adopted to address land acquisition impact.

Land acquisition as a result of both pre-construction and construction activities will most severely impact land-based livelihoods, i.e., livelihoods depending on activities such as rotational cropping and grazing of livestock. That said, the construction of pipelines might inevitably and permanently affect communities whose livelihoods depend on the acquired land, causing severe livelihoods changes.

The land acquisition activities will directly impact landowners (persons with legal rights or claims to land), persons without legally recognizable claims to land, and commercial enterprises operating along the planned connector and feeder pipelines and will result in some level of economic displacement.

The exact scope of land acquisition and/or economic displacement is yet to be determined, however, it will include either short-term (2-3 years) or permanent limitations or prohibitions on the use of land for certain agricultural, residential, commercial, and other activities, which are likely to affect PAPs livelihoods or income generation.

Land-related impacts (considering a 30-year operation period) can be summarized as follows:

**Table 2.3: Overview on potential land-related impacts (displacements) by Component**

Type	Impacts of Component 1	Impacts of Component 2 Pipeline corridor A and B	Impacts of Component 2 New DH supply area
<b>PHYSICAL DISPLACEMENT (of residents or business)</b>	None	None	None
<b>ECONOMICAL DISPLACEMENT (permanent)</b>	<ul style="list-style-type: none"> <li>Permanent Loss of land and agricultural crops and agro-commercial livelihood of 2 families and their employees (formal/informal)</li> </ul>	<ul style="list-style-type: none"> <li>Permanent restriction of land-use, option to build and vegetation on pipelines corridors.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>ECONOMICAL DISPLACEMENT (temporary)</b>	<ul style="list-style-type: none"> <li>Temporary loss of harvest – max. 1 season depending on the project implementation schedule of 2 families</li> </ul>	<ul style="list-style-type: none"> <li>Temporary encroachment on grassland and wasteland areas due to construction of the underground pipelines (private and publicly owned)</li> </ul>	<ul style="list-style-type: none"> <li>Temporary economic impact on businesses</li> </ul>

Type	Impacts of Component 1	Impacts of Component 2 Pipeline corridor A and B	Impacts of Component 2 New DH supply area
<b>Loss of Communal Land / Facilities</b>	<ul style="list-style-type: none"> <li>• Permanent loss of land designated for extension of Had-e-Re settlement</li> <li>• Permanent loss of land intended to be used as cemetery, sports grounds and central square</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>

In section 5 the following project related impacts and mitigation measures are discussed.

- **Component 1 – Project site**
  - Impact on the Municipality of Obiliq section 5.1.1
  - Impact on existing graveyard section 5.1.2
  - Impact on the livelihood of two farmers section 5.1.3
  
- **Component 2 – Pipeline Corridors and new DH supply area**
  - Impact on livelihood of landowners or businesses along the pipeline corridors and within the new supply area section 5.2.1
  - Impact on landowners through permanent land use restrictions due to servitude section 5.2.2

### 3.

### 3. **INSTITUTIONAL AND LEGAL FRAMEWORK**

All land acquisition and livelihood restoration procedures must be compliant with Kosovo's national legislation and with international guidelines and standards, mainly KfW and EBRD requirements.

#### 3.1. **INTERNATIONAL GUIDELINES AND STANDARDS**

The project underlies the following international guidelines and standards:

- Sustainability Guidelines of the KfW Development Bank and therewith:
  - World Bank Environmental and Social Standards (ESS 5 “Land Acquisition, Restrictions on Land Use and involuntary resettlement, );
  - EBRD Environmental and Social Policy (2019), Performance Requirement PR 5 “Land Acquisition, Involuntary Resettlement and Economic Displacement”
  - For land tenure issues, the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT)

##### 3.1.1. **Introduction of KfW requirements related to LRP/LAP**

In line with the overall objective of promoting sustainability and avoiding adverse environmental, social and climate impacts and risks, KfW Development Bank requires<sup>16</sup> the following.

[Objectives of the guidelines]

- to avoid adverse impacts on the living conditions of communities, in particular indigenous peoples and other vulnerable groups, as well as to ensure the rights, living conditions and values of indigenous peoples.
- to avoid and minimise involuntary resettlement and forced eviction of people and their living space as well as to mitigate adverse social and economic impacts through changes in land use by reinstating the previous living conditions of the affected population.
- to avoid all forms of discrimination.

[4.9.1.] To involve the affected communities and keep the public in the partner country informed. The executing agency is required to conduct a meaningful participation and consultation process that allows affected people and interested stakeholders to express their views and concerns on project risks, impacts and the proposed mitigation measures.

At the same time, the process shall also enable the executing agency to take these views into account and react. For the sake of transparency, the executing agency is required to disclose relevant information and a non-technical summary on the environmental and social assessment of the FC-measure via appropriate media channels at an accessible location and in a timely, culturally appropriate manner. The entire process shall be comprehensive and be implemented throughout all phases of the FC-measure.

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<sup>16</sup> KfW Development Bank 28 February 2022 (KfW 2019 Sustainability Guidelines)

[4.9.2.] The executing agency is to establish a grievance process for the FC-measure for receiving and dealing with concerns and complaints of members of the affected public. The procedure should be culturally appropriate and proportional to the FC-measure. Grievances and their processing and resolution are to be documented and form part of the reporting to KfW Development Bank.

### **3.1.2. Introduction of World Bank Environmental and Social Standard ESS 5**

ESS 5 outlines the requirements and safeguards to mitigate and minimize adverse impacts on communities and people as a result of project related land acquisition. "Land acquisition" refers to all methods of obtaining land for project purposes, which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include:

- Acquisition of unoccupied or unutilized land whether or not the landholder relies upon such land for income or livelihood purposes.
- Repossession of public land that is used or occupied by individuals or households; and,
- Project impacts that result in land being submerged or otherwise rendered unusable or inaccessible.

This ESS applies to permanent or temporary physical and economic displacement resulting land acquisition or restrictions on land use undertaken or imposed in connection with project implementation. The objectives of the ESS 5 are:

- To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives.
- To avoid forced eviction.
- To mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use.
- To improve living conditions of poor or vulnerable people who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.
- To develop and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced people to benefit directly from the project, as the nature of the project may warrant.
- To ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

Some key requirements of ESS 5 include:

#### Eligibility Classification

Affected people may be classified as people:

- Who have formal legal rights to land or assets.
- Who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or,
- Who have no recognizable legal right or claim to the land or assets they occupy or use.

## Project Design

The Project must consider feasible alternative project designs to avoid or minimize land acquisition or restrictions on land use, especially where this would result in physical or economic displacement, while balancing environmental, social, and financial costs and benefits, and paying particular attention to gender impacts and impacts on the poor and vulnerable.

## Compensation and Benefits for Affected Persons

Key requirements include:

- Compensation must be provided at replacement cost, and other assistance as may be necessary to help affected people improve or at least restore their standards of living or livelihoods.
- Compensation standards for categories of land and fixed assets must be disclosed and applied consistently in a transparent and well documented process.
- Preference should be given to in-kind land replacement unless it can be demonstrated that equivalent replacement land is unavailable.
- Proposed Project land will only be acquired after compensation and, where applicable, displaced people have been resettled and moving allowances have been provided to the displaced people in addition to compensation. In addition, livelihood restoration and improvement programs will commence in a timely fashion in order to ensure that affected people are sufficiently prepared to take advantage of alternative livelihood opportunities as the need to do so arises.

### **3.1.3. Introduction of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT)**

The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT) seek to improve governance of tenure of land, fisheries and forests. They seek to do so for the benefit of all, with an emphasis on vulnerable and marginalized people, with the goals of food security and progressive realization of the right to adequate food, poverty eradication, sustainable livelihoods, social stability, housing security, rural development, environmental protection and sustainable social and economic development.<sup>17</sup>

These Guidelines seek to:

1. improve tenure governance by providing guidance and information on internationally accepted practices for systems that deal with the rights to use, manage and control land, fisheries and forests.
2. contribute to the improvement and development of the policy, legal and organizational frameworks regulating the range of tenure rights that exist over these resources.
3. enhance the transparency and improve the functioning of tenure systems.

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<sup>17</sup> FAO. 2022. Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security. First revision. Rome. <https://doi.org/10.4060/i2801e>



4. strengthen the capacities and operations of implementing agencies; judicial authorities; local governments; organizations of farmers and small-scale producers, of fishers, and of forest users; pastoralists; indigenous peoples and other communities; civil society; private sector; academia; and all persons concerned with tenure governance as well as to promote the cooperation between the actors mentioned.

#### **3.1.4. Introduction into EBRD Performance Requirement 5**

The land acquisition process will be compliant with the Kosovo National Legislation and with EBRD requirements. From a LRP perspective, EBRD PR 5 and PR 10 has particular application, respectively Performance Requirement 5 (Land Acquisition, Involuntary Resettlement and Economic Displacement), and Performance Requirement 10 (Information Disclosure and Stakeholder Engagement).

Performance Requirement 5: “Land acquisition, involuntary resettlement and economic displacement” refers to the management of involuntary land acquisition and resettlement. Involuntary land acquisition relates to transactions where the buyer can resort to government authority to gain access to land or impose limits on land use.<sup>18</sup>

PR 5 defines displaced persons broadly as:

- Those who have formal legal rights to the land they occupy.
- Those who do not have formal legal rights to the land but have a claim to land that is recognised or recognisable under the national laws.
- Those who have a recognisable legal right or claim to the land they occupy, such as opportunistic squatters and recently arrived economic migrants who occupy land prior to the cut-off date.

The objectives of Performance Requirement 5 include:

- To avoid or at least minimise involuntary resettlement by exploring alternative project designs.
- To mitigate impacts from land acquisition by providing compensation for loss of assets at full replacement cost and ensuring that resettlement activities are implemented with appropriate stakeholder engagement.
- To improve or at least restore the livelihoods and standards of living of displaced persons.
- To improve living conditions among displaced persons through the provision of adequate housing with security of tenure.

PR 5 requires that:

- the project proponent identifies, via a census, those persons who are displaced and establish a cut-off date to establish eligibility for compensation

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<sup>18</sup> (EBRD, 2014c)

- the project proponent offers land-based compensation, where feasible, where the livelihoods of displaced persons are land-based, or where land is collectively owned
- the concept of negotiated settlements be introduced to avoid forcible removal of people
- Requires project proponents to “bridge the gap” between domestic legal requirements and the requirements of the Performance Requirement.

Performance Requirement 5 further requires that standards for compensation be transparent and consistent within a project and established with the participation of those impacted.

Performance Requirement 10: Information disclosure and stakeholder engagement.

PR 10 requires that affected communities be appropriately engaged on issues that could potentially affect them. The key requirements include:

- Ensuring free, prior, and informed consultation and facilitating informed participation.
- Focusing on the risks, adverse impacts, and proposed measures and actions to address these.
- Undertaking the consultation in an inclusive and culturally appropriate manner.
- Tailoring the process to address the needs of disadvantaged or vulnerable groups.

As parts of the Solar4Kosovo project is funded by the EBRD, it must comply with PRs in respect of this LRP.

### 3.2. NATIONAL INSTITUTIONAL FRAMEWORK (NATIONAL, REGIONAL AND LOCAL)

The Kosovo Law on Expropriation<sup>20</sup> establishes the rules and conditions under which the Government or a Municipality may expropriate a Person's ownership or other rights in or to immovable property, the rules and conditions under which the Government may authorize the temporary seizure and use of immovable property, the procedures governing the conduct of such an act of expropriation or seizure, the rules and procedures that shall be used in determining the amount and payment of compensation.

In line with the Expropriation Law of Kosovo, the administrative body (“the expropriating authority”) in charge of land expropriation for this Project is the Government of Kosovo via the **Ministry of Environment and Spatial Planning and Infrastructure (MESPI)**, acting as the expropriating authority on behalf of all central level authorities<sup>21</sup>.

Other key institutions involved in the expropriation process are:

- **Office for Valuation of Immovable Property** (within the Department of Property Tax) within the Ministry of Finance is the only public authority competent for the valuation of any immovable property subject to expropriation by any expropriating authority (municipality or Government).

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<sup>20</sup> Law No. 03/L-205/2010 amended and Law no. 03/L-139 for the expropriation

<sup>21</sup> According to Government Decision No. 05/147 dated 05 October 2010 an Office for Expropriation was established within MESPI

- **Kosovo Cadastral Agency (KCA)** is the highest authority of cadastre, geodesy and cartography in Kosovo, responsible for the overall administration of the computerized Kosovo Immovable Property Rights Register.
- **Municipal Cadastral Offices** are required to register (in the Immovable Property Rights Register) the final decisions on expropriation of immovable property (submitted by the expropriating authority) to prevent owners or interest holders from transferring or granting to any third person any ownership or other rights or interests in or to the concerned property and undertaking any construction work on the concerned property.

National legislation in Kosovo relevant for the Project implementation is summarized in Table 3.1.

**Table 3.1: Legislation of the Republic of Kosovo relevant for Project Implementation**

Law	Summary and key points
<b>Constitution of Republic of Kosovo</b>	The Constitution prohibits arbitrary deprivation of property (Art. 46) - the authorities may expropriate property only if such expropriation is authorized by law, is necessary or appropriate to the achievement of a public purpose or the promotion of the public interest and is followed by the provision of immediate and adequate compensation to the person(s) whose property is expropriated.
<b>Law on Property and Other Real Rights No. 03/L-154 dated 15 July 2009</b>	Governs the creation, content, transfer, protection, and termination of real rights such as ownership, limited real rights, possession, real security rights and real rights of use.  Stipulates that ownership and other real rights can only be limited or taken away against the will of lawful holders following conditions and procedures defined by the applicable laws.
<b>Law on Cadastre No. 04/L-013 dated 12 August 2011</b>	Regulates the Cadastre of immovable property, national and cadastral surveys, geodesic and cadastral works as well as acquisition, registration, keeping, maintenance and use of cadastral data.
<b>Law on Amending and Supplementing the Law No. 2002/5 on the Establishment of the Immovable Property Rights Register No. 04/L-009 dated 21 July 2011</b>	It sets out the principles of implementing and validating immovable property rights in Kosovo through the mechanism of the Immovable Property Rights Register. Immovable property rights, including (i) ownership, (ii) mortgages, (iii) servitudes, (iv) the rights of use of municipal, public, social and state property and (v) property burdens and charges, are recorded in the Register. It sets out the authority over overall administration of the Register to the Kosovo Cadastral Agency (KCA) and appoints the Municipal Cadastral Offices (MCO) to record, in writing, immovable property rights in the Register under the authority of the KCA.
<b>Law on the Administrative Procedure No. 02/L-28 dated 22 July 2005</b>	It sets out principles to be adhered to by all public administration bodies and exercising their functions through individual or collective administrative acts.  In exercising their administrative activity, public administration bodies are required to establish a fair balance between public and private interests to avoid unnecessary infringement of the rights and interests of natural and legal persons.  Public administration bodies are not allowed to differentiate between natural and legal persons during administrative proceedings based on gender, language, political or other affiliation, national or social origin, wealth, birth or any other status.  Any natural and legal person is entitled to (i) obtain information available to public administration bodies, (ii) obtain such information in a timely fashion, (iii) obtain it in the same manner as any other person and (iv) obtain it in a convenient and effective means or format.
<b>Law No. 04/L-020 on Amending the Law on Protection and Promotion of Rights of Communities and their Members in Kosovo No. 03/L-047 dated 21 December 2011</b>	This law defines Kosovo communities and their special rights concerning their identity, religion, education, use of languages, culture, health, media, economic and social opportunities, and their political representation in all state mechanisms.  Provides measures for protecting cultural and religious heritage, public employment programs, especially for Roma, Ashkali and Egyptian communities, education in their own language, etc.

Law	Summary and key points
<p><b>Law on the Use of Languages No. 02/L-37 dated 21 October 2006</b></p>	<p>Regulates the use of official languages, as well as languages of communities whose mother tongue is not an official language, in Kosovo institutions and other public organizations and enterprises.</p> <p>Grants equal status to Albanian and Serbian as the official languages of Kosovo.</p> <p>Provides the right of all communities in Kosovo to preserve, maintain and promote their linguistic identity.</p>
<p><b>Law on the Protection from Discrimination No. 05/L-021 dated 15 June 2015</b></p>	<p>Establishes a general framework for prevention and combating discrimination based on nationality or concerning any community, social origin, race, ethnicity, colour, birth, origin, sex, gender, gender identity, sexual orientation, language, citizenship, religion and religious belief, political affiliation, political or another opinion, social or personal status, age, family or marital status, pregnancy, maternity, wealth, health status, disability, genetic inheritance or any other grounds, to implement the principle of equal treatment.</p> <p>Aims to prevent all acts or omissions of all state and local institutions, natural and legal persons, public and private sector, who violate, violated or may violate the rights of any person or natural and legal entities, amongst others to (i) access to housing, which is available to the public, and the access to other forms of property (movable and immovable) and (ii) fair and equal treatment in court proceedings and all other authorities administering justice.</p>
<p><b>Law on Gender Equality No. 05/L-020 dated 15 June 2015</b></p>	<p>It aims to protect and promote equality between genders as a basic value of the democratic development of society.</p>
<p><b>Law on Spatial Planning No. 04/L-174 dated 19 August 2013</b></p>	<p>Sets out the basic principles of spatial planning, methodology of spatial development and regulations, as well as the responsibilities of administrative bodies at central and local levels for drafting and enforcing spatial planning documents.</p>
<p><b>Law on Construction No. 04/L-110 dated 19 June 2012</b></p>	<p>Regulates the procedure of issuing construction permits, compliance with the construction permit requirements, issuing of occupancy certificates, design, construction, reconstruction, demolition, professional supervision, building inspection</p>
<p><b>Law on the Inspectorate of Environment, Waters, Nature, Spatial Planning and Construction No. 04/L-175 dated 21 October 2013</b></p>	<p>Regulates the principles, organization and inspection supervision, coordination of surveillance inspection, rights, duties, powers of inspectors, rights, obligations and supervision entities, the procedure for performing inspection and other important issues dealing with inspection supervision.</p> <p>Stipulates that inspection supervision and control through urban inspection by implementing this law and other laws related to urbanization and spatial planning is the responsibility of the Inspectorate of spatial and urban planning.</p>

### **3.3. RELEVANT NATIONAL STANDARDS**

No national technical standards are known in Kosovo related to LRP.

According to the expropriation law procedures, the expropriation process goes through the following main stages.

#### **3.3.1. Preparatory works**

Preparatory works are conducted to mark/to stake out the area on parcels where expropriation is planned, with a 20-day prior notification of the owners. The procedures are conducted to determine the suitability of the parcels for expropriation. It may be carried out by the Expropriating body<sup>22</sup> or by any competent institution.<sup>23</sup> Preparatory works should be done with smallest implications possible and in case of eventual impacts, compensation is mandatory.

