

ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA)

Project: TEG Extension



January, 2026

Tirana, Albania

Document title	<i>Environmental and Social Impact Assessment (ESIA) for TEG Extension Project</i>
Status.	<i>Draft</i>
No. of revisions	<i>1</i>
Date	<i>15/01/2026</i>
Version	<i>Draft</i>
Author	<i>ESDO Consultancy Services</i>
Revised/Updated by	<i>Erjona BAJRAKTARI, Balfin Group ESG Officer</i> <i>Ariona Shehu, Project PM</i>
Client Name	<i>Balfin Group</i>
Document approval	<i>Erjona Bajraktari</i> (Approved by) <i>20/01/2026</i> (Date of Issuance)

Table of Contents

1.	INTRODUCTION.....	8
1.1	Scope of the SLIP Package	8
1.2	Project Technical Description	10
1.3	Structure of the Report	12
2.	LEGAL AND INSTITUTIONAL FRAMEWORK.....	15
2.1	International Framework – IFC PSs.....	15
2.2	National Legal Framework.....	17
3.	PROJECT PHASES AND ACTIVITIES.....	18
3.1	Project Phases and potential impacts.....	18
3.1.1	Design Phase.....	18
3.1.2	Construction Phase.....	18
3.1.3	Operation Phase.....	22
3.1.4	Unplanned / Accidental Events	23
3.2	Key Emissions and Waste Generation linked to project stages and activities.....	24
3.3	Resource Consumption / Resource Efficiency Measures	29
4.	PROJECT AREA OF INFLUENCE.....	33
4.1	Area of Influence	34
4.2	Baseline Data Collection	37
5.	PHYSICAL BASELINE.....	41
5.1	Climate	41
5.2	Air Quality.....	43
5.3	Noise	44
5.4	Geomorphology and Topography	45
5.5	Geology and Soils	47
5.6	Hydrology.....	48
5.7	Hydrogeology	49
5.8	Landscape.....	50
6.	BIOLOGICAL BASELINE	53
6.1	Flora & Fauna.....	53
6.2	Invasive Species	55
6.3	Protected Areas.....	56
6.4	Potential Critical Habitat in the Area of Influence.....	57
6.5	Ecosystem Services	61
7.	SOCIAL BASELINE	62
7.1	Baseline Structure	62
7.2	Limitations	62
7.3	Context Overview	63
7.3.1	Governance and Administration in Albania	63
7.3.2	Demographic Level	66
7.3.3	Land Use & Land Tenure	68
7.3.4	Economy & Employment	73
7.3.5	Livelihood	75
7.3.6	Community Health, Safety & Security.....	81
7.3.7	Infrastructure & Public Services	83
7.3.8	Water Supply & Sanitation.....	84
7.3.9	Waste Management.....	85
7.3.13	Public Transport Network.....	90
8.	STAKEHOLDER ENGAGEMENT, PUBLIC CONSULTATION & COMMUNICATION.....	108
8.1	Objectives of Stakeholder Engagement.....	109
8.2	Project Stakeholders	110
8.3	Outstanding Feedback and Primary Demographic Social Baseline	112
	Stakeholder Identification and Analysis	112
	Purpose and Objectives	112
8.4	Ongoing Engagement During Construction and Operation Phases	115

8.4.1 Overview	115
8.4.2 Construction Phase Engagement.....	115
8.4.3 Operation Phase Engagement	115
8.4.4 Responsibilities and Coordination	116
8.4.5 Reporting and Feedback Integration.....	117
8.4.6 Continuous Improvement.....	117
9. E&S MANAGEMENT PLAN (ESMP)	117
9.1 How the ESMP is Applied Across Project Phases	Error! Bookmark not defined.
9.2 Integration with the ESMS	117
9.3 Documentation, Monitoring, Reporting, and Continuous Improvement.....	130
Annex 1 – Work Zone Layout Sheets and Typical Details	133

LIST OF FIGURES

Figure 1-1 Site Location	11
Figure 1-2 Proposed Investment Schedule	12
Figure 3-1 Operations team.....	23
Figure 4-1 Project Location related to Tirana city	34
Figure 4-2 Environmental AoI of the Project (Source: TEG, 2025).....	35
Figure 4-3 Photos from the site	40
Figure 5-1 Average Precipitation and Temperature in Tirana (1991-2022).....	42
Figure 5-2 Mean PM10 annual concentration and Monitoring Route in Albania (2024).....	43
Figure 5-3 Mean SO2 annual concentration and Monitoring Route in Albania (2024)	44
Figure 5-4 Mean O3 annual concentration and Monitoring Route in Albania (2024)	44
Figure 5-5 Map of Noise in Urban Areas of Tirana	45
Figure 5-6 Topography of the Area of Influence.....	46
Figure 5-7 Landslide and Flood Risk Areas in Tirana.....	46
Figure 5-8 Geology in the Area of Influence	47
Figure 5-9 Surface Soils in the Project Plot.....	48
Figure 5-10 Views of the Project Plot from Closest Buildings.....	51
Figure 5-11 Street views of the Project Plot from the main road.....	51
Figure 5-12 Aerial view of the Project Plot	52
Figure 6-1 Soil layer	54
Figure 6-2 Vegetation within the Project Plot and its Surroundings	55
Figure 6-3 Wetlands Close to the Project Plot	57
Figure 7-1 Administrative Map of Albania.....	64
Figure 7-2 Tirana District Map	65
Figure 7-3 Land Use Map with the Primary & Secondary AoI.....	70
Figure 7-4 Map of schools that can be found in the vicinity.....	80
Figure 7-5 University Hospital Center “Mother Teresa” (QSUT)	83
Figure 7-6 “Farka Mosque”	84

LIST OF TABLES

Table 1-1 Structure of this Report.....	14
Table 2-1 IFC PSs	15
Table 2-2 National Legal Framework.....	17
Table 3-1 Waste typology	25
Table 4-1 Closest Sensitive receptors around the project plot	36
Table 6-1 Trigger Bird Species in Tirana, Albania	58
Table 6-2 Threatened Species Identified in a 50-km Buffer from the Project Plot	60
Table 7-1 Population data for Tirana Country's administrative units	66
Table 7-2 Age and Gender Distribution in Tirana Country's, 2023	67
Table 7-3 Main sources of Employment for the Municipality of Tirana vs National Average	73
Table 7-4 Distribution of Tirana Municipality Population involved in Agriculture sectors	75
Table 7-5 Cultivated area by crop type, productivity, and production.....	76
Table 7-6 Data on Households Cultivating Selected Crops (Tirana & National Level).....	76
Table 7-7 Distribution (%) of the Currently Employed Youth of Tirana.....	78
Table 7-8 Distribution (count and %) of the school-Age population National and Municipality Level	79
Table 7-9 Ten-year early childhood mortality rates according to additional characteristics	82
Table 7-10 Distribution (count and %) of Private Households in the AoI by Mode of Waste Disposal (2023).....	86
Table 7-11 Number and Share (%) of the Resident Elderly (aged 60 years and above) among the Total Resident Population of Tirana	98
Table 8-1 Stakeholder Categories	112
Table 8-2 Stakeholder Register and Analysis.....	113
Table 8-3 Engagement with Vulnerable Groups.....	113
Table 8-4 Outcomes of ESIA Process Stakeholder Engagements	114
Table 8-5 Responsibilities and coordination	116
Table 9-1 Integrated Environmental and Social Risk, Mitigation, and Cost Framework	128

Abbreviations

ABBREVIATION	DEFINITION
AA	Administrative Area
AOI	Area of Influence
AKUK	Agjencia Kombëtare e Ujësjellës Kanalizimeve (National Water and Wastewater Agency)
AKZM	Agjencia Kombëtare e Zonave të Mbrojtura (National Agency of Protected Areas)
BOD	Biological Oxygen Demand
CO ₂	Carbon Dioxide
CSO	Civil Society Organization
CEMP	Construction Environmental Management Plan
CMP	Construction Management Plan
CGM	Community Grievance Mechanism
CHMP	Cultural Heritage Management Plan
DMP	Dust Management Plan
EA	Environmental Assessment
EHS	Environment, Health, and Safety
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESS	Environmental and Social Standards
E&S	Environmental and Social
EPRP	Emergency Preparedness and Response Plan
EU	European Union
FSMP	Fire Safety Management Plan
GHG	Greenhouse Gas
GOA	Government of Albania
GRM	Grievance Redress Mechanism
H&S	Health and Safety
HMMP	Hazardous Materials Management Plan
IFC	International Finance Corporation
ILO	International Labour Organization
ISO	International Organization for Standardization
KPIS	Key Performance Indicators
LMP	Labour Management Procedures
LPG	Liquefied Petroleum Gas
MIE	Ministry of Infrastructure and Energy
MOE	Ministry of Environment
MOC	Ministry of Culture
MSW	Municipal Solid Waste
NEA	National Environmental Agency
NGO	Non-Governmental Organization

ABBREVIATION	DEFINITION
NTPA	National Territorial Planning Agency
OHS	Occupational Health and Safety
PPE	Personal Protective Equipment
PS	Performance Standards
ROA	Republic of Albania
SEP	Stakeholder Engagement Plan
SIA	Social Impact Assessment
SMMP	Site Management and Monitoring Plan
SO ₂	Sulphur Dioxide
STWMP	Stormwater Management Plan
SWMP	Solid Waste Management Plan
TEG	Tirana East Gate
TMP	Traffic Management Plan
UNESCO	United Nations Educational, Scientific and Cultural Organization
WMP	Waste Management Plan
WHO	World Health Organization
WGM	Workers Grievance Mechanism
WWTP	Wastewater Treatment Plant

1. INTRODUCTION

Balfin Group (BG) has planned the extension of the existing Tirana East Gate (TEG) shopping center in response to the increasing number of visitors and the growing demand for modern retail, leisure, and service spaces. The extension is designed not only to expand the current operational capacity, but also to enhance customer experience, promote energy efficiency, and achieve internationally recognized green building certification standards. The project is developed by TEG Ltd., with Balfin Construction acting as the general construction contractor, and is located along the Tirana–Elbasan highway. The extension involves the construction of a lateral addition comprising two to three above-ground floors and two basement levels, seamlessly integrated with the existing structure, which currently consists of two to three above-ground floors and two basement levels. The project site is located on Property No. 863/4, Volume 9, Page 42, within Cadastral Zone 2529, Lunder area, Administrative Unit Farkë, Tirana Municipality, and is owned by TEG Sh.p.k.

This investment will be financed through a loan agreement with the International Finance Corporation (IFC). In this context, BG is committed to applying the highest environmental and social performance standards, in line with the IFC Performance Standards (PS).

Furthermore, in July 2025, Balfin Group approved its corporate Environmental and Social Management System (ESMS) framework. The ESMS applies across all Group companies, including the TEG Extension Project, and requires the project to comply with the IFC Performance Standards. The level of implementation will be proportionate to the project's nature, scale, and associated environmental and social risks, in accordance with IFC Performance Standard 1 (PS1) and applicable Albanian legislation, including Law No. 10440/2011 "On Environmental Impact Assessment", as amended, and Law No. 10431/2011 "On Environmental Protection", as amended.

The ESMS ensures continuous stakeholder engagement, information disclosure, and monitoring throughout both the construction and operational phases of the project, with clearly defined roles, responsibilities, and allocated resources.

The project has progressed beyond the conceptual stage, with the preliminary design finalized. In December 2024, a national Environmental Impact Assessment (EIA) was completed by a licensed local expert in accordance with Albanian legislation, and the corresponding environmental declaration was issued by the competent authorities. Scope of the SLIP Package

In order to properly apply the IFC Performance Standards and anticipate potential environmental and social (E&S) risks associated with the investment,, TEG Sh.p.k., has

undertaken the preparation of a Supplementary Lender's Information Package (SLIP). The SLIP is designed to ensure alignment with the IFC PSs¹ (2012), the World Bank Group EHS (EHS) Guidelines², and Good International Industry Practice (GIIP)³.

The Project's E&S obligations addressed through the SLIP include:

- I. identification, assessment, and management of E&S risks and impacts using the mitigation hierarchy ⁴;
- II. stakeholder engagement, information disclosure, and operation of accessible grievance mechanisms ;
- III. protection of safe working conditions, including training and worker grievance mechanisms (IFC PS2)⁵;
- IV. resource efficiency and pollution prevention, including control of emissions, waste, noise, dust, and traffic-related impacts (IFC PS3); and
- V. protection of community health, safety, and security from project-related risks, including traffic and emergency response (IFC PS4⁶), supported by ongoing monitoring, reporting, and continuous improvement.

The SLIP consists of two principal components:

- 1- The development of project ESIA: Incorporating to the existing EIA additional project details, strengthening baseline data, expanding impact identification and assessment, and defining enhanced mitigation measures.
- 2- Drafting of Environmental and Social Management Plan (ESMP): which upon its finalization will be complemented with site-specific management plans addressing the key E&S risks relevant to the proposed project. Consisting of but not limited to:
 - ✓ Occupational and Community Health and Safety Plan
 - ✓ Stakeholder Engagement Plan
 - ✓ Supply Chain Management Plan
 - ✓ Emergency Preparedness and Response Plan
 - ✓ Waste Management Plan
 - ✓ Traffic Management Plan
 - ✓ Life and Fire Safety Plan

Preparation of the SLIP requires additional steps, including:

- Collection of updated technical and design information.
- Strengthening of E&S baseline data.

¹ <https://www.ifc.org/performancestandards>

² <https://www.ifc.org/ehsguidelines>

³ <https://www.ifc.org/sustainability>

⁴ <https://www.ifc.org/ps1>

⁵ <https://www.ifc.org/ps2>

⁶ <https://www.ifc.org/ps4>

- Enhanced stakeholder engagement and disclosure activities.

Labor and working-condition requirements will be addressed through project-specific Labor Management Procedures (LMP) consistent with the Albanian Labor Code and IFC PS 2. These procedures will cover non-discrimination, fair treatment, occupational health and safety, and an accessible worker grievance mechanism including GBVH.

1.1 Project Technical Description

TEG Extension Project is a strategic development aimed at expanding the volume, surface area, and commercial capacity of the existing TEG shopping center, one of the largest retail hubs in Albania. The intervention combines architectural, structural, and installation-related works to modernize the facility, improve customer experience, and align with energy efficiency measures and international green building certification standards., in line with Balfin Group's Environmental, Social, and Governance (ESG) commitments.

The extension has been developed based on a concept design prepared by the Turkish architectural firm YAZGAN Design, with the detailed implementation project currently being finalized by the local design "studio Comi.

The physical interventions will consist of:

- ✓ Northwest side: Side extension of two floors with unit spaces;
- ✓ Southwest side: Side extension of three floors with unit spaces.

The expanded structure will integrate seamlessly with the existing TEG building, which currently consists of two to three above-ground floors and one basement floor, constructed with a combination of reinforced concrete and metal elements.

In addition to its technical objectives, the extension is expected to generate substantial social, environmental, and economic benefits. These include the creation of new jobs during both construction and operation phases, the expansion of services available to local communities, and the strengthening of Tirana's role as a regional commercial hub. At the same time, the project integrates energy-efficient design, sustainable construction practices, and green building certification standards, ensuring reduced environmental impacts. These measures are guided by Balfin Group's ESMS, which institutionalizes best practices and ensures continuous alignment with IFC PSs, World Bank Group EHS Guidelines, and GIIP.

The project site is located on Property No. 863/4, Vol. 9, Pg. 42, within Cadastral Zone 2529 in Lundër, Administrative Unit Farkë, Tirana Municipality. The property is owned by TEG Sh.p.k., which also serves as the project developer. The construction works will be carried out by Balfin Construction Sh.p.k.

The site location is presented in Figure 1.1.

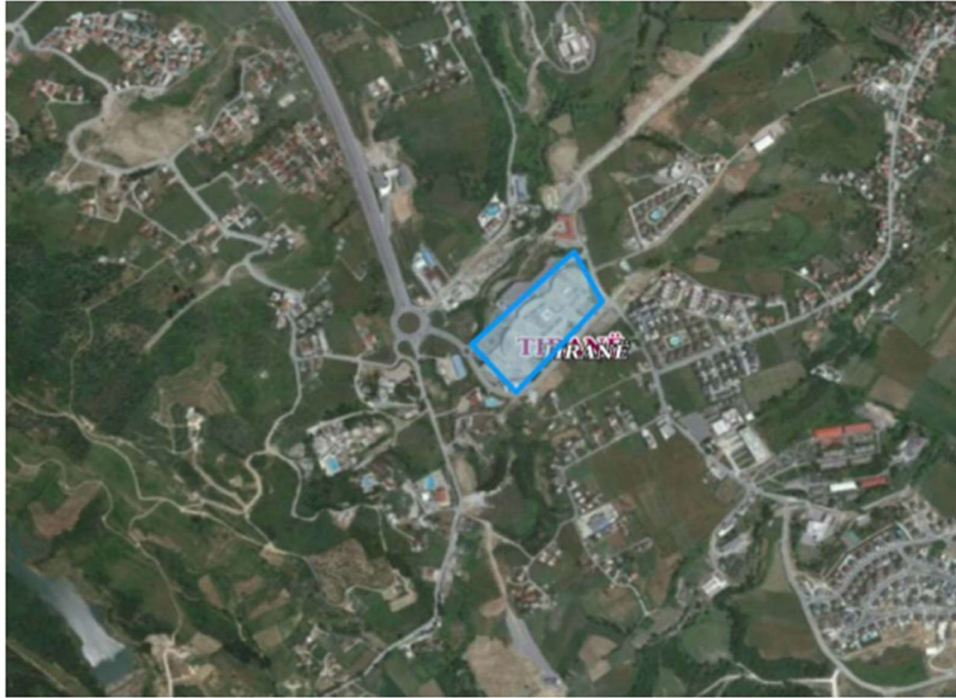


Figure 1-1 Site Location

Construction of the TEG Extension Project is planned to commence at the end of March or beginning of April 2026, with an estimated construction period of 24 months.

The project dimensions are as follows:

- **Surface area of intervention:** 9,644 m²
- **Total construction area:** 33,000 m²
- **Gross leasable area (GLA):** ~18,000 m²

The project layout is illustrated in Annex 1.

Functional Composition

The additional gross leasable area will be distributed across the following activity sectors:

- Fashion: 7,599.2 m²
- Food & Beverage: 2,944.2 m²
- Health & Beauty: 1,115.5 m²
- Household Goods: 478.6 m²
- Leisure and Entertainment (G+2): 4,870 m²

Current Operations

The existing TEG shopping center, located on the Tirana–Elbasan Highway, already provides a wide range of retail and service facilities that enhance the shopping experience. These include

parking spaces, ATMs, car wash, e-charging stations, lost and found, lockers, and a prayer room, in addition to diverse retail categories.

TEG operates as a seven-day activity hub, with the following opening hours:

- **Summer season:**
 - Monday–Friday: 10:00–22:00
 - Saturday–Sunday: 09:00–22:00
- **Winter season:**
 - Monday–Friday: 10:00–21:00
 - Saturday–Sunday: 09:00–21:00

Current Status and Next Steps

At present, the detailed implementation design is being finalized across all technical disciplines. Meanwhile, the TEG management team, together with the main construction contractor (Balfin Construction), is preparing preliminary plans to ensure readiness for construction commencement in early 2026.

The estimated construction schedule and project progress are presented in Figure 1.3.

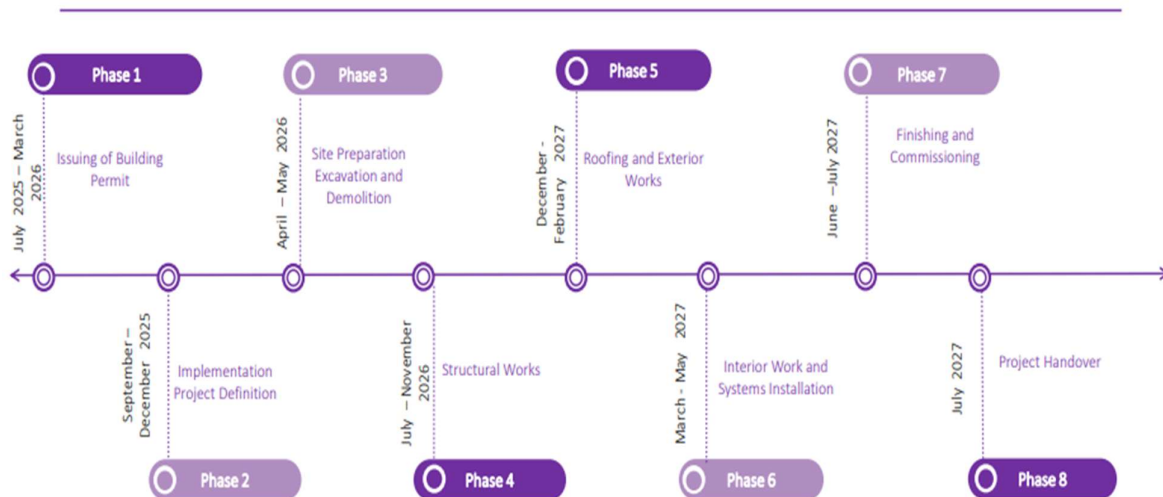


Figure 1-2 Proposed Investment Schedule

1.2 Scope and Structure of the Report

Scope

This ESIA identifies, predicts, and evaluates potential environmental and social (E&S) impacts associated with the proposed Project, with a primary focus on the construction and operation phases. Beyond impact identification, the ESIA establishes a structured framework for aligning Project implementation with applicable national and international E&S standards and for identifying gaps that require targeted management measures.