#### **3.3.2. The start of the expropriation procedure**

Expropriation procedures may be initiated by the MESPI's expropriation authority itself, or by request of a third party concerned, submitted to the MESPI expropriation body. Third parties that may initiate expropriation procedures are: public authorities, public enterprises, a public-private entity and contracting parties to infrastructure-related contracts.

The containing elements and documents to initiate the expropriation procedure are listed in Law on Expropriation and are summarized below:

- Request for expropriation.
- Expropriation Elaborate incl. Asset inventory/Census results
- Valuation of compensation
- Further additional documents as required in bylaws

#### **3.3.3. Issuing the preliminary decision**

Upon fulfilment of the conditions of Article 9 of the Law, the Expropriating body shall issue a preliminary decision on expropriation within 30 days, or even refuse the expropriation request. The preliminary decision on expropriation will be delivered to the parties within the next 5 days. In addition, within 10 days the same was announced in the Official gazette of Kosovo and in the newspaper with the largest edition in the country.

#### **3.3.4. The final decision on expropriation**

The final decision on expropriation or its refusal shall be approved within 12 months from the date of entry into force of the preliminary decision in accordance with Article 10. This

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<sup>22</sup> As per the Law on Expropriation, the expropriation body may be any municipality or the Kosovo Government which is authorized to conduct the expropriation.

<sup>23</sup> As per the Law on Expropriation, competent institutions are institutions, or a third party authorized by public authority.

period may be extended, if there is a complaint against the preliminary decision and the term of this extension is calculated from the date of filing a complaint.

The final decision is announced within 10 days in the Official Gazette of Kosovo and is in the same period submitted to the requesting body.

The final decision is recorded in the cadastre and the transfer of properties to the claimant is done according to this decision in accordance with Article 12 of the law. If the affected owner, according to the expropriation decision, does not accept the compensation provided, the requesting subject is obliged to place the funds in a trust account at the Central Bank of Kosovo.

### **3.3.5. Determination of the real compensation value**

According to the Expropriation law, Compensation shall be made on the basis of property market value, which shall be determined in accordance with the provisions of this law and the adopted sub-legal acts.<sup>24</sup> Compensation includes direct compensation of the damage that can be proved, which is attributed to the expropriated person as a result of the expropriation plus the value of the expropriated immovable property including - if applicable - the accessory parts and its crops.

The amount of compensation for expropriation set out in the final decision is fully paid within two (2) years from the date of the decision's entry into force. If the compensation is not paid within this time, the person who had to accept the compensation may file a complaint with the competent court to request the issuance of an order for revocation or cancellation of this decision.

The provisions are not consistent with ESS5. Reference is made section 3.4 Gap analysis.

### **3.3.6. Cut-off date**

The Expropriation law foresees no compensation of immovable property occurring after any of these two occurrences:

- Date of approval and authorisation of performing the preparatory works on the property e.g. detailed geodetic survey, Reference is made to section 3.3.1 ;
- The date of the initial filing of the expropriation request by which the expropriation of the respective property is required.

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<sup>24</sup> Administrative Instruction MoF – No. 02/2015 on the Approval of Technical Valuation Methods and Criteria for Calculation of the Compensation Amount for the Immovable Property Expropriated, and Damages Relating to Expropriation recognizes three property valuation methods: Comparative selling method, Cost method, and Income method. The cost method valuation methodology, albeit provides indications about the compensation of impacted property at the replacement cost, it does not provide full replacement cost (replacement cost plus the transaction costs) and accounts for depreciation of expropriated properties. None of the property valuation methods envisions in this administrative instruction are consistent with ESS5.

### **3.4. GAP ANALYSIS OF NATIONAL LAW AND RELEVANT STANDARDS**

The following table provides a comparative overview of the Kosovo legal framework on expropriation and World Bank ESS 5: Land Acquisition, Involuntary Resettlement, and Economic Displacement requirements and EBRD PR 5: Land acquisition, involuntary resettlement and economic displacement , together the “IFI requirements” and the actions to be undertaken to bridge any inconsistency of national legislation with these requirements.



**Table 3.2: Gap Analysis Relevant for Expropriation and Proposed Bridging Mechanisms**

Issue	Expropriation Law of Kosovo provisions	IFI's requirement	Measure/Activity to bridge gap
<b>Avoiding or minimising displacement</b>	No provisions on avoiding or minimizing displacement.	Consideration of feasible alternative project designs to avoid or at least minimize physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits.	The Project will enable the consideration of micro realignments in order to avoid land acquisition where possible, in line with the Key Land Acquisition / Compensation Principles set out in the preliminary LRP/LRF.
<b>Resettlement planning and implementation</b>	Requires only an Expropriation Study as the baseline census,  no explicit requirement related to socio-economic surveys  No development of resettlement plans required.	A census and a socio-economic baseline assessment must be carried out to identify the persons who will be displaced and determine who will be eligible for compensation and assistance, and a resettlement action plan must be prepared and implemented.	The Livelihood Restoration Plan contains a census and socio-economic survey and an entitlement matrix.
<b>Negotiated settlements</b>	Does not require or encourage amicable negotiated settlements.	Encourage amicable negotiated settlements to help avoid expropriation and eliminate the need to use governmental authority to remove people forcibly.	Amicable negotiated settlements will be carried out where possible, in line with the Land Acquisition / Compensation Principles set out in the preliminary LRP/LRF.
<b>Compensation eligibility and formality of ownership</b>	Expropriation is undertaken only for immovable property and building structures on private immovable property. The process is applicable only for structures that are legalized or may be legalized under applicable laws in Kosovo on the date of issuance of the final decision on expropriation.	The lack of documentation of ownership does not disqualify from the eligibility for compensation and assistance any contender or pretender holders of property, regardless of their formal status.	Immovable property is to be compensated regardless of formality status.  However, there are no immovable properties present on the project footprint.
<b>Informal land users and entitlements.</b>	Informal land users are not recognised. No provisions for entitlement to this category of persons.	The compensation to be provided for improvements to the land and loss of assets other than land and resettlement assistance provided to informal land users at full replacement cost.  Assistance in accessing replacement land with security of tenure	Informal land users affected by the loss of crops and / or pasture will receive compensation and assistance in line with donors/ International standards

Issue	Expropriation Law of Kosovo provisions	IFI's requirement	Measure/Activity to bridge gap
<b>Provision of compensation at replacement value</b>	Compensation is paid on the basis of the market value of the property.	Compensation to be provided at full replacement cost, usually calculated as the market value of the assets plus the transaction costs related to restoring such assets (registration and transfer taxes).	<p>People affected by permanent loss of land plots will receive compensation at full replacement value.</p> <p>Persons affected by loss of any assets on land will receive compensation at full replacement cost.</p>
<b>Livelihood restoration</b>	<p>No specific guidelines in cases where livelihood restoration is needed.</p> <p>No provisions regarding the consultation regarding the restoration of livelihoods or monitoring.</p> <p>Administrative Instruction MoF, No. 02/2015 covers the loss of net income and increased costs for the expropriated property and considers them as damage (article 14).</p> <p>Loss of net income until restoration of the business at some other location is compensated based on the 6 months net income and is paid for 6 months period. Wages to the affected workers are paid for 6 months period.</p>	<p>Livelihood restoration measures should be implemented to ensure that affected people restore or, if possible, improve their pre-project standards of living, livelihood and employment activities.</p> <p>The measures can be based on land, resources, wages and/or business activities. Compensation will be provided before displacement or imposition of access restrictions.</p> <p>Consultation with affected people is essential to understanding their views on how their livelihoods could be restored.</p>	<p>Consultation with affected businesses and affected persons (e.g., farmers) implemented as part of a second targeted Socio-economic survey undertaken in later stage.</p> <p>Livelihood restoration measures, compensation and monitoring practices set out in the preliminary LRP/LRF.</p>
<b>Cut-off date</b>	<p>Sets out provisions on cut-off date but does not require such date to be well-documented and disseminated throughout the project area.</p> <p>According to national legislation, the cut-off date will be the date the Expropriating Authority publishes the Decision accepting the application for further processing in the Official Gazette and in a newspaper enjoying wide circulation in Kosovo.</p> <p>Compensation will not be paid for the cost or value for any improvements to the property after the date</p>	<p>Individuals who move into the project affected area after the cut-off date will not be eligible for compensation and other types of assistance.</p> <p>Information regarding the cut-off date will be well-documented and disseminated throughout the project area.</p>	<p>The cut-off date will be defined with the starting date of preparatory works (start geodetic survey). Prior to the start of preparatory works the landowners / users have been informed in detail about the project, the socioeconomic survey has been performed and an agreement to perform the geodetic survey has been made with the affected landowners / users.</p> <p>The cut-off-date will be disclosed and disseminated publicly in the media and public</p>

Issue	Expropriation Law of Kosovo provisions	IFI's requirement	Measure/Activity to bridge gap
	<p>on which the decision accepting an application for further processing of expropriation is published in the Official Gazette, or for any changes in the market value of the property, after either the date of adoption of the decision authorizing preparatory activities or the date of the initial submission of the application for expropriation, whichever comes first. The cut-off date applies to formal or recognizable legal rights to property.</p>		<p>meetings in the concerned affected communities, in line with the Land Acquisition / Compensation Principles set out in the preliminary LRP/LRF.</p> <p>Further reference on national legal requirements made to section 3.3.6</p>
<b>Grievance mechanism</b>	<p>Owners or interest holders are entitled to file complaints in various stages of the process (during the assessment of the need for expropriation and the legality of the process and during the defining of the compensation package value) and submit written comments to the expropriating authority during the consultation process, but no requirement for Project-specific grievance mechanism.</p> <p>No informal consultation processes recognized outside the above-described two-stage grievance mechanism.</p>	<p>A project-specific grievance mechanism must be established 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.</p>	<p>A grievance procedure has been set up by the SEP and included in the LRP and will be implemented by the PIU.</p>
<b>Vulnerable individuals and groups</b>	<p>No special measures relating to vulnerable groups.</p>	<p>Particular attention to be paid to vulnerable groups.</p>	<p>Identification of vulnerable persons assessed in the LRP.</p>

#### **4. FRAMEWORK FOR LIVELIHOOD RESTORATION, LAND ACQUISITION AND COMPENSATION MECHANISMS**

##### **4.1. SURVEY OF PROJECT AFFECTED PERSONS AND ASSETS**

The basic principle adhered to in the LRP is that affected persons should be assisted in their efforts to improve their former living standards, income earning capacity, and production levels, or at the very least to restore them to pre-project levels, whereby lack of legal title does not preclude individuals from receiving compensation and/or rehabilitation assistance.

Affected persons are divided into these categories:

- a. Those who have formal legal rights to land or assets as documented by cadastre registry; other formal users who may have legal contracts allowing them to use private or public land (e.g., lease).
- b. Those who do not have any recognizable legal right or claim to the land or assets they occupy or use (e.g., using land without the owner's permission e.g., if the owner lives abroad and is not using the land) or using public land as seasonal resource users e.g., grazers. These affected persons are eligible for measures as described in the EBRD performance requirements PR5.
- c. Vulnerable project affected persons or groups that may result in higher level of impacts than the majority of population and may require additional assistance.

All project affected persons (PAPs) (independent from their legal status) who used the Project footprint before the cut-off date will be considered for compensation, resettlement, or other types of necessary assistance.

Detailed profiles of affected people and assets will be known upon completion of the socio-economic survey and the asset inventory. The following sections outline possible impacts that may be rendered by the project.

##### **4.1.1. Household Members**

By means of the socio-economic survey the experts will scrutinize the situation of all members of affected households in the area impacted by project implementation measures, with regard to their individual economic and social affectedness, their vulnerability and assess any resulting need for special project mitigation, as well as their eligibility for compensation. It is expected that among affected people elderly people, children and single parent families might exist.

##### **4.1.2. Ethnic Background**

The question about a nationality and/or ethnic background is a sensitive socio-political issue. Respondents will be given the opportunity to answer the question in an open-ended format. The PAPs to be surveyed in the socio-economic survey (businesses, building owners, homeowners, tenants, farmers) are free to declare their ethnicity by themselves.

#### 4.1.3. **Agricultural Production**

The survey will consider the land used for agricultural production and affected by the project. The agricultural production will further estimate the agricultural production. During the survey, data on crops in seasonal periods will be registered.

#### 4.1.4. **Perceived Losses**

The interviewed persons will be asked to rank each potential type of loss caused by the Project on a scale of 1-3 according to its importance, with 1 being most important: loss of customers, obstruction of business due to construction activities, damage of equipment and other impacts. The respondent's records will be noted and classified.

Previous experiences showed that the most significant impact was temporary disturbance to their working hours during the construction phase due to dust and noise from construction activities. Additionally, during previous targeted Socioeconomic surveys, were raised concerns regarding the loss of access to their businesses during the operation phase of the newly implemented infrastructure.

*Consultants' opinion on impacts deriving form component 1 and 2:*

*No permanent losses of businesses are expected due to any expropriation from this project.*

#### 4.1.5. **Businesses**

Some businesses (formal and informal) are expected to be subject to partial land expropriation. Businesses close to roads might be subject to construction phase impact.

The survey will define potentially affected PAPs and provide an overview of expected impacts. This information will be indicative information only, as official validation by the authorities will be carried out in line with the Expropriation Law and entitlements outlined in this LRP.

Table 4.1 provides an example of a breakdown of the expected land expropriation to businesses per PAP category (formal/informal), while Table 4.2 provides information on the scale and type of the business impacts.

**Table 4.1: Overview of Project Impacts Related to Land Acquisition**

<b>Business owners' category</b>	<b>Number of PAPs</b>	<b>Area of land to be taken (m<sup>2</sup>)</b>
<b>Component 1</b>		
Persons without formal claim to land ownership and not registered in official expropriation documents	min. 2	min. 23 ha
<b>Component 2</b>		
Persons with formal claim to land ownership	t.b.d.	t.b.d.

Business owners' category	Number of PAPs	Area of land to be taken (m <sup>2</sup> )
Persons with missing proof of ownership, but registered in official expropriation documents	t.b.d.	t.b.d.
Persons without formal claim to land ownership and not registered in official expropriation documents	t.b.d.	t.b.d.

If informal land users cannot provide proof of ownership, they will have a claim to entitlement in line with the entitlement matrix outlined in Table 4.6 below.

**Table 4.2: Overview of Project-related Impacts on Affected Businesses**

Scale and type of the impacts	Project phase		Category
	Construction	Operation	
Partial impacts to the business (i.e., impacts to structures, impacts to access, impacts to parking) but the business remains viable	Y	Y	Business and building owners / Business owners
	Y	-	Employees
Loss of tenants and loss of net income from tenants	Y	Y	Building owners who own the land / who do not own the land where the business operates (leased building)
Business no longer viable (i.e., the main buildings are impacted, or access is so severely restricted that the business can no longer operate profitably at the location)	Y	Y	
	Y	-	Employees

Typically, respondents to questionnaires or interviews do not disclose their monthly net income. In such cases official sources of information shall be used for the calculation of income loss. Official sources to be approached are the salary structures defined by the Kosovo Economic Fiscal Council, which has set the minimum wage in Kosovo salary and the net income extracted from the Tax Administration of Kosovo (previous year's fiscal period). The higher of these two (minimum wage and net income extracted from the Tax Administration) will be applied.

The compensation will be paid for affected structures, temporary loss of net income and wages to workers during temporary disruption due to the construction phase, if any.

Temporarily impact on businesses (loss of access, dusting, etc.) through construction works shall be mitigated through measures such as:

- wetting of surfaces to prevent dusting
- maintain access to businesses at all times and limit the loss of access only to non-working hours
- the adequate organisation of the construction site to maintain access to businesses
- monitor the implementation of suggested measures.

No livelihood restoration measures are applicable during the operation phase since the affected businesses are expected to continue their activities.

Consultants' opinion on impacts deriving from component 1 and 2:

It is not expected that permanent structures of formal/informal PAPs will be impacted by land expropriation, apart from, e.g., parts of parking lots or temporary storage/display areas in front of the businesses.

As for Component 2, it is not expected that the Project will cause a permanent net income loss for commercial activities as no businesses are expected to close or relocate due to Project implementation.

As for Component 1, the business of two preliminary identified farmers is affected. Reference is made to section 5.1.3.

#### **4.1.6. Vulnerability**

##### **4.1.6.1. Vulnerable Persons or groups**

Vulnerable persons ("the Vulnerable") are defined in EBRD's Performance Requirement 5 as those 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..."<sup>25</sup>

The EBRD Performance Standards and WB ESS require that particular attention be paid to the needs of the poor and vulnerable in project planning. Project proponents are expected to identify individuals and groups whose welfare may be differentially or disproportionately diminished by the project because of their disadvantaged or vulnerable status; and where such groups are identified, propose and implement measures to mitigate adverse impacts on these groups.

Vulnerability may be either **pre-existing** (present in a project area prior to the start of project activities) or **project-induced** (a result of project activities). It is the Project's clear responsibility to attempt to avoid or address any instances of project-induced vulnerability.

As regards Component 1 – project site, the preliminary interviews with two farmers will be extended by the socioeconomic survey identifying any vulnerability in general or vulnerable groups.

As regards Component 2 – pipeline corridors and new DH supply area, the survey will be attentive to any vulnerability in general or vulnerable groups.

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<sup>25</sup> European Bank for Reconstruction and Development, Environmental and Social Policy, p. 36, footnote 14.

[https://www.ebrd.com/downloads/about/sustainability/ESP\\_PR05\\_Eng.pdf](https://www.ebrd.com/downloads/about/sustainability/ESP_PR05_Eng.pdf)

A similar definition of Vulnerable (or disadvantaged) can be found in The World Bank's E&S Framework (2017), p. 4, Footnote 11, <https://thedocs.worldbank.org/en/doc/837721522762050108-0290022018/original/ESFFramework.pdf>

As land acquisition may present a high risk of creating a project-induced vulnerability, the project will implement a Vulnerables Support Program, which will be continuously updated to reflect the characteristics of emerging vulnerability among displaced households.

Details of the Vulnerable Support Program will be tailored following data obtained regarding the profile of project affected persons.

#### **4.1.6.2. Vulnerables Support Program**

The overall goal of the Vulnerables Support Program is to identify, assess, support, and provide remedial assistance and follow-up for project affected people experiencing transitional hardship as a result of direct Project impacts. Specifically, the Vulnerable Support Program will identify project affected people who meet the vulnerability criteria and help as necessary to ensure that all displaced people can cope with the land acquisition impacts and share equally in Project benefits.