The scope of the assessment is consistent with the requirements of IFC PS1, BG ESMS, and the applicable Albanian legal and regulatory framework. It ensures that E&S considerations are systematically integrated into Project design, implementation planning, and decision-making, while also supporting compliance with international best practice.

In this context, the ESIA:

- Defines the Project's Area of Influence (AoI) and assesses physical, biological, and socio-economic baseline conditions relevant to impact identification;
- Identifies and evaluates potential positive and negative E&S impacts associated with the construction and operation phases;
- Reviews applicable national and international E&S legislation, policies, and standards, establishing a clear compliance baseline for the Project;
- Conducts a gap assessment between Albanian regulatory requirements, applicable international standards, and current Project practices, identifying areas where additional measures are required;
- Defines actions and commitments to address identified gaps, which are incorporated into the SLIP package as a structured tool to bridge these gaps and ensure alignment with international standards;
- Establishes the analytical basis for the further development of the ESMP, under which mitigation, monitoring, institutional responsibilities, implementation schedules, and costs are elaborated in detail;
- Defines monitoring, reporting, and stakeholder engagement principles necessary to ensure effective implementation and ongoing compliance.

The ESIA report is structured to reflect this logic and includes the following key sections:

- Introduction and Project Description – Establishes the Project context, objectives, scope, implementation arrangements, and alignment with BG ESMS and IFC PSs, providing the foundation for the assessment;
- Policy, Legal, and Institutional Framework – Identifies applicable Albanian and international E&S standards, analyzes institutional responsibilities, and presents a structured gap assessment with corresponding actions required to achieve compliance with international best practice;
- E&S Baseline – Describes existing environmental, social, and economic conditions within the AoI, with particular attention to sensitive receptors and constraints relevant to Project implementation;
- Impact Identification and Assessment – Evaluates potential E&S impacts across Project phases, taking into account baseline conditions, Project activities, and identified regulatory and institutional gaps;

- ESMP – Builds on ESIA findings and the gap assessment by defining mitigation and management measures, monitoring requirements, roles and responsibilities, and implementation arrangements, including those required under the SLIP package to bridge identified gaps;
- Stakeholder Engagement and Public Consultation – Documents stakeholder engagement activities, consultation outcomes, and mechanisms for ongoing engagement and grievance management;
- Conclusions and Recommendations – Summarizes key findings, compliance status, identified gaps, and commitments to be implemented during the Project life cycle.

The ESIA, ESMP, and SLIP package together constitute an integrated management framework that supports regulatory approval, lender compliance, and effective Project implementation. The development of the SLIP package is a key instrument for systematically bridging identified gaps between national requirements and international standards, thereby justifying the further refinement and strengthening of Project management measures during implementation.

Structure

The report follows the structure recommended by the IFC Environmental, Health and Safety Guidelines and national regulations, comprising the following main chapters as described in the table below:

Table 1-1 Structure of this Report

Chapter	Content
Chapter 1	Introduces SLIP and provides the project background, objectives, scope of the ESIA, and an overview of how the report is structured. It also presents the Project technical description, regulatory context, IFC alignment, and key environmental and social commitments.
Chapter 2	Describes the international and national policy, legal, and institutional framework governing the Project. This includes alignment with the IFC PS1–PS8 and Albanian legislation relevant to environmental protection, labor, occupational health and safety, waste management, biodiversity, cultural heritage, and public consultation.
Chapter 3	Describes the Design, Construction, Operation, and Unplanned/Accidental phases of the Project. It details workforce requirements, construction and operational activities, emissions, waste generation, hazardous materials, energy and water use, health and safety arrangements, traffic management, and resource efficiency measures.
Chapter 4	Defines the Project's Aol for environmental and social components and explains the methodology used to collect baseline data, including GIS analysis, desktop studies, field surveys, and stakeholder interviews.
Chapter 5	Describes the existing physical environment within the Aol, including climate, air quality, noise, geomorphology, soils, hydrology, hydrogeology, and landscape. This chapter establishes the baseline against which project impacts are assessed.
Chapter 6	Covers flora, fauna, invasive species, protected areas, potential critical habitats, and ecosystem services within the Aol, in line with IFC PS6 requirements.

Chapter 7	Analyzes demographic conditions, land use, economy, livelihoods, health, infrastructure, transportation, vulnerable groups, community safety, and cultural heritage within the Aol, in line with IFC PS1, PS2, PS4, PS5, and PS8.
Chapter 8	Describes stakeholder identification, engagement activities undertaken for the SLIP, feedback received, engagement with vulnerable groups, grievance mechanisms, and plans for ongoing consultation during construction and operation.
Chapter 9	Presents the ESMP, including how it is applied across project phases, its integration with the ESMS, mitigation and monitoring measures, management sub-plans (Waste, OHS, Traffic, Emergency, Fire Safety, Stakeholder Engagement), institutional responsibilities, documentation, reporting, and continuous improvement in line with IFC PS1–PS8.

2. LEGAL AND INSTITUTIONAL FRAMEWORK

2.1 International Framework – IFC PSs

The ESIA for the TEG Extension Project has been prepared in alignment with the IFC Performance Standards (PSs) on Environmental and Social Sustainability (2012). The IFC Performance Standards provide an internationally recognized framework for the identification, assessment, management, mitigation, and monitoring of environmental and social risks and impacts throughout the Project lifecycle.

As part of the ESIA process, each IFC Performance Standard has been screened against the nature, scale, location, activities, and anticipated environmental and social risks and impacts of the TEG Extension Project. The applicability assessment is presented in Table 2-1. For each applicable Performance Standard, the Project-specific basis for its applicability is identified. Where a Performance Standard is considered not applicable, justification is provided.

Table 2-1 IFC PSs and relevance to the proposed Project

IFC PS	Title	Applicability	Project-Specific Rationale
PS1	Assessment and Management of Environmental and Social Risks and Impacts	Applicable	PS1 is applicable as the construction and operation of the TEG Extension will give rise to environmental and social risks and impacts requiring systematic identification, assessment, mitigation, monitoring, and management. These include construction-related impacts, occupational and community health and safety risks, traffic, waste generation, resource use, pollution prevention, stakeholder impacts, and contractor performance. PS1 provides the overarching framework for the ESIA, ESMP, stakeholder engagement, grievance management, and ongoing E&S monitoring and management.
PS2	Labor and Working Conditions	Applicable	PS2 is applicable because the Project will involve direct and contracted workers during construction and personnel during operation. Relevant considerations include terms and conditions of employment, non-discrimination and equal opportunity, protection of vulnerable workers, occupational health and safety, contractor and subcontractor management, and establishment of an accessible worker grievance mechanism. Relevant

				requirements concerning primary supply workers will also apply where risks covered by PS2 are identified.
PS3	Resource and Prevention	Efficiency and Pollution	Applicable	PS3 is applicable because construction and operation will involve the consumption of energy, water, construction materials, and other resources, as well as the generation of solid waste, wastewater, dust, noise, emissions, and potentially hazardous materials/wastes. The Project will therefore implement measures for resource efficiency, pollution prevention and control, waste and wastewater management, and efficient use of energy and water. Energy-efficiency measures and the planned photovoltaic installation are also relevant to the Project's resource-efficiency and GHG management approach.
PS4	Community Safety, and Security	Health,	Applicable	PS4 is applicable because construction activities and associated movements of workers, vehicles, machinery, and materials may create risks to TEG visitors, neighbouring receptors, pedestrians, and road users. During operation, fire and life safety, emergency preparedness and response, traffic and pedestrian safety, and safe management of public access are particularly relevant due to the commercial and publicly accessible nature of TEG. Community health and safety measures will therefore be incorporated into Project design, construction management, and operational procedures.
PS5	Land Acquisition and Involuntary Resettlement		Not Applicable	The TEG Extension is planned within land already under the ownership/control of the Project developer and does not require involuntary acquisition of third-party land. No physical displacement, economic displacement, loss of livelihoods, or restriction of access to land or resources resulting from Project-related land acquisition has been identified. PS5 is therefore not triggered based on the current Project design and land requirements. Should the Project footprint or land requirements change, the applicability of PS5 will be reassessed.
PS6	Biodiversity Conservation and Sustainable Management of Living Natural Resources		Not Applicable / No Material PS6 Trigger Identified	The Project is located within an existing developed commercial area and does not affect natural or critical habitat or areas of recognized biodiversity value. No material impacts on biodiversity or ecosystem services requiring specific management under PS6 have been identified. Any removal or disturbance of existing ornamental vegetation or landscaped areas will be managed through the Project's general environmental management and landscaping measures. Should subsequent design changes extend the Project footprint into areas of biodiversity value, the applicability of PS6 will be reassessed.
PS7	Indigenous Peoples		Not Applicable	No communities meeting the characteristics described under IFC PS7 have been identified within the Project Area of Influence. The Project will not affect Indigenous Peoples, traditionally owned or customarily used lands, or natural resources upon which such communities depend. PS7 is therefore not applicable.
PS8	Cultural Heritage		Applicable on a Precautionary Basis	No known tangible or intangible cultural heritage resources have been identified within the Project footprint that are expected to be directly affected. However, construction will involve excavation and other ground-disturbing activities, creating a residual possibility of encountering previously unidentified archaeological or cultural heritage material. PS8 is therefore considered applicable on a precautionary basis. A Chance Finds Procedure will be implemented during ground-disturbing works in

accordance with applicable Albanian legislation and IFC PS8 requirements.

Based on the above screening, PS1, PS2, PS3, and PS4 are directly applicable to the Project; PS8 is applicable on a precautionary basis due to ground-disturbing works; while PS5, PS6, and PS7 are not considered triggered based on the current Project design, location, and identified risks and impacts. The applicability of the Performance Standards will be reviewed if material changes to the Project design, footprint, activities, or associated facilities occur.

2.2 National Legal Framework

The ESIA also adheres to the Republic of Albania's national environmental, health, safety, and labor legislation.