There are three main components:

- Identify, monitor, and follow-up vulnerable persons to observe their evolution in comparison to other households and inform the development of intervention policies.
- Facilitate access to the land acquisition process for vulnerable people to enhance their participation and support their understanding of discussions, policies, entitlements and rights.
- Provide additional support to facilitate the transition impacted by land acquisition or land use restrictions, but also post-land acquisition phase with specific support for livelihoods restoration.

#### **4.1.6.3. Vulnerables identification process**

The project proponent will conduct a high-level vulnerability risk assessment of individual Project Affected Households during the LRP implementation. This assessment will be made using general vulnerability indicators and the baseline socio-economic data collected.

Identified risks are expected to be related to pre-existing vulnerability (resulting from existing socio-economic dynamics or household conditions). Specifically, vulnerable groups in the area of influence may include households with chronically ill members or persons with disabilities, and widows and widowers not living with adult children. Other groups may arise as a result of the identification process.

#### **4.1.6.4. Vulnerable Support Service Plan**

For any household identified as vulnerable, a service delivery plan will be prepared that clearly outlines the nature of any supplementary assistance, duration and monitoring procedures. The Vulnerable Support Program will require regular visits to the vulnerable person and their household to deliver the supplementary assistance outlined in the plan.



Implementation of the Vulnerable Support Plan will also include monitoring, evaluation and reporting of vulnerability issues during the post-project implementation phase. Vulnerability indicators for individual households – and the community as a whole – will be tracked for changes against the baseline socio-economic data.

#### 4.2. LAND ACQUISITION PROCESS – FROM CENSUS TILL REINSTATEMENT OF LAND

Permanently acquired land is foreseen only for Component 1 - the project site, where the solar plant and the seasonal storage pit (both, the main facilities) are located. This area is publicly owned land. Two informal farmers were identified as land users.

Impacts related to component 1 and related mitigation measures are discussed in section 0.

The process of land acquisition and livelihood restoration for component 1 has been initiated in March 2022 and is not finished.

The requirement for additional permanent land acquisition, e.g., for the construction of auxiliary facilities or deposit areas is at the time of preparation of this preliminary LRP/LRF not known but might be necessary. The detailed project design foreseen at a later project stage will enable the detailed identification of project related land impacts.

For Component 2 - pipeline corridors servitudes with long-term land use restrictions are required. The impact on the livelihood of landowners/users and/or businesses needs to be assessed. It is expected that impact on livelihood is only temporary throughout the construction period.

For Component 2 – new DH supply area in Prishtina no information about the specific location is available. It is not expected that permanent land acquisition or servitudes are required. It can be assumed that businesses might be temporarily affected during the construction works.

Impacts related to component 2 and related mitigation measures are discussed in section 0.

For Component 1 and 2 land acquisitions and related compensation mechanisms will be subject to the IFI Requirements.

**Table 4.3: Land acquisition estimate (area)**

Parameter	Component 1: Project site	Component 2: Pipeline corridors	Component 2: New DH supply area in Prishtina
Land acquisition (permanent)	≈250.000 m <sup>2</sup>	≈ 50 m <sup>2</sup> (for on ground substation at Corridor A)	none
Land acquisition (servitudes)	<i>none</i>	≈195.000 m <sup>2</sup> <i>consisting of:</i> <i>Pipeline A 4.600m at 33m width</i> <i>Pipeline B 148 m at 33m width</i>	none

The final owner of all project facilities will be Termokos. In this regard, all the procedures of the required land acquisition process are carried out by the Prime Minister's/MESPI (expropriation authority) on behalf of Termokos.

Termokos commits that IFI requirements are met by addressing the gaps between the national legislation and EBRD PR 5 / WB ESS 5.

The figure and table below describe the steps to be performed by Termokos to ensure compliance with IFI requirements.

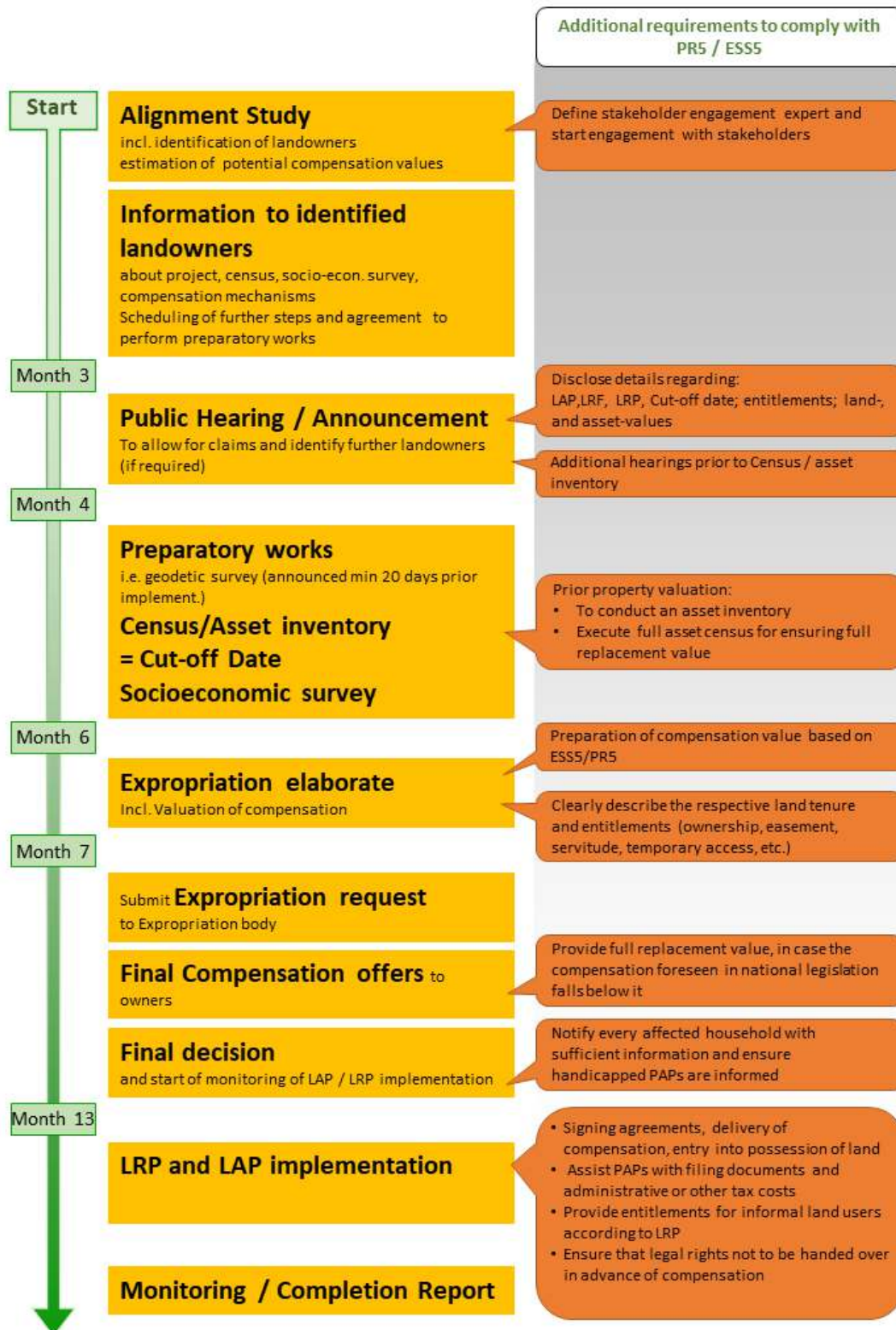


Figure 4.1 Basic steps and measures for land acquisition in Kosovo and lenders requirements

**Table 4.4: Steps and additional measures for land acquisition procedure**

Aspect	Responsibility and timeframe	Additional Measures and Assistance performed by Termokos in Accordance with PR 5.
Request to initiate expropriation procedure	Termokos	n.a.
Accepting a request for expropriation.	Prime Minister's Office/MESPI	n.a.
Completing the expropriation elaborate and submit it to the evaluation entity.	Termokos	n.a.
Submission of the request and documents to the stakeholders involved in the process.	<p>Termokos</p> <p>The request for expropriation and the accompanying documents is delivered to the government-level stakeholders for consultation purposes.</p> <p>Within 10 days, stakeholders are invited to provide comments to the expropriation body. All stakeholders involved during this stage, will be summoned to participate in a public hearing.</p>	n.a.
Holding the public hearing.	<p>MESPI/Termokos</p> <p>Public hearing including government-level stakeholders and affected households / communities is held by the expropriation body within 15 days after receiving comments from parties involved in the process.</p>	<p>During the public discussions, disclose details regarding the project implementation and land acquisition process. Details stemming from the LRF and LRP, including the Cut-off date, entitlements, land, and asset values, etc. must be presented and disclosed.</p> <p>Additional public hearings will be performed by Termokos prior to the Census and Asset Inventory, to comply with PR 5.</p>
Issuing the preliminary decision.	MESPI/Mass media publication (newspaper)	n.a.

Aspect	Responsibility and timeframe	Additional Measures and Assistance performed by Termokos in Accordance with PR 5.
<p>A commission for valuating a property impacted by the expropriation/servitude.</p>	<p>This commission should be established by the Directory of property tax in the Ministry of Finance. This commission valuates property and assets involved in the expropriation/servitude procedure. The valuation methodology is based on the Kosovo legislation, respectively Administrative Instruction No. 02/2015. During this process, the commission will carry out the asset inventory, which will be the basis for the compensation benefits.</p>	<p>Before property valuation, it is necessary to conduct an asset inventory for every affected parcel in order to identify every possible asset eligible to compensation.</p> <p>Termokos to engage with stakeholders and define a responsible entity to conduct this activity.</p> <p>In order to meet the full replacement value requirement of PR 5, Termokos will need to organize the asset census of the impacted land.</p> <p>The date of this census shall be the project cut-off date for compensation eligibility.</p> <p>In case compensation provided under national legislation falls below the full replacement value, Termokos will ensure PR 5 is met.</p>
<p>Issuing the final decision.</p>	<p>MESPI</p>	<p>The expropriation final decision will clearly describe the respective land tenure and entitlements (ownership, easement, servitude, temporary access, and so forth)</p>
<p>An announcement in the Official Newspaper of Kosovo and daily newspaper.</p>	<p>MESPI/Termokos</p>	<p>Parallel with the announcement of the final decision in an official newspaper and daily newspaper, Expropriation Body notifies every affected household of the final decision extracted content. Additional outreach and stakeholder engagement will be conducted by Termokos, to ensure those PAPs with limited access to formal means of communication receive detailed information from the final decision. The notification will include a brief description of the restricted rights of each specific property, entitlements for different categories of affected households, and the compensation value divided into sections (servitude, expropriation, restrictions to land use, etc.).</p>

Aspect	Responsibility and timeframe	Additional Measures and Assistance performed by Termokos in Accordance with PR 5.
Disbursement of compensation benefits.	Termokos	<p>After the final decision, every PAP listed in the final decision as eligible for compensation should provide documentation required by national legislation to the Expropriation Body in order to receive full compensation. In this situation, Termokos will financially indemnify all PAPs in specific cases where the preparation of documents needed for compensation requires administrative or other tax expenses (notary, Municipal Cadastral Office, and alike).</p> <p>Supporting these categories of PAPs in receiving compensation value meets the minimum criteria cited by PR 5, classified as transaction costs.</p> <p>For any informal users of land, which would usually have no rights under national legislation, Termokos will provide entitlements in line with the LRP.</p>
Entry in possession of impacted land.	Termokos	As per PR5, any land entry by the project proponent or other stakeholders should occur only upon hand over of compensation.

As described in the rightmost column of table above, Termokos will implement the additional measures to comply with PR5.

These measures and assistance activities are described in more detail in the following sub sections.

#### **4.2.1. Census and asset inventory**

The census and asset inventory will be conducted by Termokos, in order to comply with the lenders’ requirements. The implementation is related to the design phase when the pipeline corridors are defined.

Termokos must assure that all procedures as outlined before are set up and that sufficient resources for implementing the activity are made available.

The census date establishes the cut-off date for recording people who are eligible for compensation for lost assets, as well as resettlement and further assistance.

The expropriation elaborate, developed by the commission for valuation of properties, subject to expropriation procedures, does not conduct the census and asset inventory.

The commission only calculates compensation based on the methods as per Administrative Instruction 02/2015.<sup>26</sup>

Termokos will ensure that a team with expertise regarding census and asset inventory procedures, will visit every affected parcel to conduct the process with every PAP. At the end of the process, information and asset inventories are delivered to compensation experts in order to calculate the compensation for each affected parcel, including impacted property, asset, crop or any other improvements to the land identified during the asset inventory.

Termokos will announce the cut-off date in local printed and electronic media, as well as on the website of Termokos and websites of affected municipalities. Furthermore, the same announcement will be made available to the public in the form of a leaflet displayed prominently in the affected municipalities and areas as well as on local bulletin boards.

#### **4.2.2. Additional compensation calculation**

This step will be carried out for those cases where it is identified that the compensation value as per Kosovo expropriation legislation is lower than the compensation value that should be paid in meeting full replacement value and for all the assets that are not evaluated/compensated by the expropriation, in line with PR5.

The additional compensation will be calculated by licensed valuers or equivalent experts in line with the entitlement matrix and the assets inventory prepared by Termokos. The new compensation calculation sheet and new financial offer will be prepared as per additional compensation for all the identified PAPs/cases.

Reference is made to the description of the compensation framework in section 4.3.

#### **4.2.3. Negotiation of additional compensation and other assistance**

Once the additional compensation as per PR5 is calculated by compensation expert, PAPs will be notified about the compensation benefits and any other assistance. The notification form will be prepared in local language.

The financial offer will include all relevant information for compensation value as per the expropriation legal framework and additional compensation calculation, timeline to apply for compensation, description of other assistance and contact information for grievance.

Following distribution of the compensation benefits to all PAPs, each PAP will be contacted personally by Termokos and presented with the details regarding the compensation schedule. Termokos will be available to respond to PAPs queries, comments or questions regarding the compensation schedule and to negotiate the compensation offer.

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<sup>26</sup> Ministry of Finance. ADMINISTRATIVE INSTRUCTION MoF – NO. 02/2015 ON THE APPROVAL OF TECHNICAL VALUATION METHODS AND CRITERIA FOR CALCULATION OF THE COMPENSATION AMOUNT FOR THE IMMOVABLE PROPERTY EXPROPRIATED, AND DAMAGES RELATING TO EXPROPRIATION.

In case no agreement can be found grievance management team set up by Termokos should get involved until a final decision is reached.

Termokos will undertake all efforts to provide special assistance and support to vulnerable groups.

Reference is made to the description of the compensation framework in section 4.3.

#### **4.2.4. Supporting PAPs in securing legal and administrative documents**

Termokos will provide support to all PAPs in securing the legal required documents for signing contracts for full compensation benefits, either calculated in line with the expropriation legal framework and/or additional compensation benefits as per the PR5.

#### **4.2.5. Contract preparation and signing off**

An individual documentation must be prepared for each PAP, which contains all legal and other documents regarding the impacted land.

Upon delivering required legal documents, the process will continue with contract preparation. Termokos will prepare the new contracts for compensation benefits for all the identified cases/PAPs and actively support the signing procedures.

#### **4.2.6. Land entry**

After the completion of land acquisition, land entry and staking out process will take place. Every single PAP will be informed by direct contact or by phone (in specific cases where it was impossible to direct contact) prior to the beginning of construction phase.

This notification will be given at least 2 (two) weeks in advance of construction start in respective parcel. This will give the landowner the time to vacate the land in order to allow the construction activities to take place.

For land which will be used temporarily for construction a Land Entry and Land Exit procedure will be developed by the Termokos. The procedure will include forms to be completed prior to entry to each land parcel and upon exit. The procedure will include confirmation that all land entry conditions per the LRP have been completed, including stakeholder engagement, payment of compensation has been completed, confirmation of any site-specific usage conditions, and upon exit, reinstatement in accordance with the LRP, post assessment of damages and completion verification.

Also, during land entry, the owner will be informed about the land use limitations during the project implementation and restrictions on the easement zone.

#### **4.2.7. Reinstatement of impacted land**

Upon completion of construction works and reinstatement of impacted land an inspection of all land that was used during the construction period will be performed.



The aim of this inspection is to ensure that the land has been reinstated in line with the contract and land entry protocol. During the inspection, the landowner/user will also be provided with all required information in respect of permissible and restricted activities on the land, both in writing and verbally, and contact details of the project monitoring and facility operations department.

A land exit protocol will be signed by Termokos and the affected landowner or land user. 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 a potentially unsatisfactory reinstatement will be managed through the grievance management mechanism.

### 4.3. COMPENSATION FRAMEWORK

#### 4.3.1. Key Compensation / Assistance principles

The following principles of land acquisition and compensation need to be committed upon by the Project Proponent, and should be adhered to during Project implementation:

- **Land acquisition** will comply with the Law on Expropriation of Immovable Property in Kosovo, the KfW Environmental and Social Policy and its WB ESS 5 (Land Acquisition, Involuntary Resettlement and Economic Displacement), EBRD PR5 (Land Acquisition, Involuntary Resettlement and Economic Displacement), the LRP findings and good international practice. The Project will enable the consideration of micro-realignments to avoid land acquisition where possible.
- **All affected persons will be informed** and consulted during Project preparation and implementation. All owners, occupants and users will be visited and explained the land acquisition process and the specific impacts on their land to allow micro re-alignments to be made to reduce potential impacts and inconveniences.
- **Negotiated settlements will be carried out** where possible to help eliminate the need to use governmental authority to remove people forcibly.
- The detailed **LRP and LAP is in compliance with the Sustainability Guidelines of the KfW** and will be subject to public consultation.

Any information/data on affected properties and persons in the LRP will be treated as confidential information. It will not be publicly disclosed by the Ministry, any Municipality and/or KfW. The LRP is based on reliable, up-to-date information and includes basic information about the Project, Project impacts, affected people and assets, entitlements for all categories of affected people, as well as any legal issues relating to resettlement or any gaps between the Kosovo legislation and Sustainability Guidelines of the KfW<sup>27</sup> Development Bank.

The baseline socio-economic survey and census for the LRP will identify formal

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<sup>27</sup> The LAP containing confidential information/data will be named "for internal use only", and a second version of LAP named "public version" will not contain such information/data.

land/property users. If an ownership claim disclosed during the census does not match that provided in official expropriation documents and the person is unable to produce proof of ownership, this person will still have the right to entitlement as outlined in Table 4.6 of this document.

- **The cut-off date** shall be the date of the completion of the census and of asset inventory which will be published by Termokos in a local newspaper notifying all owners and users of the commencement of expropriation process, the cut-off date and contact persons who can be approached by affected persons for further information.

The cut-off date shall also be published on bulletin boards in local communities and municipalities, as well as at consultative meetings with supporting explanation.

All owners, occupants and users of affected land at the time of the cut-off date, whether with or without fully recognized ownership rights, are eligible for compensation and/or assistance, as outlined in the Entitlements Matrix (Table 4.6). Persons who have settled in the project area after the cut-off date will not be eligible for compensation, but they will be notified of this in a timely manner, and they will be requested to leave the area and to dismantle potential structures before the project implementation. Materials from their dismantled structures will not be seized and they will not be fined and imposed any sanctions.

- **Temporary land occupation for construction purposes will be compensated per** the Law on Expropriation of Immovable Property, as stipulated in the Entitlements Matrix (Table 4.2).
- **Standards of living** and/or livelihoods of affected persons will be restored and potentially improved, in as short a period as possible.
- **Official valuation of properties/improvements to land** will be carried out by designated certified valuers from the Office for Valuation of Immovable Property (Department of Property Tax within the Ministry of Finance) or by selected certified valuers based on a public procurement procedure.
- **Compensation** will be provided before land acquisition, respectively before the expropriation beneficiary gains access to the land. Issues related to payment of cash compensation will be discussed and agreed upon with owners and all affected members of households.

Cash compensation will be paid in full to the bank accounts specified by the owners, with the agreement of all affected household members. In cases where there is more than one owner of the property (i.e., co-ownership of married couples), compensation amounts will be divided and paid to the bank accounts they specify.

- **Project Affected People and communities will be provided with information and consulted** to facilitate their early and informed participation in the decision-making process related to land acquisition.
- **Access to information and assistance for vulnerable persons/households** will be facilitated by Termokos according to their specific needs, based on case-by-case

screening to be carried out with support from the Office for Valuation of Immovable Property (within the Ministry of Finance) and relevant Municipal social departments<sup>28</sup>.

- An **effective grievance mechanism** will be in place for receiving and addressing in a timely fashion specific concerns about compensation and relocation raised by displaced persons.
- Termokos **will monitor the implementation of the land acquisition process**, both through internal, official institutional arrangements and through an independent, external monitor. The PIU will also encourage other institutions, international organisations, and local LCOs to be involved in monitoring the process.

#### **4.3.2. Compensation planning process**

The compensation planning process involves the following tasks:

- Establishment of eligibility criteria for each type of impacted asset or activity.
- Establishment of cash compensation rates to compensate for specific impacts to eligible households, including land and crop compensation rates.
- Design of complementary compensation initiatives to further mitigate against the risks of livelihoods, including livelihoods restoration initiatives and vulnerable people assistance measures.

#### **4.3.3. Livelihoods Restoration**

Livelihood restoration is a critical component of land acquisition planning and implementation and in fact is the ultimate measure of the success or failure of such projects.

A project proponent's ability to demonstrate that it has implemented measures aimed at maintaining and/or improving the livelihoods of the affected population with respect to their baseline conditions prior to the land acquisition is critical for compliance with International Resettlement Standards. Livelihoods, in this context, are understood as activities, resources or means that an affected household uses to make a living.

Implementation of livelihood restoration support activities must begin as soon as impacted project land is identified and land acquisition process is initiated and must continue until project affected people have been provided with adequate opportunity and assistance to sustainably restore their livelihoods.

The measures outlined in this Livelihoods Restoration Program are designed to mitigate the project's impacts on the livelihoods of project affected people, and allow people, at a minimum, to sustain the same quality of life as before the land acquisition process began.

The Livelihoods Restoration Program (LRP) aims to complement the support provided to individuals and households affected by land acquisition. The LRP will be implemented for

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<sup>28</sup> An indicative list of activities includes individual meetings to explain eligibility criteria and entitlements, payment process (i.e., making sure that compensation documents and payment process are well understood), assistance in the post payment period to secure the compensation money and reduce risks of misuse or robbery.

a total period of two years following land acquisition, a period considered sufficient for livelihood restoration in the context of this Project. The Program offers targeted support and training to facilitate the PAPs with relevant skills applicable across a variety of sectors, thereby becoming more resilient in the face of economic challenge.

The specific objectives of the Program include the following:

- Support Project Affected People and Households in overcoming the disruption generated by resettlement and promote an inclusive community,
- Maintain and/or improve the quality of life of impacted households by building capacity in the management, operation and maintenance of replacement assets (land or infrastructure),
- Provide technical assistance and support the development of technical and vocational capacities such that Project Affected People and Households can manage their resources and secure their livelihoods through production, trade or employment.

#### **4.3.4. Planned Livelihood Programs**

The Livelihoods Restoration Program establishes a framework for targeted interventions that are designed to specifically mitigate project impacts and restore livelihoods. Overall, the LRP includes four distinct programs. Estimated costs of these programs are presented in the table.

**Table 4.5: Livelihood Restoration Costs**

<b>Livelihood Program</b>	<b>Expected Result</b>	<b>Program Description</b>	<b>Time Frame</b>	<b>Estimated cost</b>
<b>Trainings in agriculture</b>	Agricultural training will provide interested farmers with enhanced capacity to intensify agricultural activities and increase productivity	An agronomist, hired by the Project, will develop a training course for interested farmers. The Project will provide agricultural inputs to intensify farming activities to farmers that have completed training and that are eligible.	The program will be offered over a two-year period.	6,000 Euro
<b>Urban Garden Restoration</b>	Agricultural training will provide interested PAP with enhanced capacity to grow basic crops for family consumption.	An agronomist, hired by the Project, will develop a short training course for interested PAP. The Project will provide agricultural inputs to commence farming activities to PAPs that have completed training and that are eligible.	The program will be offered over a two-year period.	4,000 Euro
<b>Dairy farming</b>	Training in dairy farming will provide interested farmers with skills to diversify, grow and improve operations to produce dairy products	Training in farming will enhance the skills and abilities of farmers to intensify, improve quantity and quality of dairy products. The dairy products are based on market demand and through on-going evaluation of opportunities	Farmers will be eligible for training and support over a two-year period	8,000 Euro
<b>Small and Medium Enterprise Support</b>	The training and technical assistance will support participating farmers to improve management and financial operations	The program will offer technical support in assessing and enhancing businesses post project implementation. In addition, farm owners will be supported to attain income replacement support for 6 months after being disallowed to access project related land.	Program will offer support for up to six months.	2,000 Euro

The following section describes four livelihood restoration programs for different PAPs. Each program is described in terms of the impacts, eligible PAPs to benefit from the program, what are the anticipated results and a description of the program.

The programs are applicable for project Component 1 and project Component 2.

#### **4.3.4.1. Program 1: Trainings in agriculture**

**Impact:** Land acquisition for the project needs will restrict farmers to continue operations of their established farming production abilities. Land acquisition will have a negative effect on their securing incomes for their households.

**Eligibility:** One or more members of each eligible household or enterprise will participate in agriculture trainings following an assessment of their skills.

**Expected result:** Agricultural training will enhance farmers' knowledge and abilities to intensify agriculture activities and increase productivity.

**Program description:** An agronomist, hired by the Project, will develop a training course for eligible and interested farmers. The Project will provide agricultural inputs to intensify farming activities to farmers that have completed the training. It is expected that the project will assist two identified farmers that have cultivated the land in the project footprint for over 10 years. Other eligible and interested farmers may benefit from this program should they be able to, i) provide proof, through legal rights or claims to the land, regarding extensive agricultural activities in the project footprint, and ii) restrictions to use the land may substantially impact their farming activities.

#### **4.3.4.2. Program 2: Urban Garden Restoration**

**Impact:** Impacts to the land may potentially restrict any family gardens established in the area generally for self-consumption purposes. This can have a negative effect on food security for households.

**Eligibility:** All interested PAP can access the agricultural training component of the LRP. However, the provision of agricultural inputs will be contingent on completion of a training program or having visibly demonstrated agricultural activities prior to the cut-off date. In addition, inputs provided will differ based on size of the impacted land.

**Expected result:** PAP will be better equipped to grow key crops for family consumption in urban gardens.

**Justification:** According to the site visits, a few households have small scale family gardens with vegetables and fruits for self-consumption.

**Program description:** An agronomist, hired by the Project, will develop a short training course providing interested PAPs with in-depth material on managing soil and improved techniques for family gardens. If PAP are eligible (i.e., their parcels have been impacted by the project and they have interest in developing their urban gardens) for agricultural

inputs (e.g., seeds) and have completed the training, the project will provide adequate inputs to commence or intensify farming activities.

The agronomist, under the supervision of the PIU, will follow up with each participating household once every six months for a two-year period to provide technical assistance.

#### **4.3.4.3. Program 3: Dairy farming**

**Impact:** Impacts to the land will restrict farmers' opportunities in the area to continue farming operations at the pre-land acquisition level. Restrictions to land access will have a negative effect on food security for households.

**Eligibility:** PAPs who have proof of dairy farming activities can access this training component. The provision of in-kind or financial support will be contingent on completion of a training program or having visibly demonstrated dairy farming activities prior to the cut-off date. In addition, inputs provided will differ based on the scope of the project impacts.

**Expected result:** PAP will be provided with skills to diversify, grow and improve operations to process dairy products.

**Justification:** According to the site visits, a few households have low to medium scale dairy processing that complete the production chain of farming activities.

**Program description:** Training in farming will enhance the skills and abilities of farmers to intensify and improve quantity and quality of dairy products. The dairy processing activities are based on the market demand and through on-going evaluation of the enterprise and local market opportunities.

It is expected that the project will assist two identified farmers with existing dairy processing activities, which shall be impacted by project land acquisition. Other eligible and interested PAPs may benefit from this program should they be able to provide household or enterprise proof regarding dairy processing activities and that the project land acquisition may substantially impact their dairy processing operations.

#### **4.3.4.4. Program 4: Small and Medium Enterprise (SME) Support**

**Impact:** Land acquisition can impact small and medium size enterprises limiting their access to markets and critical inputs such as land. Deprived of essential support, business owners can face significant challenges to restore their activities in light of restricted access to the land.

**Eligibility:** The SME Support program will be available for households who owned and operated a SME prior to the cut-off date, following the detailed census survey. Training and support will not exceed six months.

**Expected result:** Eligible business owners have been able to restore their business operations to levels pre-land acquisition or if not possible have identified alternative livelihood strategies.

**Justification:** According to field visits, a limited number of PAP have small or medium enterprises which may be affected by land acquisition. These enterprises represented an

important livelihood for those PAP and thus need to receive support to adjust operations in response to restricted access to the land.

**Program description:** The program will provide different types of support depending on the specific needs of the business as assessed by PIU team. These include:

- Technical assessment of the existing business and market analysis to determine business viability and input requirements,
- In-kind or cash support to obtain access to inputs such as land (land rental allowance, access to replacement land),
- Income replacement for registered income (as documented by proof for recorded sales or generated incomes) for six months after restrictions to access the land takes place,
- Technical assistance to business owners through bi-annual visits to business for a two-year period.

#### **4.3.5. Valuation Methodology**

Cash compensation rates for the various impacted assets are to provide Project Affected People with compensation equal to or greater than replacement value.

##### **4.3.5.1. Rates for Structures**

Based on the information of the feasibility study, there will be no impacts to any structure. Should there be any impacts to the structures, the calculation rate for impacted structure must be performed by a licensed valuator from Kosovo, adhering to the full replacement cost methodology.

##### **4.3.5.2. Rates for Land**

Rates for land impact compensation must be calculated by a licensed valuator, based on the Kosovo national legislation and International Resettlement Standards. Temporary impacted land will be used under the premises of servitude, allowing the project constructions to be completed and potential reparation and technical interventions that may arise in the future.

##### **4.3.5.3. Rates for Crops and Trees**

Following a full agricultural assets valuation survey, the methodology for compensation must be prepared by a registered valuer of agricultural assets. This report should outline the methodology and rates for cash compensation for all crops and trees registered in the project footprint during the asset inventory.

#### **4.3.6. Calculation of Compensation**

##### **4.3.6.1. Loss of Land**

The Livelihood Restoration Plan provides an overview of the entitlements to Project Affected People that will be impacted by the project footprint, which includes approximately 25 hectares of land for the construction of solar collectors, seasonal pit storage, absorption heat pump, and auxiliary equipment. Project footprint will be finalized in following phases of project implementation, by defining the location and technical details of the project associated facilities. The construction location of the solar



collectors is planned in a municipal-owned land, whereas the construction of the connector and feeder pipelines will likely entail land-use restrictions. The municipal land in New Shkabaj has been cultivated by local farmers. The definition of footprint of the pipeline construction will allow detailed screening of the impacted PAPs. The proposal for entitlements for this livelihood restoration plan is informed based on the collected information and profile of interviewed farmers in New Shkabaj.

The cadastral data for the municipal owned land in Obiliq shows that it is designated as agricultural land. For the connector and feeder pipeline, the ownership of land shall be determined by the possession of legal title rights, recognition in the geodetic survey, or possession of recognized proof of transaction for the specific land parcel. Informal land users must also provide suitable proof of their adherence, e.g., by indirect proves or sworn statements of a guarantor/independent body/local representatives.

In order to receive compensation payments, eligible households must be able to sign-off and satisfy legal procedures regarding land use restriction agreements with the project proponent. The project proponent will support in any kind of administrative procedure.

#### **4.3.6.2. Partially Impacted Land**

The municipal-owned land in New Shkabaj where the solar collectors will be placed will be fully impacted during the lifespan of the project. The parcels where the construction of connectors and feeder pipelines will be planned will be partially affected. Compensation for partially affected land will be made based on the extent that the land use restrictions will be imposed. Project detailed design will ensure to avoid impacting parcels that will restrict any kind of access, and the diminishing the opportunities that the impacted parcel will no longer be viable for the use to which it was previously put.

#### **4.3.6.3. Agricultural Land**

Agricultural lands in the Project Footprint are owned by the municipality or private individuals. Registered and recognized owners of affected agricultural land in the Project Footprint are entitled to cash compensation equivalent to the scope of the land use restrictions. Cash compensation shall be paid for the total area of the impacted agricultural land plot held by the landowner. Should the project require access to the land that go beyond the footprint of the connectors and feeder pipelines, adequate compensation shall be provided to the landowners or interest holders.

Where landowners or interest holders are involved in productive land-based livelihoods (in the subject project this involves principally subsistence and commercial agriculture) the project proponent is also committed to provide these households with support to restore or improve livelihood activities. All Project Affected Households are eligible to participate in the proposed Project's Livelihood Restoration Program.

#### **4.3.6.4. Construction Land**

Project Footprint may have an impact on construction land. Cadastral data show that construction land in the zone is held privately by individuals or groups of individuals.

Registered and recognized owners of affected construction land in the Project Footprint are entitled to cash compensation equivalent to the scope of the land use restrictions.

Should the project require access to the land that go beyond the footprint of the associated facilities, adequate compensation shall be provided to the landowners. Livelihoods support will also be provided to all affected households that own construction land.

#### **4.3.6.5. Public Land**

Public land in the project is affected by component 1 and 2. These lands are held by Obiliq (Comp 1) and Prishtina (Comp 2) municipal authorities, respectively for Component 1 by the Government of the Republic of Kosovo according to agreements from 23<sup>rd</sup> of March 2022. The compensation framework underlies the administrative laws of Kosovo and will be settled in formal agreements, defining rights and duties of the involved parties.

The project proponent will support the two municipal authorities to conclude a Memorandum of Understanding, which will be compiled in line with the Kosovo legal framework and in line with the responsibilities in land ownership and land use of the municipal authorities.

#### **4.3.6.6. Residential and Non-Residential Structures**

As per the project information, no structure used for residential purposes will be impacted, either fully or partially, by the project implementation.

There is also no record of any impacts to registered and recognized owners of additional immovable structures, including barns, animal pens, fences, stone walls, garages and outbuildings.

Should there be any loss of structures upon detailed surveying of all project area, the compensation will be based at a full replacement cost (market value + all taxes and additional costs). The Office for Immovable Property will also do an assessment of structures which considers criteria such as: type of building, construction material, the area [in m<sup>2</sup>] for residential and non-residential structures, year of construction, access to roads, access to public services, heating system, the condition of the facility, renting and rent conditions, cost of operation and maintenance, etc.

#### **4.3.6.7. Commercial Structures and Businesses**

The project is expected not to have any permanent impact on businesses and commercial structures, e.g., private gyms and soccer arenas.

#### **4.3.6.8. Loss of Crops**

The project proponent will provide cash compensation for all Project impacts to crops and productive trees located in the Project Footprint that were planted prior to the entitlement cut-off date. Cut-off date shall take place upon definition of the project footprint, including the land impacted by the construction of connector and feeder pipelines. Payment will be made to the user/planter of the crop or tree, who is either the registered owner of the property on which the crop or tree is cultivated, or a user recognized by the landowner.

Compensation for crops and productive trees will be based on the valuations made by the professional agronomist. These valuations consider age and full productive value calculated over the remaining economic life of the crop.

#### **4.3.6.9. Loss of Public Access**

Development of the project site is expected to impact community infrastructure and public facilities / infrastructure, especially in the New Shkabaj region. The planned community infrastructure and public facilities include planting of trees, construction of sidewalks, roads, planned location of religious facility, and alike.

#### **4.3.6.10. Right of Harvest**

The Project proponent will provide the following additional allowances and support to Project Affected Households.

All Project Affected People will be entitled to harvest crops and productive trees to which they have a recognized claim prior to land-use restrictions. Households will be provided with 30 days' notice in advance of land-use restrictions in order to harvest their crops.

#### **4.3.6.11. Loss of business income**

Calculating compensation for the eventual loss of business net income or loss of wages for workers is calculated for the cases if alternative access cannot be provided during the period of disturbance. The calculation will be undertaken based on the annual net income and wage amount and on the presumed duration of construction works. The maximum duration of construction works is 18 months as per tender documentation. However, it is expected to last less if the construction works at particular parts of the road end sooner.

These calculations will be taken into consideration by the Office for Immovable Property to calculate the compensation for livelihood impacts adequate livelihood restoration measures.

For all the cases where net business income and/or salaries of employees are unknown, the Office of Immovable Property undertakes compensation calculations in line with the local Law. Respectively the Office is allowed to require official reports from the banks where the PAPs have their bank accounts, tax reports etc. or make a comparative analysis with the same or similar business with known profit/salaries<sup>29</sup>.