The legal and regulatory framework applicable to the Project comprises the following:

Table 2-2 National Legal Framework

Law / Regulation	Description	Responsible Authority
Law No. 10440/2011 "On Environmental Impact Assessment" (as amended)	Establishes requirements and procedures for EIA/ESIA preparation, review, and approval.	National Environment Agency (NEA)
Law No. 10431/2011 "On Environmental Protection", as amended	Provides the general legal basis for environmental management, including pollution control and sustainable resource use.	Ministry of Environment
Law No. 57/2025 "On Integrated Waste Management" ⁷	Regulates waste generation, classification, transport, and disposal; mandates Waste Management Plans.	NEA / Local Municipalities
Law No. 10448/2011 "On Environmental Permits", as amended ⁸	Defines types and categories of permits for facilities with potential environmental impacts.	NEA
Law No. 9774/2007 "On the Evaluation and Administration of Noise Levels in the Environment" ⁹	Sets permissible noise levels and management procedures in residential and commercial zones.	Ministry of Health and NEA
Law No. 107/2014 "On Territorial Planning and Development"	Regulates urban development, land-use planning, and construction permitting.	National Territorial Planning Agency
Law No. 29/2024 "On Integrated Water Resources Management" ¹⁰	Ensures sustainable water resource use and discharge permitting.	National Water Council / AKUM
Law No. 7961/1995 "Labor Code of the Republic of Albania" (as amended) ¹¹	Defines employment conditions, workers' rights, and occupational health and safety.	Ministry of Finance and Economy
Law No. 10237/2010 "On Safety and Health at Work" ¹²	Establishes OHS obligations for employers and employees, aligning with EU Directive 89/391/EEC ¹³ .	State Labour Inspectorate

⁷ <http://qbz.gov.al/eli/dekret/2025/11/07/388>

⁸ <https://www.qbz.gov.al/eli/ligj/2011/10/13/10448>

⁹ <https://www.qbz.gov.al/eli/ligj/2007/07/12/9774>

¹⁰ <https://www.qbz.gov.al/eli/ligj/2024>

¹¹ <https://www.qbz.gov.al/eli/ligj/1995/07/12/7961>

¹² <https://www.qbz.gov.al/eli/ligj/2010/02/18/10237>

¹³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31989L0391>

Law / Regulation	Description	Responsible Authority
Law No. 9048/2003 "On Cultural Heritage and Museums" (amended by Law No. 27/2018) ¹⁴	Provides protection of archaeological and cultural heritage; sets procedures for chance finds.	Ministry of Culture / National Institute of Cultural Heritage
Law No. 8454/1999 "On Fire Protection and Rescue" ¹⁵	Requires fire safety systems and emergency preparedness in large commercial and industrial developments.	General Directorate of Fire and Rescue
Law No. 93/2015 "On Tourism"	Supports environmentally responsible tourism and sustainable construction in hospitality and retail.	Ministry of Environment
Law No. 81/2017 "On Protected Areas" ¹⁶	Establishes management of protected natural zones and ecological corridors.	National Agency of Protected Areas (AKZM)

3. PROJECT PHASES AND ACTIVITIES

The assessment of E&S risks and impacts for the TEG Extension Project is based on the identification of project phases, their associated activities, and potential unplanned or accidental events. This approach ensures that all relevant sources of impact are systematically considered and that appropriate mitigation and management measures are defined in the ESMP.

The Project integrates sustainable-design principles to minimize E&S risks through efficient use of energy, water, and raw materials. A Life-Cycle Resource-Efficiency Strategy will guide the selection of construction materials, energy-saving systems, and waste-reduction practices.

3.1 Project Phases and Impacting Activities

3.1.1 Design Phase

The Design Phase provides an important opportunity to identify potential environmental and social (E&S) risks and impacts at an early stage and to incorporate avoidance and minimization measures into the Project design. In accordance with IFC PS1 and the Group ESMS, E&S risks and impacts are managed through a continuous, risk-based process throughout the Project lifecycle, applying the mitigation hierarchy to anticipate and avoid impacts where feasible, minimize impacts where avoidance is not possible, and implement appropriate mitigation, management, monitoring, and corrective measures for residual impacts.

¹⁴ <https://www.qbz.gov.al/eli/ligj/2003/04/07/9048>

¹⁵ <https://www.qbz.gov.al/eli/ligj/1999/02/04/8454>

¹⁶ <https://www.qbz.gov.al/eli/ligj/2017/02/02/81>

During this phase, the Project's architectural, engineering, and operational concepts are developed and optimized taking into account the requirements of PS1, PS3, and PS4, as applicable.

Key Design Phase activities include:

- Site Planning and Layout

Optimization of the building footprint and internal circulation to minimize land take, traffic conflicts, and disturbance to surrounding receptors.

Integration of access, parking, servicing, and logistics areas to reduce congestion and safety risks.

- Structural and Architectural Design

Structural integration of the new extension with the existing TEG building.

Design of façades, internal layouts, and public areas taking into consideration natural lighting, thermal comfort, accessibility, and user safety.

- Energy and Resource Efficiency

Integration of photovoltaic panels, high-efficiency lighting, and optimized HVAC systems in line with the resource-efficiency principles of PS3.

Incorporation of water-efficient fixtures, metering, and, where technically feasible, water reuse measures to reduce potable-water demand.

- Fire and Life Safety

Integration of fire detection and suppression systems, evacuation routes, emergency exits, and emergency access in accordance with applicable Albanian legislation and relevant international good practice.

Consideration of fire and life safety requirements in the interface between the existing TEG facility and the proposed extension.

- Traffic and Community Safety

Design of vehicle access, service areas, pedestrian circulation, and emergency routes to minimize risks to mall users, workers, visitors, and surrounding communities, consistent with PS4.

Consideration of potential interactions between construction logistics, operational traffic, pedestrians, and existing TEG activities.

➤ E&S Risk Integration

Identification and assessment of potential E&S risks and impacts associated with the proposed design, including noise, air emissions, waste generation, drainage, resource use, occupational and community health and safety, traffic, and disturbance to surrounding receptors.

Application of the mitigation hierarchy, prioritizing avoidance and prevention of impacts through design wherever technically and financially feasible.

Integration of applicable E&S mitigation and management requirements into design drawings, technical specifications, procurement and tender documentation, and contractor requirements.

Integration of E&S considerations during the Design Phase enables potential risks and impacts to be addressed as early as practicable and allows avoidance and minimization measures to be incorporated directly into Project design. This does not replace the need for ongoing E&S management during subsequent Project phases. In accordance with IFC PS1 and the Group ESMS, E&S risks and impacts will continue to be assessed, managed, monitored, and reviewed throughout construction, commissioning, operation, and, where relevant, decommissioning. Residual risks and impacts that cannot reasonably be avoided will be minimized and managed through appropriate mitigation, monitoring, and corrective measures, consistent with the mitigation hierarchy and the Project's ESMS/ESMP.

3.1.2 Construction Phase

The construction phase will involve a wide range of activities that may generate E&S impacts. These include:

- Reinforcement of the existing building, including structural interventions.
- Demolition of two external commercial units (Veranda and Ulliri restaurants) within the project footprint.
- Earthworks and excavations, including the use of heavy equipment and machinery.
- Building works, covering structural, masonry, shell and core, mechanical/electrical/plumbing (MEP), ceiling, flooring, and wall finishes, with associated equipment and machinery use.
- Water supply and storage, utilizing the public utility network and the existing water plant located on floor -2 of the TEG building.

- Power supply, through a combination of public/private sector sources and backup diesel generators.
- Solid waste management, including generation, sorting, storage, and disposal by waste type.
- Relocation works for new commercial units (gypsum works, wall finishes, MEP installations) in the existing Jumbo area.
- Procurement and management of subcontractors, including workforce mobilization and site presence.
- Procurement of materials and services, involving supply chains and logistics.

Construction workforce

The works will be carried out by the main contractor, who will launch the tendering process immediately after submission of the implementation project by the local firm and prior to issuance of the building permit by the competent authorities. Subcontractors are expected to be primarily local companies.

The analysis of project alternatives will include environmental, social, and economic criteria such as land use, community impacts, greenhouse-gas intensity, and alignment with regional spatial planning. This approach ensures that the selected option minimizes the environmental footprint while optimizing long-term sustainability.

Employment levels will vary according to the contractor's work program. Current estimates indicate that 400–500 workers (direct and indirect personnel) will be employed at peak periods over the 24-month construction timeline. The majority of the workforce is expected to be drawn from Tirana and neighboring cities. Both day and night shifts are anticipated.

- Construction and Operation Phases

Construction-phase ESMP (C-ESMPs) will be implemented to control dust, noise, vibration, and waste generation. The appointed E&S Manager will monitor compliance and report to project management.

- Occupational Health and Safety in Construction

All contractors and subcontractors will comply with occupational-health and safety obligations established under Law No. 10237/2010 "On Safety and Health at Work." Site induction, PPE provision, and emergency preparedness will be mandatory for all workers.

- Traffic and Community Safety

A Traffic Management Plan will be developed before construction begins, focusing on road-user safety, restricted access near residential zones, and coordination with local authorities to minimize community disturbance.

- Biodiversity and Landscape Context

The Project site and buffer zones will be screened for ecological sensitivity. If vegetation clearance is required, re-planting with native species and soil-erosion prevention will be implemented.

- *Utilities and Infrastructure Connections*

Utility connections will be designed to prevent disruption of community services. All wastewater discharges will comply with Albanian DCM No. 177/2005¹⁷ and IFC EHS Guidelines for Water and Sanitation.

3.1.3 Operation Phase

During the operational phase, the project will host activities with potential E&S implications, such as:

- Operational planning and coordination, including the movement of personnel, goods, waste, and mall-related vehicles within the project site.
- Mall activities, covering retail, offices, restaurants, leisure, and entertainment services.
- Water supply and storage, via the public utility provider and in-building storage tanks.
- Power supply, through the public grid supplemented by backup generators.
- Municipal waste management, including generation, sorting, storage, and disposal by type.