#### **4.3.7. Eligibility**

This section describes the survey instrument which needs to be applied to all affected households, to determine the socio-economic conditions of the affected population. The surveys need to be applied consistently to all surveyed households. A copy of the socio-economic survey structure is available as an annex to this document. The socio-economic survey is designed to accomplish the following objectives:

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<sup>29</sup> Based on the information given by the Office of Immovable Property

- Collect demographic information about each affected household and its members to create a household and population census.
- Gather socio-economic baseline information on key livelihood assets including:
  - Human Capital - education, literacy rates, health, and skills.
  - Economic Capital - household income and perception of economic situation.
  - Social Capital - levels of community engagement and perception of government.
  - Natural Capital - land tenure, agricultural production.
  - Physical Capital - access to energy, water; and
  - Collect data on perceptions of displacement and implemented project, including preferred compensation options

Termokos must organize and implement the census as soon as the project footprint is defined. Results from the survey will be used to inform and update this LRP.

### **Asset surveys**

#### Survey of structures

Termokos must ensure that the surveying of impacted land has any improvements to the land, including screening for structures that are erected in impacted land parcels. Surveying of structures must include detailed information, such as the year of construction, external and internal measurements, description of interior and exterior, level of finishing, categorization of construction material used, exterior insulation, and other key characteristics.

#### Survey of Agricultural Assets

Information about crops and trees in the affected parcels need to be documented in the agricultural survey form. This form must include information about the type of crops or trees, their level of maturity and the number of units identified during the field survey activities.

### **4.3.8. Cut-off date for eligibility**

Project Affected People are eligible for compensation and other assistance if they have a “legitimate interest” in immovable assets or livelihood activities in the project footprint that were in place – i.e., planted or constructed – at the time when cut-off date is established by Termokos, following a complete census of affected people in a project area.

Cut-off date must be well-documented and disseminated to all project affected people throughout the project area in order to ensure that no new entrants will be eligible for compensation.

Reference is made to section 4.3.1

### **4.3.9. Entitlement Matrix**

The entitlement matrix in Table 6.1 sets out the compensation principles for eligible groups of persons in the project area.

This matrix must be further tailored to the project once the census and socio-economic and asset inventory have been completed. Any unidentified impact shall be mitigated in accordance with the principles and objectives of this preliminary LRP.

In addition to entitlements listed below, Termokos will implement a livelihood restoration programme to ensure that livelihoods of PAPs are improved or, at a minimum, restored, as indicated in relevant section.

Based on assessment of the profile of PAPs, there is a proposed range of compensation entitlements and assistance for eligible impacts that are considered fair and appropriate. This section outlines the compensation entitlements mainly focusing on the loss of land, along with PAP impacts deriving from limitations to land access. These entitlements are summarized in the following table.

**Table 4.6: Entitlements' Matrix**

Type of Impact	Category of PAP	Eligibility	Compensation
<b>PERMANENT LOSSES</b>			
<b>Permanent loss of land, including loss of access to privately owned land or public land/resources, due to project related facilities</b>	Landowner	Registered owner of land	Cash compensation at full replacement cost
	Formal land user	Formal user of land (tenant)	Information about land acquisition at least three months in advance of land possession entry, to enable the tenant to find other land for lease.
	Informal user of land	Recognized users of land	Access to replacement land of same or similar size, through a lease agreement for a fixed phased period
<b>Permanent loss of assets due to project related facilities</b>	Owner	Registered owner of asset	Cash compensation at full replacement cost
	Formal asset user	Formal user of asset (tenant)	Cash compensation at full replacement cost
	Informal asset user	Informal user of asset	Cash compensation at full replacement cost
<b>Permanent loss of crops due to project related facilities</b>	Owner of land	Registered owner of land	Right to harvest the crop or, if harvesting is not possible, compensation for the annual crop at project annual crop rate (equivalent to full replacement value). Right to pick any fruits, vegetables, etc., and compensation for perennial crops / orchards at project perennial crop rate (equivalent to full replacement value).

Type of Impact	Category of PAP	Eligibility	Compensation
	Formal land user	Formal user of land (tenant)	Right to harvest the crop or, if harvesting is not possible, compensation for the annual crop at project annual crop rate (equivalent to full replacement value). Right to pick any fruits, vegetables, etc., and compensation for perennial crops / orchards at project perennial crop rate (equivalent to full replacement value).
	Informal user of land	Recognized users of land	Right to harvest the crop or, if harvesting is not possible, compensation for the annual crop at project annual crop rate (equivalent to full replacement value). Right to pick any fruits, vegetables, etc., and compensation for perennial crops / orchards at project perennial crop rate (equivalent to full replacement value).
<b>Permanent loss of pasture due to project related facilitates</b>	Owner of land	Registered owner of land	Replacement of pastures if similar quality, size and location.
	Formal land user	Formal user of land (tenant)	Replacement of pastures if similar quality, size and location.
	Informal user of land	Recognized users of land	Replacement of pastures if similar quality, size and location.
<b>Public land</b>	Landowner (public enterprises, local government, Kosovo government)	Registered owner of asset	Compensation scheme is subject to an agreement / MoU among relevant public bodies.
<b>TEMPORARY LOSSES</b>			
<b>Temporary loss of land due to project related activities</b>	Owner of land	Registered owner of land	Compensation for land rental at project land rental rate (15% of the project land acquisition rate for construction period; and at 10% of the land acquisition rate for any additional time needed for the construction). AND

Type of Impact	Category of PAP	Eligibility	Compensation
			Restoration of affected land and infrastructure to pre-project conditions. AND Cash compensation for any lost/damaged assets (e.g., structures, fences, sheds) at replacement cost.
	Formal land user	Formal user of land (tenant)	Compensation for land rental at project land rental rate (15% of the project land acquisition rate for construction period; and at 10% of the land acquisition rate for any additional time needed for the construction). AND Restoration of affected land and infrastructure to pre-project conditions. AND Cash compensation for any lost/damaged assets (e.g., structures, fences, sheds) at replacement cost.
	Informal user of land	Recognized users of land	Assistance to identify replacement land / resources for use, prior to land possession entry.
<b>Temporary loss of tenants and loss of income from tenants due to overhead line construction activities.</b>	Owner of land	Registered owner of land	Cash compensation for lost net income (or estimated informal income and / or loss of livelihood) during the disruption period.
<b>RESTRICTIONS DUE TO EASEMENT</b>			
<b>Long-term easement in restriction zone (private and public land).</b>	Owner of land	Registered owner of land	In construction and agricultural land 30% of the land value.  In pastureland value of pastureland for servitude must be assessed by a licensed valuer
	Formal land user	Formal user of land (tenant)	In construction and agricultural land 30% of the land value.  In pastureland value of pastureland for servitude must be assessed by a licensed valuer

Type of Impact	Category of PAP	Eligibility	Compensation
	Informal user of land	Recognized users of land	Assistance to identify replacement land / resources for use, prior to land possession <del>etc</del>
<b>LIVELIHOODS</b>			
<b>Land-based livelihoods</b>	Impacted households	Livelihood activities reliant on affected immoveable assets or access in Project Footprint	Participation in livelihood restoration and assistance programs including alternative livelihoods training and technical assistance
<b>Trees and crops</b>	Planter and/or owner of the crop	Recognized planter or owner of the crop, regardless of land tenure	Compensation in cash at agreed replacement rates
<b>OTHER ASSISTANCE AND ALLOWANCES</b>			
<b>Harvest</b>	Planter or owner of crop or tree	Recognized planter or owner of the crop, regardless of land tenure	Right to harvest prior to commencement of construction works

## 5. ASSESSMENT OF PROJECT RELATED IMPACTS, MITIGATION MEASURES AND POTENTIAL RESIDUAL IMPACTS

### 5.1. COMPONENT 1 – PROJECT SITE

#### 5.1.1. Impact on the Municipality of Obiliq

##### 5.1.1.1. **Impact: Municipal development plans of Obiliq**

Component 1 (project site) of the project will require approx. 25 hectares of land originally owned by the Municipality of Obiliq.

According to the Urban Regulation Plan for Hade-e-Re this land was until March 2022 dedicated for extending the existing Hade e Re settlement, namely for the residential quarter A2 and for the urban area SH, including Cemetery, Workshops (light industry), Sports grounds, a central square, various greens as well as related roads and parking lots.

This A2/SH area is divided from the A1 quarter, in which housing construction has slowly started throughout the last decade, by an unbuildable corridor of the High-voltage lines, designated as green-belt. The A3 quarter in the west, was also not developed until now, but would be outside the project site footprint, but touched by a future ring road.



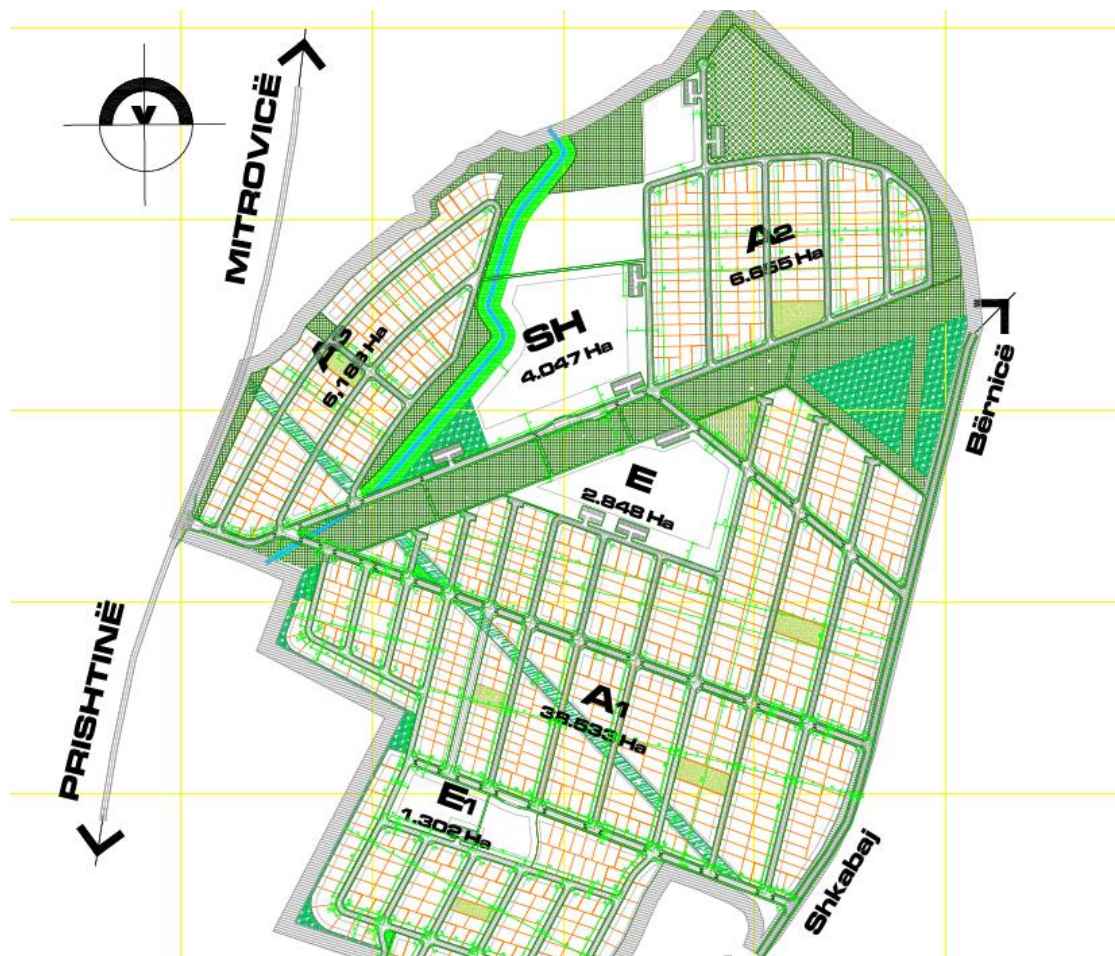


Figure 5.1 Quarters of the outdated Urban Regulation Plan of Hade-e-Re (Map 5 – Parcels)

Building parcels in area A2 and A3 north of High-Voltage lines were neither privatized to future plot owners nor the possibility of giving private land ownership was ever discussed with residents. However, due to the low settlement density in A1 Quarter, the development of Hade-e-Re is not significantly harmed, as the southern part of A1 (around E1) provides space for future residential parcels and community infrastructure.

Thus, the location of the project site has a moderate impact on the further implementation of the Urban regulation plan of Hade-e-Re.

#### 5.1.1.2. Mitigation

The land foreseen for Component 1 is subject to a change in land tenure per agreements between Ministry of Environment, Spatial Planning and Infrastructure and the Municipality of Obiliq.<sup>30</sup>

The agreement defines the change of tenure of different land plots that will allow the municipality to further develop Hade-e-Re settlement. The following table summarizes the foreseen exchange of land plots between the Ministry and the Municipality as described above.

<sup>30</sup> Commitment Agreement between Ministry of Environment the Spatial Planning and Infrastructure and the Municipality of Obiliq. No. 1555/02, date 23.03.2022.

**Table 5.1: Overview on planned land ownership as of 31st March 2022.**

Cadastral Parcel No.	Culture	Redesignated for	Size [m <sup>2</sup> ]	Part of URP <sup>31</sup>	Original Owner	New Owner	Entitlement	Legal Basis
1879-474	Construction Land / Parcel	Solar4 Kosovo	289.551	A2	Not defined	Government of the Republic of Kosovo	"Termokos" Prishtina	Doc A2 <sup>32</sup> , Doc B <sup>33</sup>
1879-472			21.644	A2 <sup>34</sup>				
612-1	Agricultural Land / Pasture, class 3		41.702	outside	Municipality of Obiliq		Republic of Kosovo / "Termokos" Prishtina	Doc A1 <sup>35</sup> , Doc A2
612-2			1.494					
Land transferred to the municipality in exchange								
1880-0	Construction Land / Parcel	n.a.	98.578	A3	Republic of Kosovo	Municipality of Obiliq	n.a.	Doc A

The plot size and ownership are not entirely defined for the parcels 1879-474 and 1879-472, where only entitlement is given to TERMOKOS for the project as a designated Solar4Kosovo project site.

Parcel 1879-474 will be further subdivided and only parts will be transferred and will be entitled to Termokos.

The entire land acquisition process is performed by Termokos jointly with the Ministry of Environment, Spatial Planning and Infrastructure, in line with the Kosovo legislation.

As TERMOKOS is not yet the registered owner or leaseholder/tenant of the parcel, the legal process for public land acquisition is deemed not finished. At the current stage and considering the information received, it must be assumed that the required steps for land expropriation as of WB ESS5 / EBRD PR 5 are not fulfilled.

The required steps for completion of the land acquisition process are further described in section 4.2 and 7.

#### 5.1.1.3. Potential residual Impacts

Assuming that the agreements will be implemented prior to project implementation, no residual impacts are expected.

<sup>31</sup> URP: Urban Regulatory Plan of the Municipality Obiliq for the Location "Hade-e-Re".

<sup>32</sup> A2: Governmental Decision No. 28/68 (23.03.2022). see Annex 12.3, <https://kryeministri.rks-gov.net/wp-content/uploads/2022/05/Vendimet-e-mbledhjes-se-68-te-te-Qeverise.pdf>.

<sup>33</sup> Doc B: Commitment Agreement between Obiliq and MESPI, No. of Protocol: 1555/22, (23.03.2022), see Annex 12.4

<sup>34</sup> In URP foreseen as Graveyard

<sup>35</sup> A1: Governmental Decision No. 27/68 (23.03.2022). see Annex 12.2, <https://kryeministri.rks-gov.net/wp-content/uploads/2022/05/Vendimet-e-mbledhjes-se-68-te-te-Qeverise.pdf>.

## 5.1.2. **Impact on existing graveyard**

### 5.1.2.1. **Impacts to access and setting of graves**

Graves are considered places of remembrance for deceased family members. Depending on cultural and local customs, graves are laid out within an enclosed plot, kept free from agriculture and tended with due care for several years. Disturbing the peace of the dead is not tolerated in civilised societies and is even a criminal offence. Opening and relocating graves is therefore a delicate intervention that can violate indirectly the dignity and honour of the family.

A culturally sensitive subject for local inhabitants according to traditional habits, is the fact, that inside the foreseen plant site, 6-7 modern Muslim graves are situated in accordance with the intended cemetery as per the Urban regulation plan for Hade-e-Re settlement (see “existing graveyard in as meshed yellow signature) From interview, it was clarified, that graves belong to families, having been resettled to Hade-e-Re.



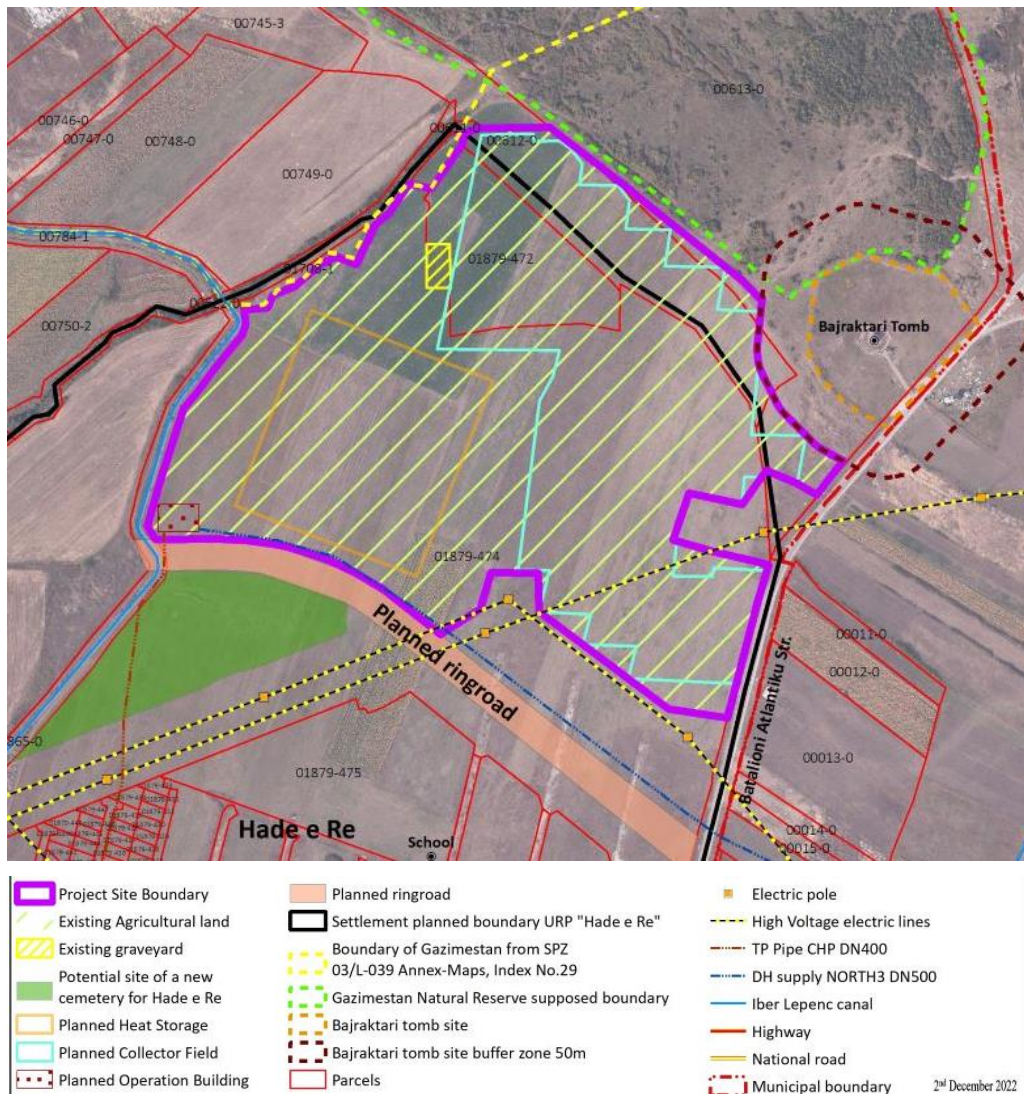
Figure 5.2: Graves in March 2022.