Operations management

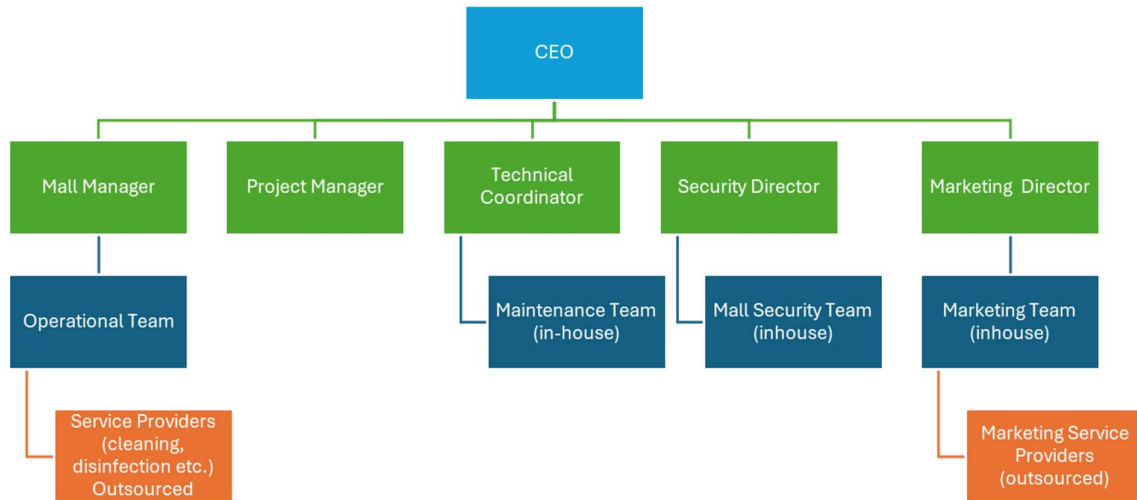
Tirana East Gate Ltd will be responsible for overall operational management and maintenance during the construction of the extension project and throughout subsequent mall operations. The operational team will comprise:

- **Mall Manager** – oversees the entire operation of TEG, coordinating services such as cleaning, disinfection, tenant management, and all day-to-day operational matters.
- **Security Director** – manages the full scope of safety and security operations, both during construction and in daily mall operations.
- **Project Manager** – responsible for execution and supervision of the construction works.
- **Technical Director** – supports both the Project Manager and Mall Manager during construction, operational, and maintenance activities, and addresses any technical/operational issues.
- **General Contractor** – manages subcontractors and ensures delivery of construction activities on site.

¹⁷ <https://www.qbz.gov.al/eli/vendim/2005/03/31/177>

- **Marketing Director** – oversees marketing and communications, including the annual program of mall promotional and cultural events.

Figure 3-1 Operations team



3.1.4 Unplanned / Accidental Events

In addition to planned activities, the project may be subject to unplanned or accidental events that could generate risks requiring proactive management, such as:

- Safety and security incidents, affecting both workers and the public.
- Access and traffic management issues, including congestion, accidents, or restricted emergency access.

Overview

Unplanned or accidental events refer to unforeseen incidents during construction or operation that may cause environmental, social, or occupational harm. These include fires, chemical or fuel spills, structural failures, extreme weather events, and traffic or utility accidents. Such incidents could affect the workforce, nearby communities, and natural resources, resulting in temporary or permanent impacts.

Mitigation and Preparedness Measures

To minimize the likelihood and consequences of accidental events, the following measures will be implemented:

- Develop and maintain an Emergency Preparedness and Response Plan (EPRP) consistent with IFC PSs and Albanian Civil Protection regulations.
- Conduct risk assessments prior to all high-risk activities (e.g., fuel storage, lifting operations, confined space work).
- Equip the site with spill kits, absorbent materials, and firefighting equipment, inspected continuously.
- Maintain bunded and covered storage for all hazardous materials and ensure secondary containment capacity $\geq 110\%$.
- Conduct emergency drills in coordination with the Tirana Fire and Rescue Service and local Civil Protection Directorate.
- Provide emergency response training for all staff and contractors during induction and refresh annually.
- Maintain incident registers and report all unplanned events to the Project Manager and relevant authorities as per legal requirements.
- Implement corrective and preventive actions (CAPA) for any incident to prevent recurrence.

Residual Impacts

With proper implementation of mitigation and preparedness measures, residual risks of unplanned or accidental events are low and manageable. Continuous improvement of safety culture, regular training, and communication with local emergency authorities will further minimize the likelihood and severity of such events.

3.2 Key Emissions and Waste Generation linked to project stages and activities

3.2.1 Construction

- **Construction Air Emissions, Noise and Vibrations**

During the construction phase, the project is expected to generate air emissions, noise, and vibration primarily as a result of vehicle movements, operation of construction machinery, earthworks/excavations and, on occasion, the use of a back-up diesel generator in the event of a public grid power outage.

Air Emissions

Air emissions will be largely associated with the combustion of diesel fuel in engines and equipment. These are anticipated to consist of carbon monoxide (CO), carbon dioxide (CO₂), sulfur dioxide (SO₂), nitrogen oxides (NO_x), and particulate matter (PM₁₀ and PM_{2.5}), which are typical of road traffic and construction sources. In addition, fugitive dust emissions are

expected, particularly during earthworks and excavation, foundation construction, and the handling and transport of excavated material.

At this stage, no precise estimate of fuel consumption is available for construction operations, and therefore a quantitative projection of construction-related air emissions cannot yet be provided. The Contractor will be required to prepare such estimates prior to mobilization, as part of the ESMP, in accordance with the World Bank Group EHS Guidelines (2007, updated 2017). In addition, air quality at the site will be regularly monitored in line with national legal requirements, with results reported to the National Environmental Agency (NEA) on a trimester basis.

Considering that the primary source of power during construction will be the public electricity network, with an estimated annual consumption of 6,479,283 KW, and that combustion-related emissions will be limited to vehicle movements and material transport, air emissions from construction are not expected to exceed the limits defined under the national requirements¹⁸ and the World Bank Group EHS Guidelines.

Noise and Vibration

Noise emissions will arise mainly from the use of construction machinery, heavy equipment, and increased vehicle traffic. In line with municipal regulations, the majority of construction activities will be confined to daytime hours, with only limited vehicle movements anticipated at night.

Vibrations are expected to be localized and temporary, associated primarily with excavation and foundation works, as well as the operation of heavy equipment. These impacts are expected to remain within the limits prescribed by the World Bank Group EHS Guidelines¹⁹ for Noise Management, provided that good construction practices and mitigation measures are implemented, such as equipment maintenance, use of low-noise machinery where feasible, and appropriate scheduling of high-vibration activities.

- **Construction Waste Generation**

Construction waste is expected to include the following categories:

Table 3-1 Waste typology

Waste type	Description	Waste Code According to DCM no. 402/2021 "On approval of waste catalogue" ²⁰
Organic (Vegetation)	Small shrubs from plot clearing.	02 01 03 Plant tissue waste

¹⁸ https://www.turizmi.gov.al/wp-content/uploads/2018/09/VKM_435_2002_per_normat_e_shkarkimeve.pdf

¹⁹ <https://www.ifc.org/en/insights-reports/general-environmental-health-and-safety-guidelines>

²⁰ <https://www.qbz.gov.al/eli/vendim/2021/06/30/402>

Waste type	Description	Waste Code According to DCM no. 402/2021 "On approval of waste catalogue" ²⁰
Packaging	General construction packaging waste including pallets and plastics from construction materials and electrical and mechanical equipment.	15 WASTE PACKAGING, ABSORBENTS, WIPES, FILTER MATERIALS AND PROTECTIVE CLOTHING NOT OTHERWISE SPECIFIED
Construction/ civil works waste	From civil work activities such as excavations, levelling, and existing debris.	17 CONSTRUCTION AND DEMOLITION WASTE (INCLUDING EXCAVATED SOILS FROM CONTAMINATED AREAS)
General household type waste/Municipal waste	As a result of the presence of construction workforce onsite.	20 MUNICIPAL WASTE (HOUSEHOLD AND COMMERCIAL WASTE, INDUSTRIAL AND SIMILAR INSTITUTIONAL WASTE) INCLUDING SEPARATELY COLLECTED FRACTIONS
Hazardous waste	Paints/lubricants/solvents and their containers.	16 UNSPECIFIED WASTES IN THE LIST 08 01 15 * Aqueous paint and varnish sludges containing organic solvents or other dangerous substances 08 01 16 Aqueous paint and varnish sludges other than those mentioned in 08 01 15
Oils and lubricants (hazardous)	Small quantities are used in maintenance of vehicles and electrical and mechanical equipment.	16 01 07 * Oil filters, diesel
Electrical and Electronic Waste (E-Waste)	Wires and cables, Light fixtures, Batteries, Damaged tools/equipment	16 02 Waste from electrical and electronic equipment

Currently, there is no estimate of the quantities of waste, with the only exception of the excess of excavated material, estimated in 104,624 m³. All construction waste will be sorted, stored, weighed, and transported to dedicated disposal and/or recycling facilities by service providers approved by the authorities. Hazardous waste will be stored separately and disposed of by specifically approved companies, following all requirements of the national and international standards.

Effluents to be generated during construction phase include sewage from toilets, wastewater from washing vehicles and machinery and concrete mixer wash water and concrete laitance. Expected quantities remain unknown now of writing this report.

Sewage generated will be managed by the installation of a portable septic tank on site, removed from the site upon completion.

In addition, during the construction phase there will be waste generated from the demolition. Referring to DCM no. 402/2021 "On approval of waste catalogue", this waste typology is categorized into code "17 Construction and demolition waste (including excavated soils from contaminated areas)".

Best available techniques will be followed in waste management practices, based on national

and international standards and waste management framework.

- **Construction Hazardous Materials**

In terms of hazardous materials to be used, during construction phase these will be mainly formed by fuel and lubricants to be used in the maintenance and operation of machinery, vehicles, and generators. Additionally, hazardous materials may include solvents, paints, adhesives and chemicals used on site. For this purpose, fuel and other hazardous materials will be stored in specific tanks including secondary containment to prevent spills and leaks, Proper handling, storage and disposal procedures will be implemented to minimize environmental risks and ensure worker safety.

3.2.2 Operations

- **Operations Air Emissions, Noise and Vibrations**

The extension works are being undertaken within an operational shopping center, which will continue to function without interruption throughout the construction period. Currently, the facility is supplied with electricity from the public grid and supported by five standby diesel generators, complemented by rooftop solar panels.

Upon completion of the extension, operational-phase air emissions will primarily arise from the planned installation of two additional backup diesel generators. These units will be used only in the event of a grid power failure, ensuring that routine operations rely predominantly on the public energy supply.

In line with the center's commitment to sustainability, photovoltaic panels will be installed on all newly constructed terraces, thereby increasing the share of renewable energy supply. The additional renewable capacity is not expected to result in significant emissions within the project's area of influence. However, some increase in emissions is anticipated due to traffic generated by additional mall visitors. While this increase is expected to remain within the limits allowed.

With regard to noise and vibrations, the primary sources will include:

- Transport activities related to personnel, goods, and waste;
- Operation of the two new backup power generators (intermittent use);
- Routine mall activities (retail, food and beverage, leisure, and entertainment services).

When considered together with background traffic, commercial operations, and other ongoing developments in Tirana, these activities will contribute to cumulative noise and vibration levels. Nevertheless, based on the scale of the project, these are not expected to

exceed the thresholds established under the World Bank Group EHS Guidelines, provided that GIIP are applied.

- **Operations Waste Generation**

During current operations, the shopping center generates the following waste streams:

- Municipal Solid Waste (metals, glass, plastics, food and organic waste, other): 955 tons/year.
- Paper and Cardboard: 229 tons/year.

Following completion of the TEG Extension Project, waste generation is expected to increase proportionally with the expanded commercial and food service activities. The projected annual quantities are:

- Municipal Solid Waste: 1,241.5 tons/year.
- Paper and Cardboard: 300 tons/year.