As formulated in the Agreement between MESPI with the Municipality of Obiliq from 23rd March<sup>36</sup>, to exchange the ownership of land plots in order to enable the Ministry's temporary landownership of the project site the Municipality of Obiliq expressed the wish, to establish a new cemetery closer to Hade-e-Re settlement, to be located south to

<sup>36</sup> Commitment Agreement between Ministry of Environment the Spatial Planning and Infrastructure and the Municipality of Obiliq. No. 1555/02, date 23.03.2022.

the Project site and the future ring road. The Municipality of Obiliq considered to relocate these graves to a new cemetery for Hade-e-Re<sup>37</sup>, if possible.

The Lenders (KfW and EBRD) have clearly insisted that for the purpose of the project, a relocation of graves shall not take place. The land in which the graves are located must be exempted of any construction activity, as any activity close to the graves will not be approved by the lenders. In case, the relatives would agree with an exhumation and relocation of graves, TERMOKOS can support the affected people, but the Project will not use the land.



**Figure 5.3: Magnified project site with locations of 6 graves (yellow mesh) and the Shkabaj cemetery, southeast of Bajraktars Tomb and of a future graveyard area (green) in Southwest.**

The ESIA study has assessed that a construction of the project without a relocation of graves would cause a negative impact of MEDIUM SIGNIFICANCE and has proposed a mitigation action in line with the World Banks ESS 8 on Cultural Heritage, respectively the Performance Standard 8 of EBRD.

<sup>37</sup> Minutes of Technical meeting of 15<sup>th</sup> of March 2022 at Municipal Hall of Obiliq (MESPI, Prishtina, Obiliq, TERMOKOS, ESIA Consultants)

During the operation phase, graves are impacted insignificantly due to minimal operational activities outside the fenced area, such as cleaning of panels.

#### 5.1.2.2. **Mitigation**

Keeping of graves undisturbed inside the project site (component 1), including a small access path is considered technically feasible and thus required by the lenders as follows:

**Design phase:** The Solar plant design's outline must respect and leave out this area including an access path for visitors.

**Construction phase:** During construction works the graves should be fenced and protected from workers for any inappropriate use.

**Operation phase:**

The area of graves must be fenced from the project site.

This is summarized as follows:

Consultation must be undertaken with relatives of existing graves, religious authorities and the related municipality in order to:

- Agree on site design and access arrangements during construction and operation, OR
- If aligned with the wishes of the relatives the re-location of the graves, to implement the agreed access measures or support the re-location of graves in co-operation with the municipality.
- Carry out stakeholder engagement to communicate that the Project site will no longer be available for burials and the alternative arrangements as defined by the municipality.

However, within the stakeholder engagement process a formal agreement with the affected households must be found, since the setting of the graves will be impacted due to their proximity to the solar collector and the new access arrangements.

In case, the community of Hade-e-Re and specifically the affected households wish the relocation of graves, Termokos / the PIU shall safeguard the founding of a specific working group comprising of the affected households, the municipal authority of Obiliq, the PIU and national exhumation specialists to define further procedures.

In accordance with national laws and the ESS-8, the PIU must specify and monitor the required steps. It is supposed that arrangements (incl. cost take-over) for relocation and treatment of exhumated bodies should be detailed in a specific Graveyard-related agreement between affected households and the PIU, as well as between the PIU and the Municipality of Obiliq as owner of the new cemetery.

#### 5.1.2.3. **Potential residual Impacts**

Assuming that the mitigation measures will be implemented prior to project implementation, no residual impacts are expected.

### **5.1.3. Impact on the livelihood of farmers**

#### **5.1.3.1. Impact: Loss of livelihood through loss of access to land and loss of crops**

The Consultant has preliminarily identified two Project Affected Persons (PAPs) based on informal questioning in Hade-e-Re and Shkabaj.

A third potentially active farmer was mentioned during the surveys. This third farmer could not be identified.

In a later step, an official call for assert claims must be placed in the Gazette of the Municipality of Obiliq to make sure that all affected persons are found.

#### **Interviews with identified farmers:**

In-depth interviews and administration of a questionnaire with the two PAPs was performed by the Consultants on September 3<sup>rd</sup> until 5<sup>th</sup>, 2022 by a team of two interviewers.

The two PAPs are recognized informal land users of the project site (Component 1).

The survey was performed through interviews, using a questionnaire prepared by the Consultant; the in-depth interview guidelines and questionnaire aimed at collecting information on the overall livelihood status of the PAPs and on the activities performed on the plots that will be affected by project activities.

Both interviews were performed in person with the heads of the household.

#### **Results from interview with informal farmers:**

The two interviewed farmers are located in Mazgit village, about 5 kilometres of distance from S4K main project site. Both farmers are aware that the land is publicly owned, namely that it used to belong to a public enterprise, respectively agricultural/farmers' cooperative<sup>38</sup> which had not been revitalized.

The two farmers combined use about 27 hectares of land in the project area. Throughout the years, size of cultivated land exceeded 50 hectares of land. The cultivated land was decreased due to economic difficulties in agriculture in recent years, mainly due to high input prices, low sale prices for harvested goods and lack of labour force. The two farmers own and lease land in other places, albeit the size of the owned land does not enable to continue the intensity of existing agricultural activities.

#### **Farmer A:**

The main household income of one of the farmers' is heavily depending on agricultural activities. The current livestock is 15 cows but has a capacity to accommodate 100 cows. Livestock is a combination of milking and beef cattle. It is a family business, where he and his wife are permanently employed, while during the harvesting and intensive dairy production season up to eight other workers are recruited. The farmer also owns four combine harvesters and offers the service to harvest agricultural goods for other farmers

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<sup>38</sup> Farmer's cooperatives are remnants of the collectivistic enterprises established during the era of ex-Yugoslavia, representing an effort to consolidate individual holdings and labour into collective farms. Most farmer's cooperatives in Kosovo were owned and managed by the state, while employing labours to cultivate and produce agricultural goods.

in the region. The farmer has a registered dairy production facility, where most of the accumulated milk is processed and distributed on the local market.

**Farmer B:**

The other household has two main sources of income: from agricultural activities and a car-wash facility. The carwash primarily operates during summer season. The other farmer owns nine cows, used as milking cows and beef cattle.

None of the farmers will be able to maintain the existing agricultural activities should they be disallowed to continue cultivating the project impacted land. All production chains in the farming activities will be significantly impacted, including cultivation of crops that will allow feeding the cattle, production of milk and meat (through beef cattle), production of dairy products, and harvesting of crops. Lease of land for agriculture purposes represent a challenge to the farmers to be financially feasible.

Reference is made to Annex LRP-3 of this document.

**Table 5.2: Baseline: Asset inventory based on interviews**

	Farmer A	Farmer B
<i>Land Use / Ownership</i>		
privately owned/leased outside project area	10 ha	0,7 ha + 1,5 ha leased
Used but not owned inside project area	18 ha (thereof 2 ha outside project boundary)	9 ha
<i>Crops</i>		
Crop yields	wheat: 1ha = 3,5 - 4,5 to	
Market Prices	10 years average 190 – 220 €/t (currently 380 €/t)	
Crop income from project zone estimate (min/max)	11.970 – 17.820 €/a	5.985 – 8.910 €/a
<i>Other Assets</i>		
Assets	15 cows (milk and beef)	9 cows (milk and beef)
Other income	Provides harvesting service	Na.

**5.1.3.2. Mitigation**

The mitigation measures aimed at maintaining and/or improving the livelihoods of the affected populations with respect to their baseline conditions prior to the land acquisition are critical to compliance with International Resettlement Standards.

Livelihoods, in this context, are understood as activities, resources or means that an affected household uses to make a living.

Implementation of livelihood restoration support activities must begin as soon as impacted project land is identified and land acquisition process is initiated and must continue until project affected people have been provided with adequate opportunity and assistance to sustainably restore their livelihoods.

Specific mitigation measures consist of two elements:

- Compensation for loss of land and crops
- Support through Livelihood Restoration/Improvement Programs

Compensation for Loss of land

**Table 5.3: Compensation for Loss of land**

Type of Impact	Category of PAP	Eligibility	Compensation
<b>PERMANENT LOSS OF LAND</b>			
Permanent loss of land, including loss of access to public land/resources, due to project related facilities	Informal user of land	2 recognized users of land	Access to replacement land of same or similar size, through a lease agreement for a fixed phased period
Permanent loss of crops due to project related facilities		2 recognized users of land	Right to harvest the crop or, if harvesting is not possible, compensation for the annual crop at project annual crop rate (equivalent to full replacement value).

Livelihood Restoration/Improvement Programs

The Livelihoods Restoration Program establishes a framework for targeted interventions that are designed to specifically mitigate project impacts and restore/improve livelihoods. Overall, the LRP includes four distinct programs. 3 of these programs are specifically applied for the two households identified.

**Table 5.4: Livelihood programs**

<b>LIVELIHOOD PROGRAMS</b>			
Livelihood Program 1: Trainings in Agriculture	Informal user of land	2 Recognized users of land	30 days of training provided by experts within two years.
Livelihood Program 3: Dairy farming	Informal user of land	2 Recognized users of land	15 days of training provided by experts within two years.
Livelihood Program 4: SME Support	Informal user of land	2 Recognized users of land	10 days of specific training provided by experts

Estimated Budget:

All costs of land acquisition and the implementation of the Livelihood restoration / improvement program shall be borne by TERMOKOS as the Project Proponent.

**Table 5.5: LRP/LAP Budget Estimate**

Type	Description	Estimated Budget (EUR)
<b>Land Acquisition</b>	Lease agreement for access to replacement plot: out of 25 hectares, for 5 years access to the same size (at 150 euros per hectare per year),	18,750.00



<b>Livelihood Programs</b>	Livelihood Program 1: Trainings in Agriculture: participation of 2 farmers at 30 expert days within two years.	6,000.00
	Livelihood Program 3: Dairy farming: participation of 2 farmers for 15 days, including in-kind support. Sums up to Euros	8,000.00
	Livelihood Program 4: SME Support: participation of 2 farmers for 10 days.	2,000.00

### 5.1.3.3. **Potential residual Impacts**

Assuming that the mitigation measures will be implemented prior to project implementation, no residual impacts are expected.

## 5.2. **COMPONENT 2 – PIPELINE CORRIDORS AND NEW DH SUPPLY AREA**

### 5.2.1. **Impact on livelihood of landowners or businesses along the pipeline corridors and within the new supply area**

#### 5.2.1.1. **Impact: Temporary loss of livelihood through loss of access to land and loss of crops**

The construction of underground pipeline corridors A and B and the construction of pipework for the new DH supply area will be performed on private and public land.

Temporary land requirements (for the duration of the construction works) can be summarized as follows:

- Work areas on the pipeline corridor,
- Temporary deposit areas for excavation material,
- Access ways for machinery and equipment
- other temporary structures (to be defined in the design phase).

These temporary land requirements for construction works will specifically apply for pipeline corridors A and B and might have temporary impact on the livelihood of landowners.

As the pipeline corridors are not yet defined the baseline situation of PAPs has to be survey in the forthcoming project development phase (detail design) as soon as the pipeline corridors are defined.

#### 5.2.1.2. **Mitigation**

Termokos will proceed in the forthcoming project phases, specifically within the design phase, with the socio-economic survey, the elaboration of the census and the establishment of an asset inventory.

As the final owner of the project facilities (such as pipelines) Termokos has committed that the required land acquisition process is carried out in line with the national legislation and that WB ESS5/EBRD PR5 requirements are met by addressing the gaps between the national legislation and WB ESS5 / EBRD PR 5.

Reference is made to:

- section 4 discussing the required processes for land acquisition in detail and
- section 4.3 where the compensation framework is presented.

#### 5.2.1.3. **Potential Residual Impact**

If the procedures as described within this Livelihood Restoration Framework (LRF) will be implemented and identified mitigation measures are implemented prior to project implementation, no residual impacts are expected.

### 5.2.2. **Impact on landowners through permanent land use restrictions due to servitude**

#### 5.2.2.1. **Impact assessment**

For Component 2, the project proponent Termokos must acquire a servitude from the landowners for the entire life cycle of the project.

Although the landowners will keep ownership of the land on which the servitude is established, there will be restrictions on the land use. These restrictions will typically relate to limitations of construction activities above the pipeline corridors, limitations on the types of trees (height limitation), and other activities that may impact the pipelines or obstruct access to the project footprint.

Potential restrictions are:

- no construction or limited development options
- limited possibilities for rededication of land use (e.g., from green land to construction land)
- no biotope, natural pond, fishpond - or smaller or locally limited
- no earth cellars, no well installations, shafts, paths with cuts.
- no heat pump; no geothermal energy.
- in the area of heat radiation from pipes earlier snowmelt.
- in the protection strip easier erosion especially during heavy or catastrophic rains.
- the lease ability can decrease.

The exact area required for the establishment of the servitude will be defined in the design phase, along with the identification of number of plots and owners of affected land.

The servitude restrictions may have a temporary impact on agriculture and livestock which is not likely to be of significance.

#### 5.2.2.2. **Mitigation**

Termokos will proceed in the forthcoming project phases, specifically within the design phase, with the socio-economic survey, the elaboration of the census and the establishment of an asset inventory.

As the final owner of the project facilities (such as pipelines) Termokos has committed that the required land acquisition process is carried out in line with the national legislation and WB ESS5/EBRD PR5 requirements by addressing the gaps between the national legislation and IFI standards.

Reference is made to

- section 4 discussing the required processes for land acquisition in detail and
- section 4.3 where the compensation framework is presented.

#### 5.2.2.3. **Potential Residual Impact**

If the procedures as described within this Livelihood Restoration Framework (LRF) will be implemented and identified mitigation measures are implemented prior to project implementation, no residual impacts are expected.

### 6. **ORGANIZATIONAL ARRANGEMENTS AND RESPONSIBILITIES**

The implementation of the preliminary LRP/LRF will fall under the responsibility of Termokos. Termokos will secure sufficient resources to implement all provisions, including WB ESS5 and ESS10 / EBRD's PR5 and PR10.

Termokos will appoint a project implementing team in charge of the overall process. At a minimum, the project implementing unit will provide a Stakeholder Engagement Expert (SEE). The SEE shall have several years of experience in implementing international financed infrastructure projects in the position of the "stakeholder engagement expert" in Kosovo. The expert should further provide experience with international environmental and social performance standards (KfW, World Bank, EBRD, etc.) and should be able to communicate and report in national language and English. The position and qualification of the ESS can be covered by more than one expert working in a team.

Detailed responsibilities of the SEE are outlined in the Stakeholder Engagement Plan.

In addition to support the SEE, a LRP Operational Team will be formed. This is an operational group, focussing on implementing the various actions (surveys, census, agreements, contracts, etc.) required for the LRP (land acquisition, including compensation) as well as the livelihood restoration actions.

This team will be coordinated by the SEE, who will report back to Termokos management on progress, issues emerging or operational challenges. This group will work closely with PAP representatives in the various areas and communities they work.

The responsibilities to ensure effective implementation and compliance with performance standards of IFIs is indicated in the following table.

**Table 6.1: Responsibilities for Implementation**

<b>Task</b>	<b>Responsible entity</b>	<b>Additional activities to comply with ESS5/PR5</b>
Carry out the land acquisition process for the project footprint.	Prime Minister's Office/MESPI	Termokos to ensure that the process follows ESS5/PR5
Information disclosure to all project affected People and communities.	Prime Minister's Office/MESPI	Termokos to perform additional disclosure activities to comply with ESS5/PR5 and ESS10/PR 10.
Census and Asset Inventory	Termokos	Termokos, in order to comply with ESS5/PR5
Valuation of project impacted property	Ministry of Finance (Office for Valuation of Property)	Termokos to perform additional compensation calculation in compliance with ESS5/PR5 and entitlement matrix
Direct communication with and visits to owners/occupants	Prime Minister's Office/MESPI as the expropriation body and the involved Municipalities as the expropriation authorities.	Termokos to assist to comply with ESS5/PR5 and ESS10/PR 10.
Payment/provision of compensation packages	MESPI	Termokos to provide additional compensation according to entitlement matrix and ESS5/PR5.
Provision of assistance to persons/households	MESPI in cooperation with the respective municipal and ministerial departments responsible for social care	Termokos to assist to comply with ESS5/PR5
Livelihood restoration	Termokos	Termokos, in order to comply with ESS5/PR5
Monitoring and reporting.	Termokos	Termokos, in order to comply with ESS5/PR5
Grievance management.	Termokos	Termokos, in order to comply with ESS5/PR5

## **7. NEXT STEPS AND IMPLEMENTATION SCHEDULE**

### **7.1. REQUIREMENTS FOR COMPONENT 1**

PIU / TERMOKOS has to care for:

- the Preparation Works to be done in the months immediately after investment decision, and before the procurement of the Contractor for Detailed Design
- The process for public land acquisition for Component 1 must be finalized, as land ownership is not registered to TERMOKOS, or any lease agreement is in place with the recent landowner in line with requirement for public land transfer as of WB ESS5 / EBRD PR 5.

Following this, all procedures and activities as described in this LRF document must be conducted. Reference is made to the sequence of activities.

### **7.2. REQUIREMENTS FOR COMPONENT 2**

For component 2, all procedures and activities as described in this LRF document must be conducted. Reference is made to the sequence of activities.

### **7.3. IMPLEMENTATION SCHEDULE**

Key milestones in the implementation process of the LRP include the following activities, anticipated dates are provided where possible:

Starting point of drafting this tentative schedule was the implementation plan, annexed to the Feasibility Study's ("220707\_Sol4Kos\_implementation plan"), see Figure 9.1. Therein, the item "Expropriation procedures" is given as item no. 2, with an expected duration of 6 months.