Waste Segregation and Storage

MSW will continue to be segregated at source into dedicated categories. The mall currently operates four loading zones, each equipped with:

- Four 1,100 L bins for MSW, and
- Two 10 m³ containers for paper and cardboard.

Additionally, clearly labeled bins for plastic, metal, and glass are strategically located throughout the premises. The food court is equipped with dedicated bins for food waste. Upon completion of the extension, the number and capacity of bins in the newly added indoor areas will be increased in line with these specifications, ensuring adequate collection capacity.

Collection and Disposal

All MSW and recyclables will be collected from storage areas by licensed operators. Recyclable fractions will be transported to certified recycling companies, while the residual MSW will be transferred to the Tirana municipal landfill for final disposal.

Food Waste and Oil Management

All food establishments within the center are equipped with oil separators, where oils are collected in dedicated tanks and periodically removed by licensed contractors using specialized vehicles. With the planned addition of three new restaurants, each will be required to install and maintain grease traps, in line with operational protocols, to ensure compliance with environmental and sanitary standards.

Waste Water generation

This system is intended for the discharge of water from sanitary facilities. The system consists of all sanitary appliances, fittings and the internal network. The wastewater discharge system is gravity-fed as in the existing system. The system is dimensioned in such a way that the discharged water does not occupy the entire section of the discharge pipes. The amount of discharged water (in US discharge units) is calculated considering category 3 hydro sanitary appliances.

Stormwater and Runoff Management

During both construction and operation, rainfall runoff will continue to be directed to the KN5 stormwater drainage system, consistent with the current arrangement. Rainwater infiltrating permeable surfaces will follow natural percolation pathways before entering the KN5 system, after which it is discharged into the municipal stormwater network. No change in the current hydrological regime is anticipated.

3.3 Resource Consumption / Resource Efficiency Measures

- **Construction**

The construction of the extension project will require substantial inputs of construction materials, energy, and water resources. While precise quantities of materials are not available at this stage of reporting, the following indicative resources and efficiency considerations are noted:

Construction Materials and Equipment

Key materials anticipated to be used include concrete, aggregates, sand, reinforcing steel, cement, masonry elements, prefabricated building components, and finishing materials, alongside diesel fuel for construction equipment and generators. Heavy construction machinery and mechanical/electrical equipment will also be deployed.

Water Consumption

Water demand during the construction phase will arise from multiple activities, including:

- Dust suppression measures,
- Concrete batching and material preparation,
- Cleaning of equipment and work areas, and
- Civil/domestic use for the workforce.

Water will primarily be sourced from the existing municipal water supply network, complemented by on-site wells located around the center. In the event of water scarcity, additional supply will be secured from approved licensed providers and transported to the site by water tankers.

Raw Material Sourcing

Sourcing will prioritize regional and local suppliers in line with circular economy principles and supply-chain efficiency. Specifically:

- Sand and aggregates will be sourced from licensed quarries operating under national environmental and operational standards.
- Cement and other basic construction inputs are expected to be procured locally where possible.
- Specialized building materials and equipment (e.g., façade systems, mechanical, electrical, and plumbing [MEP] equipment) may need to be imported depending on availability in the Albanian market.

Fuel and Energy Use

Diesel fuel will be consumed by heavy machinery, vehicles, and back-up generators. Fuel will be stored in on-site tanks with secondary containment systems to minimize risks of leakage or soil/water contamination. Electricity for site operations will be provided through a dedicated connection to the public electricity grid, with emergency power supplied by a back-up diesel generator. Annual construction-phase electricity consumption has been estimated at approximately 189,800 kWh.

- **Operations**

During the operational phase, total water demand is estimated at approximately 15,416.5 m³ per year, which will be primarily sourced from the existing municipal supply network. Electricity requirements will be met through the existing public distribution grid, complemented by two diesel-powered backup generators to ensure continuity of supply during outages. The annual electricity consumption is projected at around 7,775,140 kWh, while diesel use for the backup generators is expected to be approximately 4,000 liters per year, limited to periods of power.

- **Resource Efficiency Measures**

The TEG Extension has been designed with a strong focus on sustainability and resource efficiency. Upon completion of the construction works, the building is planned to achieve

certification under one of the following internationally recognized green building standards: BREEAM²¹, LEED²², or EDGE²³, with the final decision to be made by management. A preliminary assessment has identified several areas of improvement and issued recommendations, many of which have been incorporated into the design stage to enhance energy, water, and resource efficiency.

Energy Efficiency

- Integration of solar energy systems for hot water supply.
- Installation of automated lighting controls in common use areas (e.g., restrooms, loading zones) to minimize unnecessary electricity use.
- Deployment of LED lighting throughout the development, combined with maximum use of natural daylighting, significantly reducing the lighting load.
- Optimized ventilation and cooling system design to maximize natural ventilation and reduce reliance on mechanical comfort cooling and air conditioning.

Water Efficiency

- Installation of water meters at the building mains and tenant level to monitor and manage consumption.
- Adoption of efficient sanitaryware, including dual-flush toilets and low-flow taps.
- Utilization of well water for irrigation and car washing purposes, reducing reliance on municipal supply.

Transport and Mobility

- Implementation of measures to minimize private car dependency, particularly as public transport infrastructure expands in the future.
- Consideration of sustainable transport initiatives, including car-sharing schemes, group transport services, and integration of a dedicated bus stop directly in front of the mall.
- Provision of electric vehicle (EV) charging stations and secure cycle/motorcycle parking facilities to encourage low-carbon mobility.

Waste and Green Spaces

- Introduction of a Waste Management Plan (WMP) to maximize recycling and reuse, minimizing disposal to landfill.

²¹ <https://www.breeam.com>

²² <https://www.usgbc.org/leed>

²³ <https://edgebuildings.com>

- Collaboration with food service tenants to explore safe donation of surplus food, subject to regulatory compliance and feasibility.
- Enhancement of green areas within and around the site, supporting both E&S benefits.

- **Health and Safety Procedures / Traffic**

The Project will be governed by a dedicated Occupational Health and Safety (OHS) Management Plan, which will be developed prior to the commencement of any construction activities. The OHSMP will be prepared in line with the IFC Environmental, Health and Safety (EHS) Guidelines, the World Bank Group EHS Guidelines, and national OHS legislation. Once finalized, the OHSMP will be mandatory for the General Contractor and all sub-contractors, and its requirements will be incorporated into the tendering and contract documentation, together with the estimated implementation costs.

In addition to the OHSMP, the Project will develop and implement the following complementary management plans as part of the E&S Management System (ESMS):

- Community Health and Safety Plan – to address risks to surrounding residents and mall visitors, including traffic safety, dust, and noise management.
- Emergency Preparedness and Response Plan (EPRP) – to establish procedures for fire, accidents, and other emergencies, in coordination with local authorities.
- Supply Chain Management Plan – to ensure suppliers and contractors comply with IFC PS2, including prohibitions on child/forced labor and adherence to environmental and safety requirements.
- Waste Management Plan (WMP) – to define waste minimization, segregation, storage, and disposal procedures in compliance with IFC PS3 and national requirements.
- Traffic Management Plan (TMP) – to govern project-related vehicle movements (goods, materials, waste, and workforce), reducing risks to local communities and minimizing congestion.
- Life and Fire Safety (LFS) Plan – to ensure that the extension and all facilities comply with NFPA²⁴ standards and other relevant international fire safety codes, including fire detection, suppression, evacuation routes, and periodic fire drills.

The TEG Extension has been designed and will be constructed in compliance with National Fire Protection Association (NFPA) standards as well as international life and fire safety standards. These requirements will be embedded into the Project's design, construction, and operational phases to ensure the highest level of safety for both workers and the surrounding community.

²⁴ <https://www.nfpa.org>

The TEG Shopping Center is located in the southeastern area of Tirana, near the Grand Ring Road and Elbasan Street—two main transport arteries that connect the area with different parts of the city and its suburbs. The surrounding zone is characterized by modern residential areas with high population density and well-developed infrastructure, including public transport, paved roads, and ample parking. TEG's catchment area primarily covers the southeastern zone and suburbs of Tirana, with a population of several hundred thousand residents. The center attracts approximately 10,000–15,000 visitors daily, making it one of the main commercial and entertainment destinations in the capital.

The development and integration of these management plans, together with the ESIA, ESMP, and SEP, will ensure that environmental, health, safety, and social risks are effectively managed across all project stages, in full compliance with IFC PSs PS2–PS4.

The Project will create employment opportunities and contribute to local economic growth while promoting sustainable design and environmental responsibility.

4. PROJECT AREA OF INFLUENCE (AoI)

This Baseline Report provides a description of the existing physical, biological, and socioeconomic conditions of the Area of Influence, which will directly or indirectly be affected by the proposed Project activities. The collection of baseline data focused on providing information to support the assessment of any potential impact of the Project and their corresponding mitigation measures.

The Project integrates the Albanian legal framework with the IFC PSs (PS 1–6) through a unified E&S Management System (ESMS). This ensures consistency between national permitting requirements and international best practices in risk management, labor protection, resource efficiency, and biodiversity conservation.

Secondary information from publicly available online sources was collected to provide a regional, district or local contextual overview, while primary information was obtained within the Area of the socioeconomic component.

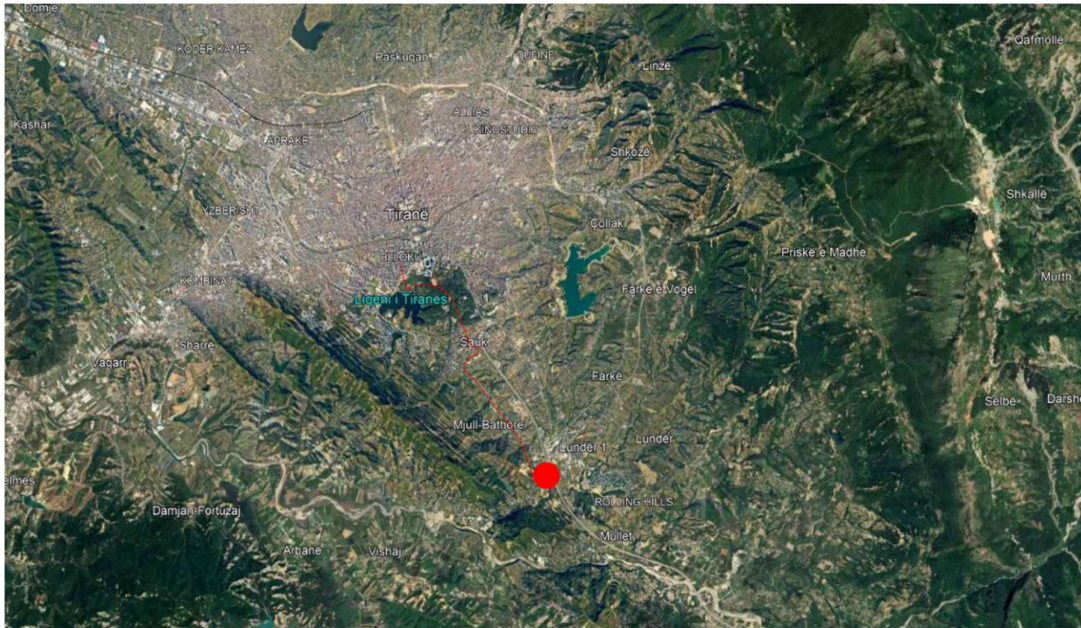


Figure 4-1 Project Location related to Tirana city

4.1 Area of Influence

The “spatial scope”, “study area” or “area of influence (AoI)” for the Project is used to describe the boundaries of the extent to which Project impacts may be felt. The AoI to be assessed can vary depending upon the type of impact being considered and the attributes of the potentially affected receptors and may also extend across administrative. In each case, the AoI includes all areas within which significant impacts are likely to occur, considering the:

- physical extent of the proposed works, defined by the limits of land to be used (temporarily or permanently) by the Project; and
- nature of the baseline environment and way impacts are likely to be propagated beyond the Project boundary.