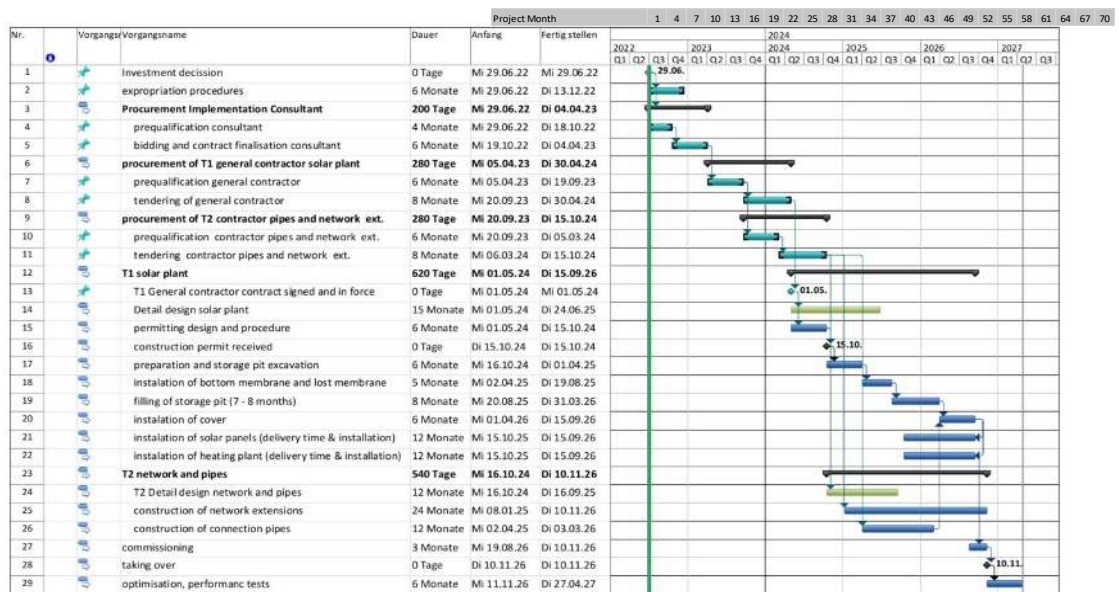
Considering the additionally required measures to comply with WB ESS5 / EBRD PS5 requirements it must be assumed that the estimated 6 months to complete the expropriation procedures for component 1 and 2 might be applicable if only the national expropriation standards are applied.

However, considering that the expropriation procedure should be finalised or closed to be finalised before the general works contractors for component 1 and component 2 are awarded (Implementation schedule FS: Month 22 and Month 28 respectively) the time period for initiating the expropriation process should start latest in the second quarter of 2023 (Month 10).

It is assumed that for the Component 1, the land acquisition and expropriation procedure should start immediately after investment decision with the below procedure.

*Note: The expropriation procedure for Components 1 and 2 is intended to be implemented simultaneously, which would result in one defined cut-off date for both components. This would decrease the risk of landowners' investments that only were made with the aim to increase the value of compensation.*

*If due to implementation procedure, the project requires an immediate start of Component 1, even before a geodetic survey of Component 2 has taken place, the implementation procedure and time schedule has to be adjusted.*



**Figure 7.1: View on implementation plan from FS, added by project month.**

The following figure gives an indication, which procedural steps are required and how long these might take. The estimated duration, however, is highly depending on the time required by PIU/TERMOKOS for each single step, as well as the duration of procedural steps taken by MESPI, being the expropriation<sup>39</sup> body.

<sup>39</sup> Expropriation is meant in its widest sense, and includes based on the Kosovo Law of Expropriation, not only the change of land ownership, but also easements, servitudes and other forms of land use agreements.

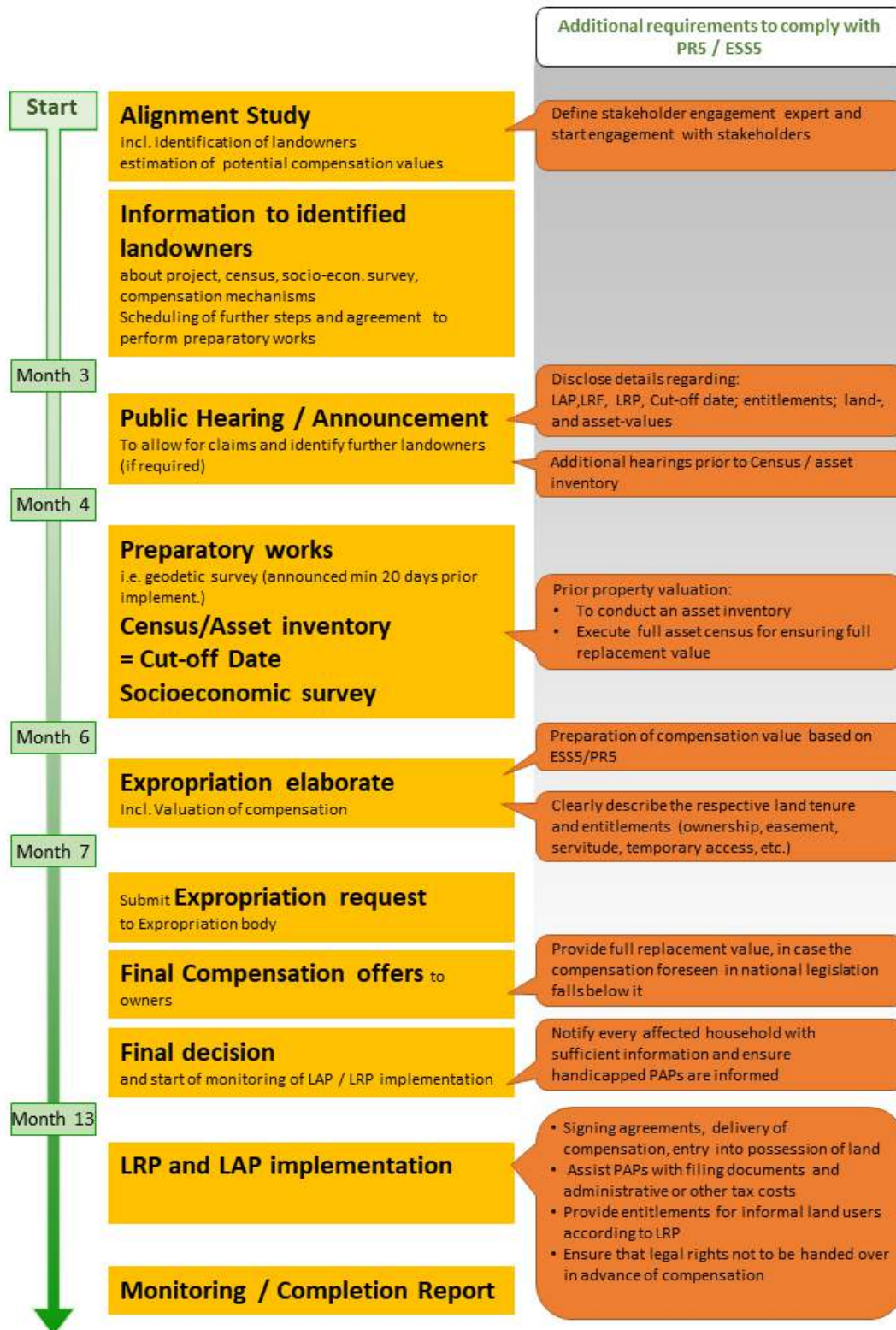


Figure 7.2 Flowchart and tentative schedule of S&K expropriation procedure.

## 8. **RESETTLEMENT BUDGET**

The land acquisition budget will be prepared after the Expropriation Requirement is processed by MESPI, MoF and other bodies of the Government of Kosovo and approximate costs are defined in line with the Expropriation Law of Kosovo.

All financial costs of land acquisition shall be borne by the Project Proponent, as designated by a decision of the Kosovo Government.

Land impact compensation payments shall be made concurrently with submission of required paperwork and change in cadastre registry.

Funds shall be set aside at the beginning of the Project to allow for the payment of all costs throughout the term of the project implementation and monitoring process.

Compensation for land impacts (servitude) include the costs associated with the compensation for restrictions of land use.

Compensation for crops refers to cash compensation for loss of crops.

The detailed land impact assessment and evaluation information will be finalized once the project footprint is defined.

For Component 1 the land impact assessment has performed and a first cost estimation for livelihood restoration is provided in the following table.

Component 2 is not yet costed since this component is still at LAF/LRF level of assessment.

**Table 8.1: Livelihood restoration cost estimate (for component 1 only)**

<b>Type</b>	<b>Description</b>	<b>EUR</b>
<b>Land Acquisition</b>	Lease agreement for access to replacement plot: out of 25 hectares, for 5 years access to the same size (at 150 euros per hectare per year)	18,750.00
<b>Livelihood Programs</b>	Livelihood Program 1: Trainings in Agriculture: participation of 2 farmers at 30 expert days within two years. Sums up to 6,000.00 Euros.	6,000.00
	Livelihood Program 2: Urban Garden restoration: participation of up to 20 impacted households at 20 expert days. Sums up to 4,000.00 Euros.	4,000.00
	Livelihood Program 3: Dairy farming: participation of 2 farmers for 15 days, including in-kind support. Sums up to Euros	8,000.00
	Livelihood Program 4: SME Support: participation of 2 farmers for 10 days. Sums up to 2,000.00 Euros	2,000.00

The total estimated implementation cost for leasing substitution land access (for Component 1 only) and livelihood programs is 38,750 Euro.



Land acquisition costs are not estimated at this point.

Component 2 is not yet costed since this component is still at LAF/LRF level of assessment.

## **9. DISCLOSURE OF INFORMATION AND CONSULTATIONS**

The requirements for disclosure of Project relevant information and public consultations have been set out in the Stakeholder Engagement Plan (SEP) prepared by the project proponent, for the purpose of enhancing stakeholder engagement throughout the life cycle of the Project and carrying out stakeholder engagement in line with local legislation and international best practises.

### **9.1. STAKEHOLDER ENGAGEMENT PLAN OBJECTIVES AND PRINCIPLES**

The objective of SEP is to improve and facilitate Project-related decision-making and create opportunities for active involvement of all stakeholders in a timely and meaningful manner, and to provide possibilities for all stakeholders to express their opinions and concerns that may influence Project decisions.

Key objectives include:

- Identify the key stakeholders and build and maintain a constructive relationship with them, in particular project-affected people.
- Create and ensure effective means for adequate engagement with project-affected people on issues that could potentially affect them so that their concerns are addressed in a timely manner.
- Ensure that all stakeholders have ways to access project information and environmental and social information and the opportunity to raise their questions and concerns.
- Ensure inclusiveness of engagement with stakeholders in representation of views, including vulnerable groups.
- Ensure proactivity of information and engagement in order to avoid any potential risks that might arise in dealing with stakeholders.
- Ensure that interested stakeholders and project-affected people are informed that TERMOKOS has a system to respond to and manage any issues and grievances raised during the project activities and to timely inform them on the means and ways to be used in such instances. raise issues and grievances and be informed.

### **9.2. STAKEHOLDER IDENTIFICATION**

The initial categorisation of stakeholders is provided in ESIA report and SEP of the project. However, within the framework of the project activities to be undertaken, the following categories of stakeholders are identified:

- A) Project-Affected Parties** – those who are affected or likely to be affected by the project's land acquisition or livelihood restoration.
  - a. Municipality of Prishtina (Component 2)

- b. Municipality of Obiliq (Component 1)
- c. Ministry of Environment, Spatial Planning and Infrastructure of Kosovo (MESPI)
- d. Grave owners (for Component 1)
- e. Landowners, Formal Farmers, Informal Farmers (Components 1 and 2),
- f. Homeowners/tenants in new DH supply areas of Prishtina (Component 2)
- g. Direct affected business along pipeline routes (Component 2)
- h. Infrastructure Managers (KOSTT, Ibër-Lepenc Co., Road administration)

**B) Other Interested Parties** – those who may have an interest in the project and its components.

- a. Representation of Urban Neighbourhoods of Prishtina
- b. Implementation and Monitoring Council for Special Protective Zones, Kosovo (regarding the Gazimestan Special Protective Zone statutory members of the IMC are the Serbian-Orthodox church, the EU Delegation, the Government of Kosovo)
- c. The representatives of the Muslim Community
- d. Public institutions and agencies (AMMK, PCCH, etc.)
- e. Other business in the related district
- f. NGOs (as defined in the Annex of the SEP)

The potential vulnerable groups identified include among other communities, children, elderly, women, unemployed and ethnic minorities residing in vicinity of the project.

More details are provided in SEP (document Vs 8) and ESIA (section 12.5. Socio-Economic baseline).

Locations of community settlements to be affected by the project, both directly and indirectly, cover two municipalities (Obiliq and Prishtina), and three adjacent settlements situated within a 1-2 km radius from the proposed project site: Hade-e-Re, Mazgit, and Shkabaj villages.

Out of the three settlements, Hade-e-Re is classified as the area which will be directly affected by the Project, whereas the two other villages will likely be impacted by the project only indirectly.

Table 9.1 below provides a summary of information regarding the three broad categories of stakeholders related to LRP and according to the map of the project.

**Table 9.1: Stakeholders during project preparation and ESIA**

Area	Stakeholder groups	Description
Shkabaj, Hade-e-Re, Mazgit, Arberia/Dragodan, Tophane, Prishtina city	<b>Project-Affected Persons (PAPs)</b>	<p><b>Local population from the affected municipalities:</b> Landowners, land users and users of natural resources</p> <p><b>Vulnerable groups-</b> RAE communities and other ethnic minorities, women, NEET youth, others who might be identified during project implementation</p> <p>This LRP identifies stakeholders <b>around the Project site and along Pipeline's routing</b> in Obiliq and Prishtina in the areas on and around the project site (Hade-e-Re, Shkabaj; Mazgit) as well as along the alignment of the CHP connector pipelines as well as the DH connector pipelines. <b>This LRP prepared</b> includes provisions for public disclosure (section 0.2) including a 'non-technical note on land acquisition and compensation' information in Albanian, English and other local languages according to Kosovo Law no. 02 / L-37 on the use of languages, to inform the public about the compensation approach and entitlements.</p>
Municipality of Prishtina  Municipality of Obiliq	<b>Other Project-Affected stakeholders</b>	<p><b>Local Communities</b> on these municipalities may be affected by impacts related to traffic, noise, and environmental changes. They may also be able to benefit through employment and business opportunities. Municipalities will also facilitate communication with affected population as well as could negotiate resettlement and compensation</p> <p><b>NGOs (including local, national and international NGOs, as well as other community or religious-based organisations) and academic community</b> may be interested in a diverse set of issues particularly in regard to the identification of environmental and social impacts and the ways that these impacts will be mitigated and managed</p> <p><b>Media</b> - Journalists and other representatives of the media are often interested in ensuring that clear and transparent information about the Project is communicated to the population.</p>
Prishtina agglomeration	<b>Project proponent and beneficiaries</b>  These are individuals or groups who will directly or indirectly	<p>These benefits include direct access to solar thermal district heating supply (either for residential/commercial or public use) in Prishtina.</p> <p>A heating supply for further clients in the project site vicinity might be added to the project.</p> <p>The general public will also benefit from the project through overall improved reliability of national heating / power supply and through reduction of air pollutant emissions and indirectly improved air quality.</p>

Area	Stakeholder groups	Description
	benefit from the Project.	<p>Other project beneficial stakeholders include TERMOKOS (company and employees). This might include new jobs for technical operation, maintenance of facility as well overall business administration (due to new clients).</p> <p>Businesses and companies involved in the project or subproject components (planning, design, construction, operation phases).</p> <p>Municipality of Prishtina (and of Obiliq) are being indirect beneficiaries.</p>

### 9.3. STAKEHOLDER ENGAGEMENT TO DATE

#### 9.3.1. LRP/LAP-related Stakeholder Engagement Activities

Since the beginning of the project's development, TERMOKOS has started to engage with the relevant national and local government authorities and agencies as well as communities located within the project area.

This was centered around:

- General involvement with government bodies addressing the Project as a whole.
- Engagement of the stakeholders that are affected or who are influenced by the project components.
- Securing the land ownership for the project site
- Identification of landowners for the pipeline corridors

Based on SEP document, the following LRP/LAP related activities were performed:

**Table 9.2: Selection on occurred land-related Stakeholder Engagement Activities**

Date	Activity	URL
April 2022	S4K Website launched by TERMOKOS	<a href="https://TERMOKOS.org/category/solar-4-kosovo/">https://TERMOKOS.org/category/solar-4-kosovo/</a> <a href="https://www.facebook.com/NgrohtorjaTERMOKOS/">https://www.facebook.com/NgrohtorjaTERMOKOS/.</a>
April 2022	Establishment and Notification on a Public Grievance Mechanism	<a href="https://TERMOKOS.org/2022/05/10/shperndahen-broshurat-informuese/">https://TERMOKOS.org/2022/05/10/shperndahen-broshurat-informuese/</a>
May 2022	Short non-technical Project description	<a href="https://TERMOKOS.org/2020/01/24/viti-2019-mesi-suksesshmi-ne-historine-e-TERMOKOS-it/">https://TERMOKOS.org/2020/01/24/viti-2019-mesi-suksesshmi-ne-historine-e-TERMOKOS-it/</a>
21 <sup>st</sup> /22 <sup>nd</sup> July 2022	Information Meetings	Two public meetings on ESIA and SEP information held on 21 and 22 July (see section 5.4.2. on ESIA and Appendix 10.6 -ESIA/ SEP consultation Meetings of 21- 22 July 2022)
3rd Sept 2022	Socio-economic survey with 2 informal farmers	See Annex 3

The same notices (informative brochures) have been printed and placed in the municipality buildings of Prishtina and Obiliq, in the schools of Shkabaj and Hade e Re, areas as well as in several places within the neighbourhood/location of Hade e Re.

Announcement included key information with regards to the purpose, importance, nature, and duration of the survey disclosed with PAP and the general population in the project study area. All printed materials were made available in English, Albanian and Serbian languages.

#### **9.4. ENGAGEMENT METHODOLOGY AND FORA**

##### **9.4.1. Information disclosure and public consultations**

The requirements for disclosure of Project relevant information and public consultations have been set out in the SEP to enhance stakeholder engagement throughout the project's life cycle and carry out stakeholder engagement in line with local legislation and KfW's requirements.

Termokos is responsible for ensuring the proper implementation of the LRP and is in charge of communicating with the communities within the Municipality of Prishtina/Obiliq, and consultations with PAP and representatives of affected communities and other stakeholders.