The Potential AoI of the Project is defined as the area in which significant effects are expected from the Project.

The AoI for the SLIP is based on the definition of the AoI provided by the IFC PSs and is specifically:

- The footprint of the construction operations and related facilities.
- The footprint of facilities developed specifically for the Project for the extraction of raw materials (e.g., quarries) or for construction camps where equipment and materials are stored and where concrete products may be produced.
- Areas potentially impacted by indirect, secondary, or induced effects.
- Areas potentially impacted by unplanned events such as accidents; and
- Areas potentially impacted by cumulative effects associated with other known or reasonably predicted development.

In accordance with international ESIA practice, the Aol of a project includes not only the core project components but also any Associated Facilities²⁵ related to the project.

Associated Facilities are defined by the IFC as “...facilities that are not funded as part of the project and that would not have been constructed or expanded if the project did not exist and without which the project would not be viable”. In the context of this Project, there are no associated facilities, either on site or off-site.

The sizes of the study area for each E&S variable have been examined separately to ensure that its size appropriately captures the impacts of the project on the receiving environment. The subsections below show the Aol and justification for choice.

Environmental assessment obligations under Law No. 10440/2011 “On Environmental Impact Assessment”, as amended, are complemented by IFC PS 1, which emphasizes proportional identification and management of E&S risks. Together, they guide the ESIA process used for this Project.

4.1.1 Environmental Area of Influence

The Environmental Aol of the Project comprises the Project site/plot and a 500 m radius around it, corresponding to the area where impacts to the physical and biological features of the environment could reasonably be expected.



Figure 4-2 Environmental Aol of the Project (Source: TEG, 2025).

²⁵ As defined by the IFC PSs, “Associated Facilities” are those facilities not financed by IFC but that are directly and essentially related to the project, carried out contemporaneously, and without which the project could not be viable. Examples may include access roads, power supply infrastructure, pipelines, or other installations developed by third parties but necessary for the project’s successful operation. Such facilities are subject to environmental and social assessment consistent with IFC’s PSs to the extent that the client has control or influence over them.

Law No. 10431/2011, as amended and IFC PS 3 require the prevention and control of pollution and the efficient use of energy, water, and materials. The Project will adopt measures for monitoring emissions and optimizing resource consumption.

Law No. 45/2019 “On Civil Protection”²⁶ complements IFC PS 4 by requiring coordinated emergency planning and risk communication with local authorities. The Project will integrate these requirements into its Community Health and Safety Plan.

4.1.2 Socioeconomic Area of Influence

The Social desktop review will consider an Aol of 500 m plus a secondary area based on existing barriers (i.e., motorways) that can extend to a maximum of 2 Km.

Law No. 7501/1991 “On Land”²⁷ and related property laws define land-use rights. Since the Project is implemented within existing property boundaries, no involuntary resettlement is expected, in accordance with IFC PS 5.

4.1.3 Identification of Sensitive Receptors in the Project Area

The closest socially sensitive receptors are located in the surroundings of the project site and were identified by the TEG Sh.p.k. These include residential neighborhoods, schools, institutions, offices, religious facilities, and commercial centers that provide essential community services and host daily activities for large numbers of people. *Table 4.1* summarizes these receptors, which may be affected during all phases of the Project, particularly through construction-related noise, dust, traffic, and increased pressure on local infrastructure.

Table 4-1 Closest Sensitive receptors around the project plot

Type	Name	Distance (m)	Orientation
Residential Area	Lundër Neighborhood	400	N-W
	Sauk Neighborhood	600	S-W
	Farke Neighborhood	1200	E
Institution	Farka Municipality	1500	E
	Sauk Regional Police Station	600	S
	Central Archive OF Insurance Institute	1200	S-W
	Local offices of neighborhood administration and municipal services	400-1500	Various
Schools	“17 Nëntori” Primary School	700	S-W
	Sauk 9-year School	550	S
	“Naim Frashëri” Technical High School (Farkë)	1,800	E
	Private schools and kindergartens in Sauk and	500–1,500	Various

²⁶ <https://www.qbz.gov.al/eli/ligj/2019/07/18/45>

²⁷ <https://www.qbz.gov.al/eli/ligj/1991/07/19/7501>

	Lundër		
Religious	Sauk Mosque	500	S
	Farke Church	1,700	E
Commer Commercial/Business	Eastern Bus Terminal/ Fashion Galery Tirana	0.5	Near Center
	Sauk Market	1000	S
	Various shops, restaurants, business Lundër, Sauk, Farkë	500-1,800	Various
R Recreational/Green	Sauk Park	1,200	S-W

(Source: Google Maps, Closest Sensitive Receptors around TEG Project Plot (500 m – 2 km)

Biodiversity protection obligations under Law No. 81/2017 “On Protected Areas” and Law No. 9587/2006 “On Biodiversity Protection”²⁸ align with IFC PS 6. The Project will ensure that any intervention avoids adverse effects on natural habitats and ecosystem services.

Public consultation follows Law No. 146/2014 “On Notification and Public Consultation.”²⁹ Consistent with IFC PS 1, consultations will occur during key project stages, and findings will be incorporated into ESMP updates.

The Albanian Labor Code and IFC PS 2 jointly define the Project’s obligations for fair treatment, equal opportunity, safe working conditions, and grievance management. All contractors will be contractually required to uphold these provisions.

Law No. 10237/2010 “On Safety and Health at Work” and IFC PSs 1 and 2 establish the foundation for the Project’s OHS Management Plan, covering hazard identification, preventive actions, emergency response, and continuous training.

E&S oversight will involve coordination among the Ministry of Environment, the National Environmental Agency, and local municipal authorities. Their respective permitting and inspection responsibilities will be summarized in the ESMP.

The Project will maintain a legal-compliance register covering all Albanian laws and IFC requirements. Compliance status will be reviewed and reported annually to management and authorities.

4.2 Baseline Data Collection

To understand the existing baseline conditions in the Aol, a variety of data collection methods were used. These are described below:

4.2.1 GIS Analysis

The GIS analysis was conducted and verified through site visits carried out by representatives of TEG and a representative from the Tirana Municipality’s GIS department in January 2025. The GIS analysis was based on publicly available satellite imagery from Google Earth, Google Street View, as well as data from this institution, to define the Area of Influence.

²⁸ <https://www.qbz.gov.al/eli/ligj/2006/07/20/9587>

²⁹ <https://www.qbz.gov.al/eli/ligj/2014/10/30/146>

Document Review

A literature review was undertaken based on the findings of the reconnaissance process, which involved secondary publicly available data and previous studies carried out in the area to determine the baseline conditions and establish the environmental, the institutional and socio-economic setting of the Area of Influence.

Balfin Group/TEG conducted a desktop review of existing E&S conditions focused on filling in the gaps identified in the baseline of the 2024 EIA:

The Environmental desktop review focuses on an Aol of maximum 500 m radius around the Project site and it includes an assessment of the following elements:

- Soils and Geological conditions (project site only)
- Hydrology and Hydrogeology (project site only)
- Air Quality, Noise and Landscape (500m)
- Biodiversity (500m).

The Social desktop review considers an Aol of 500 m plus a secondary area based on existing barriers (i.e., motorways) that can extend to a maximum of 2 Km.

Desktop research has been based on satellite images, available public information from governmental sources, NGO's and scientific literature and uses GIS tools.

As a result of the desktop research Balfin Group/TEG has:

- Designed the field workplan and methodology, based on the sensitivities and significant elements identified, with focus only on elements that require additional data or ground-truthing.
- Prepared a Data Collection Checklist with ESIA relevant project information and pictures expected to be collected by TEG/Balfin Construction personnel, including Project Data and Environmental data (reconnaissance visit + noise data)
- Prepared a questionnaire and a Stakeholder Engagement (SE) Plan to be used during the field visit.

The desk-based study also included the development of fieldwork tools, fieldwork schedules as well as the approach to stakeholder engagement as outlined in the Stakeholder Engagement Plan.

4.2.2 Site Visits

Field surveys and site visits were conducted by the E&S team to confirm baseline conditions, identify potential impact hotspots, and verify data accuracy. Visits included direct observation of terrain conditions, drainage patterns, air and noise sources, vegetation cover, and community interface points.

Interviews were carried out with municipal authorities, utility operators, and local residents to document social and infrastructure context. GPS referencing and photographic documentation were completed for each survey location.

Key Findings

- **Topography and Soils:** The site is generally flat and the surface is layered with concrete, as there are existing buildings; localized compaction and limited erosion risk were observed.
- **Hydrology and Drainage:** Existing surface drainage channels function adequately.
- **Air Quality and Noise:** No significant air-quality exceedances recorded; baseline noise levels consistent with urban mixed-use zones (Leq 55–65 dB daytime).
- **Vegetation and Fauna:** Area predominantly modified by previous development; no critical habitats or protected species recorded.
- **Socioeconomic Setting:** Communities in the AoI benefit from strong transport links and employment opportunities; concerns focus on construction traffic and temporary disturbances.
- **Infrastructure and Utilities:** Water, electricity, and sewerage networks available; capacity adequate for projected demand.
- **Cultural Heritage:** No visible archaeological remains identified; coordination with local cultural heritage authorities recommended for any ground-disturbing activities.

The field verification confirmed that E&S conditions are typical for an urban commercial development setting and that no **critical or irreversible impacts** are anticipated when IFC-aligned mitigation measures are implemented.