**The Project proponent and the representatives of the Municipality of Prishtina and MESPI (in charge of expropriation) are responsible for communicating with the affected communities and people.**

##### **9.4.2. Available communication tools**

A diverse combination of project related information and materials will be made available by TERMOKOS (also supported by two municipalities in the affected areas Municipality of Obiliq and Municipality of Prishtina as may be required) to the various stakeholders as part of the information sharing and disclosure process. This information includes

- Official invitations sent by email/ letters/ social media to stakeholders.
- Announcements on social media and printed/ electronic media (at national and local level Flyers, posters to inform the public about the stakeholder engagement process.
- A description of the project and an outline of its phases including project schedule.
- Information on the grievance system and the goal of stakeholder participation.
- Information on the land acquisition process for those who will be impacted by it.

### **9.4.3. Planned disclosure of information and consultations**

The planned disclosure of information and stakeholder engagement throughout the project lifecycle is detailed in the SEP. A consultation specifically to land acquisition will entail the activities summarised below.

**At least the non-technical summary of the draft final LRP will be posted on the website of TERMOKOS and locally in affected communities and distributed to affected people.**

After development of the LRP, the draft Plan will be posted on the above websites, while printed copies thereof will be made available at the addresses of TERMOKOS, Obiliq and Prishtina Municipality.

15 days after their posting, an open-door day will be organised in the Municipalities of Prishtina and Obiliq and facilitated by TERMOKOS' PIU for Solar4Kosovo Project in order to discuss the Draft Final LRP Plan with affected persons. Meetings will focus on providing information and involvement of individuals and households affected by construction activities in the consultation process.

Participants will be in a position to voice their opinion and provide comments in relation to the Project, as well as to propose specific solutions for issues that arise. All issues which are raised at the meetings (both resolved and unresolved) will be recorded. In addition, the public will have 2 weeks after the date of the meeting to submit written comments with respect to planned activities. All warranted comments and proposals will receive appropriate attention.

On the date of posting the Draft LRP plan online, a notification will be posted on bulletin boards of relevant municipal and local communities indicating:

- (i) where the draft document can be accessed,
- (ii) the date of the open-door day for community consultation,
- (iii) the contact details of the responsible person to whom any questions or comments can be submitted in writing, as well as the deadline for submission of comments.

Within 2 weeks after the open-door day, comments received in writing and during consultations will be considered and integrated in the text. The final Plan will be posted on the websites of TERMOKOS and relevant Municipalities.

## **9.5. PROVISIONS FOR PUBLIC DISCLOSURE OF LRP**

This chapter describes the Provisions for public disclosures, in accordance with the national legislation and the international regulations applicable.

### **9.5.1. National legal adherence to pertinent international standards on Stakeholder engagement**

The following table illustrates in a gap analysis how Kosovo laws adhere to the pertinent international standards that apply to this project on Stakeholder engagement.

**Table 9.3: Gap analysis**

Topic	Gap	Bridging Measures in this project
<b>Stakeholder Engagement</b>	SEP elaboration is not foreseen in any Kosovo law. Additionally, there is a time gap for public consultation.	Preparation of SEP and continuous update according to the donor standards.
<b>Grievance</b>	According to Kosovo Laws, there is no requirement to have grievance redress mechanism on all project phases.	Establishment of the Grievance mechanisms and procedures as detailed in this SEP.

### 9.5.2. International Regulations applicable to the Project related to stakeholder engagement

Stakeholder engagement is governed by the following regulations of international financing institutions:

- KfW Development Bank Sustainability Guidelines (February 2022)- Section 4.9 on Stakeholder Engagement and Grievance Management in FC measures<sup>40</sup>.
- The World Bank's Environmental and Social Framework (ESF) <sup>41</sup> came into effect on October 1st, 2018 and include 10 Environmental and Social Standards (ESS) that constitute the Environmental and Social Protection Guidelines.
- EBRD Performance Requirements (PRs) are set out in the EBRD's Environmental and Social Policy 2019.

These are further described in the following table:

<sup>40</sup> [https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/Nachhaltigkeitsrichtlinie\\_EN.pdf](https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/Nachhaltigkeitsrichtlinie_EN.pdf)

<sup>41</sup> [www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards](http://www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards)<sup>41</sup>

**Table 9.4: International Laws on Stakeholder engagement applicable to the Project**

Topic	KfW Development Bank Sustainability Guidelines	The World Bank’s Environmental and Social Framework (ESF)	EBRD Performance Requirements (PRs)
<b>Stakeholder Engagement</b>	<p>4.9.1. Stakeholder Engagement e.g., in form of public hearings, are to be scheduled for the scoping phase of the ESIA process and for the presentation of the draft ESIA report, in order to consult with the affected persons and/or their community representatives, stakeholders, cooperatives or non-governmental organisations (NGOs).</p> <p>The executing agency is required to conduct a meaningful participation and consultation process that allows affected people and interested stakeholders to express their views and concerns on project risks, impacts and the proposed mitigation measures. At the same time, the process shall also enable the executing agency to take these views into account and react.</p> <p>For the sake of transparency, the executing agency is required to disclose relevant information and a non-technical summary on the environmental and social assessment of the FC-measure via appropriate media channels at an accessible location and in a timely, culturally appropriate manner.</p> <p>The entire process shall be comprehensive and be implemented throughout all phases of the FC-measure.</p>	<p>The Environmental and Social Standard No 10 (ESS 10) deals with “Stakeholder Engagement and Information Disclosure. The provisions of this Standard are to be read in conjunction with other applicable ESSs. The specific requirements are highlighted below:</p> <ul style="list-style-type: none"> <li>Borrowers<sup>42</sup> will commence with stakeholder engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design and shall maintain such engagement throughout the Project cycle. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.</li> <li>Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</li> <li>The process of stakeholder engagement will involve the following: (i) stakeholder identification and analysis; (ii) planning on ways to engage; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing</li> </ul>	<p>EBRD’s PR 10<sup>43</sup>: Information Disclosure and Stakeholder Engagement recognizes the importance of an open and transparent engagement between the client, its workers, worker representatives, local communities and persons affected by the project and, where appropriate, other project stakeholders as an essential element of good international practice and corporate citizenship.</p> <p>Such engagement is also a way of improving the environmental, social and overall sustainability of projects.</p> <p>In particular, effective community engagement, appropriate to the nature and scale of the project, promotes sound and sustainable environmental and social performance, and can lead to improved financial, social and environmental outcomes, together with enhanced community benefits.</p> <p>In summary, the following system of stakeholder engagement is applicable to the Project:</p> <ul style="list-style-type: none"> <li>Stakeholder engagement will involve the following elements: stakeholder identification and analysis, stakeholder engagement planning, disclosure of information, meaningful consultation, implementation of a grievance mechanism, and ongoing reporting to relevant stakeholders.</li> <li>The client will conduct stakeholder engagement on the basis of providing stakeholders with access to timely, relevant, understandable and accessible information, in a meaningful, effective, inclusive and culturally appropriate manner and free from manipulation, interference, coercion, intimidation</li> </ul>



Topic	KfW Development Bank Sustainability Guidelines	The World Bank's Environmental and Social Framework (ESF)	EBRD Performance Requirements (PRs)
		<p>and responding to grievances; and (vi) reporting to stakeholders.</p> <ul style="list-style-type: none"> <li>The Borrower will maintain and disclose a stakeholder engagement log as documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was considered, or the reasons why it was not.”</li> <li>As early as possible in the Project, before appraisal, the Borrower will develop and disclose a Stakeholder Engagement Plan proportionate to the nature and scale of the activity and/or investment and its potential risks.</li> </ul> <p>The SEP is a living document; potential changes are driven by any changes in the Project during its implementation. Should the project incur significant changes, such updates will be reflected in the SEP and the document will be redisclosed to the stakeholders and the public</p>	<p>and retaliation.</p> <ul style="list-style-type: none"> <li>Stakeholder engagement will begin as early as possible in the project development and will continue throughout the project life cycle.</li> <li>The nature and frequency of stakeholder engagement at all phases of the project development will be proportionate to the nature and scale of the project, its potential adverse environmental or social risks and impacts and the level of stakeholder interest.</li> <li>The client will comply with the applicable requirements of national law with respect to public information and consultation, including those laws implementing host country obligations under public international law.</li> <li>The client will ensure that appropriate environmental and social information is disclosed, and meaningful consultation is held with the project's stakeholders and where appropriate, feedback provided through the consultation is taken into consideration; and</li> <li>The client will define clear roles, responsibilities, and authority as well as designate specific personnel for the implementation and monitoring of stakeholder engagement activities.</li> </ul>
Grievance	4.9.2. The executing agency is to establish a grievance process for the FC-measure for receiving and dealing with concerns and	According to ESS10, the Borrower should also propose and implement a grievance mechanism to receive and facilitate the resolution of concerns and grievances of project-affected parties related to the	PR10. The client will ensure that grievances from stakeholders are responded to and managed appropriately.

<b>Topic</b>	<b>KfW Development Bank Sustainability Guidelines</b>	<b>The World Bank's Environmental and Social Framework (ESF)</b>	<b>EBRD Performance Requirements (PRs)</b>
	<p>complaints of employees and members of the affected public.                      The procedure should be culturally appropriate and proportional to the FC-measure.                      Grievances and their processing and resolution are to be documented and form part of the reporting to KfW Development Bank.</p>	<p>environmental and social performance of the project in a timely manner.</p>	

## **10. GRIEVANCE PROCEDURES**

Project proponent, through the PIU, will maintain a grievance procedure for the overall project, including sub-component's activities and investments during all phases of the project. All stakeholders, on all activities will be informed on the existence and availability of the grievance mechanism, contacts as well as the forms of submitting complaints. The objective of a grievance procedure is to ensure that all comments and complaints from any project stakeholder are considered and addressed in an appropriate and timely manner.

The stakeholders will be fully informed about the Grievance procedures in simple language and minority language where appropriate and according to Kosovo Laws. All information about grievance mechanism and Grievance Form (Figure 10.1:Scheme of project grievance procedure) will be made available through online information (TERMOKOS website) and in printed form at community public areas as well as at the Project's premises and other locations that will be defined prior the start of realization of project activities and/or investments.

The grievance management will be performed according to the following three steps:

### **10.1.1. Confirmation of receipt**

For grievances received in the field, TERMOKOS will assign a person to acknowledge the receipt of the grievance. For grievances received through email, post and fax, TERMOKOS will issue an acknowledgement receipt form within 7 days of receiving a grievance. When possible, the responsible person will make a follow-up call to the stakeholder to understand the grievance process to be followed.

### **10.1.2. Register grievances in Grievance database:**

All grievances will be recorded in a Project's Grievance Registry (Table 10.1) and acknowledged within 7 calendar days. The stakeholder-complainant will be informed by responsible person about proposed corrective measures and actions that will be taken within 15 calendar days upon the acknowledgement of grievance by e-mail or as a postal letter.

The SEE will publish and regularly update all relevant documents and grievance procedures on the Project's website.

In case TERMOKOS is not able to address the issues raised by immediate corrective action, a long-term corrective action will be identified, within 30 calendar days upon the acknowledgement of grievance.

TERMOKOS will provide a detailed explanation/ justification on why the issue was not addressed and/or is not able to address the particular issue raised through the grievance mechanism. Also, in case any action is not required the complainant will receive the notice. The response also needs to contain an explanation on how the person/



### SCHEME OF PROJECT GRIEVANCE PROCEDURE

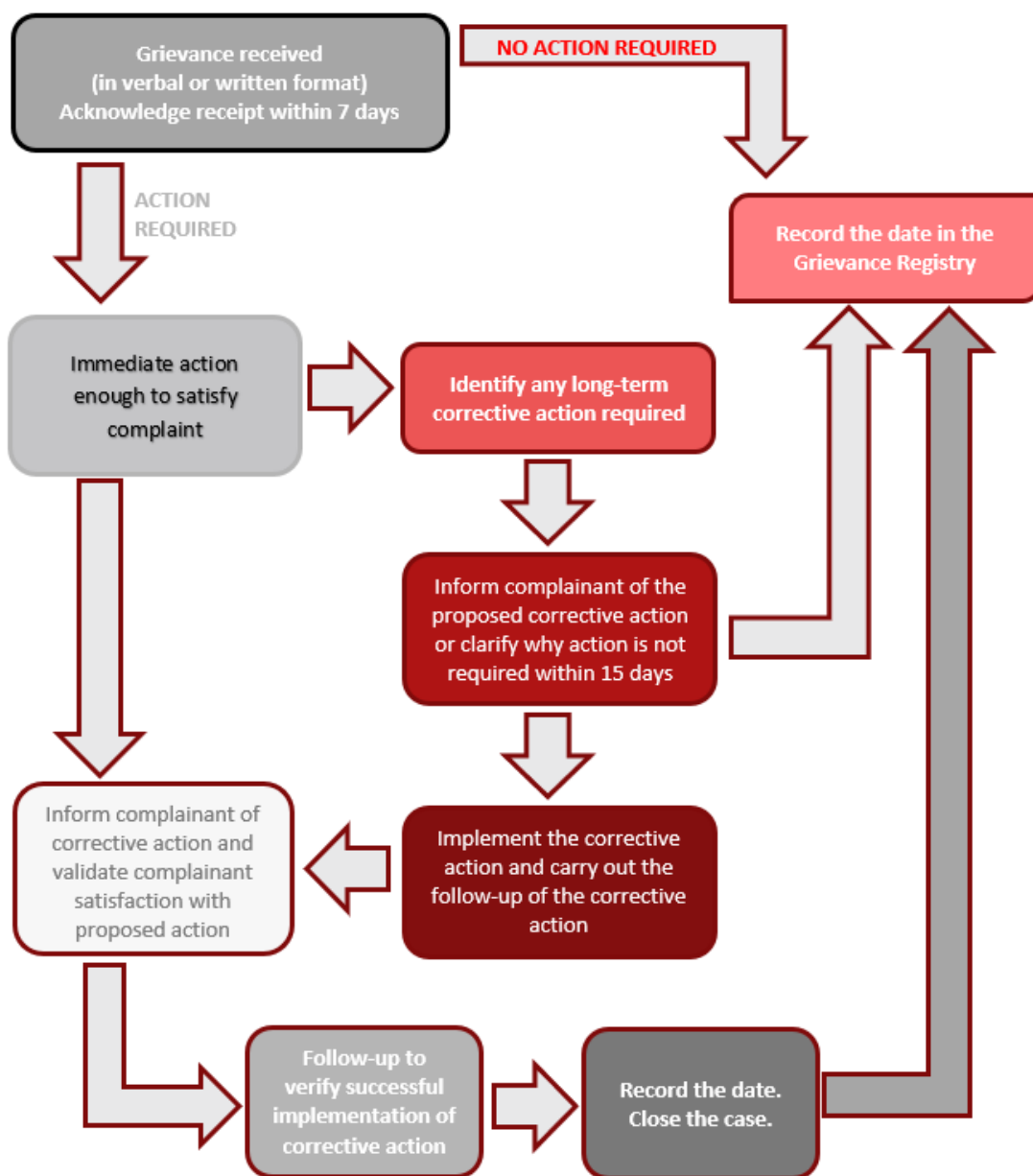


Figure 10.1: Scheme of project grievance procedure

## 11. MONITORING, EVALUATION & REPORTING

### 11.1. MONITORING PROCESS

Project proponent will be responsible for performing LRP monitoring and evaluation activities, while developing, maintaining and regularly updating a database that will contain pertinent information regarding LRP implementation. The database shall have required land acquisition information on the owners and users of impacted land.

Project proponent will prepare environmental and social audit reports, including the progress achieved in the implementation of this LRP.

Observed Indicators to consider during the LRP monitoring and evaluation process are indicated as following.

**Table 11.1: Monitoring indicators**

No.	Indicator	Means of verification	Time of verification
1)	<b>The number of impacted households.</b>	Data collected during the socio-economic surveying process. The data will include pertinent information about the demographics and socio-economic profile for affected household members.	Before and after implementation of LRP.
2)	<b>Portion and number of impacted parcels.</b>	Data collected during the survey process.	Before and after LRP implementation.
3)	<b>Compensation benefits for all affected households and persons by the project.</b>	Data collected during the compensation benefits calculation and disbursement.	Before and after construction activities.
4)	<b>The number of potential structures affected.</b>	Data collected during the survey process.	Before construction.
5)	<b>Measures for maintaining and improving livelihoods.</b>	Data from onsite project implementation and monitoring process.	After the implementation of the LRP.
6)	<b>The number of incidents during project implementation.</b>	Data obtained during the monitoring process.	After the implementation of the LRP.
7)	<b>The number of conflicts between affected persons and/or community members.</b>	Data obtained during the monitoring process.	After the implementation of the LRP.

No.	Indicator	Means of verification	Time of verification
8)	<b>The number of conflicts between affected persons and/or community members and project staff before and during the implementation process.</b>	Data obtained during the monitoring process.	After the implementation of the LRP.
9)	<b>The number of vulnerables at increased risk of impacting livelihoods.</b>	Data obtained during the socio-economic survey and complementary monitoring activities.	Before and after implementation of the LRP.
10)	<b>The number of grievances registered through grievance mechanism.</b>	Data received from project proponent.	After the implementation of the LRP.
11)	<b>The number of grievance cases addressed.</b>	Data received from project proponent.	After the implementation of the LRP.
12)	<b>PAPs perception and satisfaction with the outcome with the attended and resolved grievances.</b>	PAP consultations.	Semi-annually.
13)	<b>The number of signed amicable agreements.</b>	Data obtained from the project proponent.	After the implementation of the LRP.
14)	<b>The number of parcels rehabilitated to a satisfactory level.</b>	Data obtained from the project proponent.	Quarterly.

## 11.2. LAND ACQUISITION/ LIVELIHOOD RESTORATION COMPLETION REPORTS

Based on IFI Performance Standards (WB ESS5 and EBRD PR5) a Land Acquisition completion report and a Livelihood Restoration completion report will be elaborated.

The objectives of these reports are to:

- Verify that all entitlement benefits and project commitments described in the LRP/LAP have been adequately delivered to affected PAPs.
- Define if the LRP measures have been appropriate and effective in restoring or enhancing the livelihoods of the PAPs.
- Review the resolution of grievances and verify if any grievance has not been addressed.
- Identify the required remediation actions in meeting LRP commitments.

## 12. **APPENDIX**

Annex LRP-1: omitted

Annex LRP-2: Draft Survey Questionnaire for Socio-Economic Baseline Survey at PAPs

Annex LRP-3: In-depth interviews with known affected farmers (3<sup>rd</sup> September 2022)

The appendix is rendered as a separate document.



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