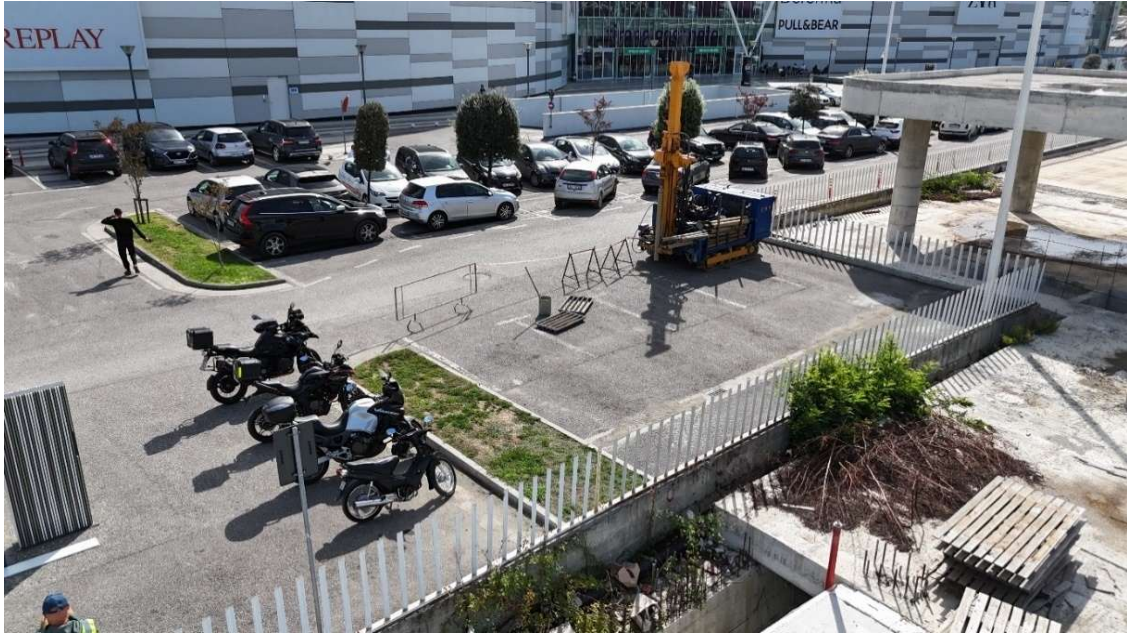


Figure 4-3 Photos from the site

5. PHYSICAL BASELINE

5.1 Climate

According to the Köppen-Geiger Climate Classification, the Area of Influence around TEG Shopping Center in Tirana is located in a Mediterranean climate zone (Csa), characterized by hot, dry summers and mild, wet winters (Kottek et al., 2006). The climate features two main seasons: a dry summer season from June to August and a wetter winter season extending roughly from November to March (*INSTAT, 2023*).

The environmental baseline covers climate, topography, air quality, noise, soil, water resources, flora, and fauna. Seasonal variations were considered to establish representative baseline conditions. These parameters support impact assessment under Albanian EIA regulations and IFC PS3 and PS6.

The social baseline characterizes demographics, livelihoods, land use, community infrastructure, and cultural context. Data were gathered through interviews, participatory mapping, and municipal records, ensuring inclusiveness and gender sensitivity as required under IFC PS1 and PS2.

All data collected were validated through cross-verification with official statistics, environmental monitoring records, and field surveys. A Quality Assurance and Quality Control (QA/QC) protocol was implemented to ensure data integrity, consistent with IFC PS1 requirements for transparency and accuracy.

The methodology applied for E&S baseline assessment follows IFC PSs 1–6 and aligns with the World Bank Group EHS (EHS) Guidelines. Each component of the ESIA—data collection, analysis, and interpretation—was designed to ensure compliance with both IFC and Albanian environmental-assessment requirements.

The methodology conforms to Law No. 10440/2011 “On Environmental Impact Assessment”, as amended and its implementing acts (DCM No. 686/2015³⁰), ensuring alignment between Albanian procedures and international standards. Baseline studies were undertaken by accredited specialists in accordance with national regulations and IFC PS1 requirements for systematic impact identification.

Annual rainfall in Tirana typically ranges between 600 and 1,200 mm, with the wettest months being November and December, which can receive over 100 mm of precipitation monthly. The driest months are generally July and August, with monthly rainfall often below 20 mm.

The average annual temperature ranges between 12°C and 17°C, with maximum summer temperatures reaching up to 35°C in July and August, and minimum winter temperatures occasionally dropping near 0°C in January and February (Figure 5.1).

³⁰ <https://www.qbz.gov.al/eli/vendim/2015/07/29/686>

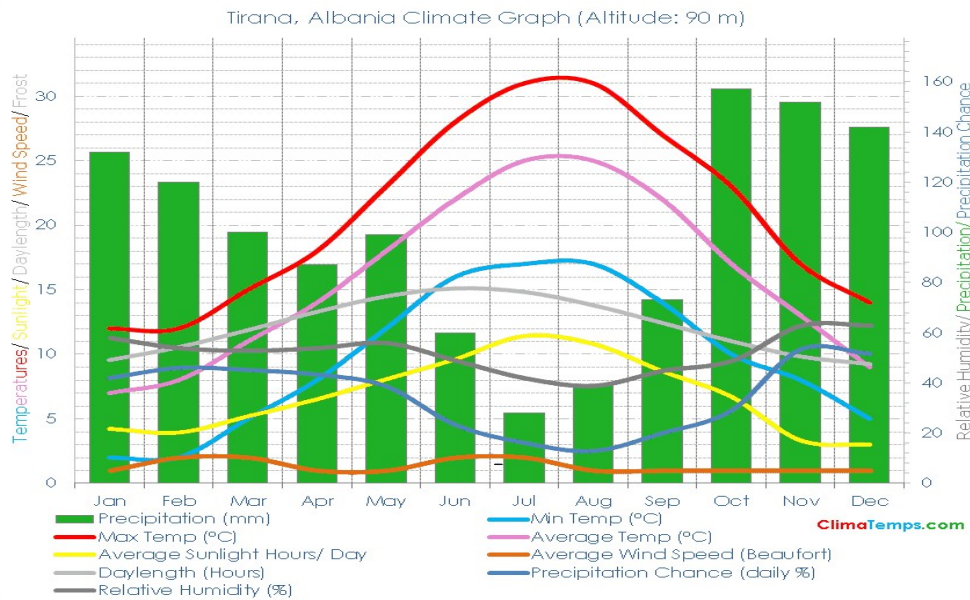


Figure 5-1 Average Precipitation and Temperature in Tirana (1991-2022)

Source: Climate-Temps.com 2025.

Source: IGJEUM

According to climate analyses for Albania, temperatures in Tirana are expected to gradually increase throughout this century, with the average annual temperature projected to rise between 1.2°C and 4.0°C by the end of the century. This warming is likely to negatively impact human and animal health, as well as the agriculture and urban and rural ecosystems sectors. Regarding rainfall, projections indicate a variable increase in annual precipitation, with a tendency for heavier rainfall during the autumn and winter seasons, while spring and summer are expected to have drier periods. These changes will significantly affect agriculture, water resources, energy, and land management sectors, including increased risks of flooding from more frequent intense rainfall events and changes in surface water flow. Water management and infrastructure need to adapt to the characteristics of precipitation, which is expected to become more extreme and irregular over time.

Climate data, rainfall, and hydrology assessments inform the Project's resource-efficiency strategy and emissions baseline. This supports compliance with IFC PS3 requirements for pollution prevention and efficient use of resources.

Limitations related to seasonal variations or data availability are acknowledged. Adaptive management will address uncertainties through ongoing monitoring and review during project implementation.

Sensitivity mapping identifies vulnerable groups—such as low-income households, women, the elderly, and persons with disabilities—to evaluate exposure to project-related impacts and inform tailored mitigation.

5.2 Air Quality

Air pollutants such as fine particulate matter (PM_{2.5} and PM₁₀), nitrogen dioxide (NO_x), and ozone (O₃) in Tirana mainly originate from vehicle traffic, rapid urbanization, construction activities, and the lack of effective measures for air quality management. Various studies, including monitoring carried out by the University of Tirana and the National Environment Agency, have identified high levels of particulate matter that significantly exceed the limits set by the World Health Organization and the European Union. PM_{2.5} concentrations in some urban areas reach over 400 µg/m³, far exceeding international guidelines. Vehicle emissions have been identified as the primary cause of these high pollutant levels, contributing to increased respiratory diseases and premature deaths. Recent reports confirm that Tirana faces major challenges in managing air pollution, requiring strong measures to improve air quality and protect public health.

In Tirana, air quality monitoring is primarily conducted by the National Environment Agency (AKM) through several stations located at strategic points in the city, such as Rruga e Dibrës, Sheshi Skënderbej, Myslym Shyri, and the Electric Market area. These stations measure concentrations of key pollutants such as fine particulate matter PM_{2.5} and PM₁₀, nitrogen dioxide (NO_x), and sulfur dioxide (SO_x). However, the number of stations is limited, and their distribution does not cover all problematic areas, especially the suburbs and industrial zones where pollution may be higher. Data from these stations are periodically published in AKM reports, but currently, there is no online platform providing real-time data for the public, as is available in some European cities. In recent years, there has been increased awareness and investment to improve the monitoring system, including the installation of more advanced sensors and the gradual expansion of the monitoring network across the city. Nevertheless, further progress is needed to ensure better oversight and more effective management of air pollution in Tirana.

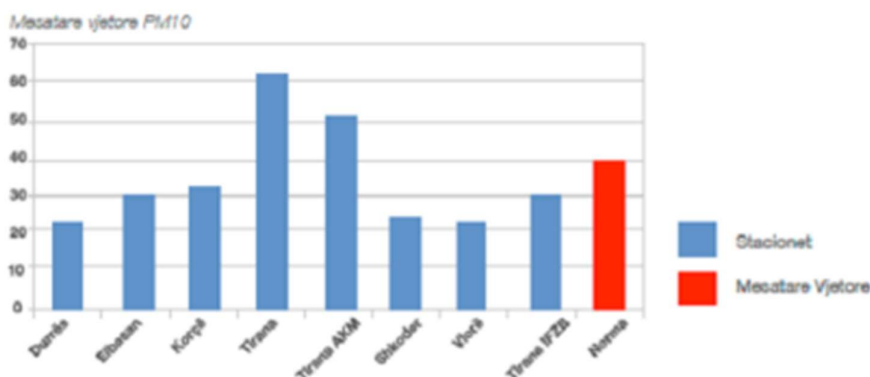


Figure 5-2 Mean PM₁₀ annual concentration and Monitoring Route in Albania (2024)

Source: National Environmental Agency (2024)

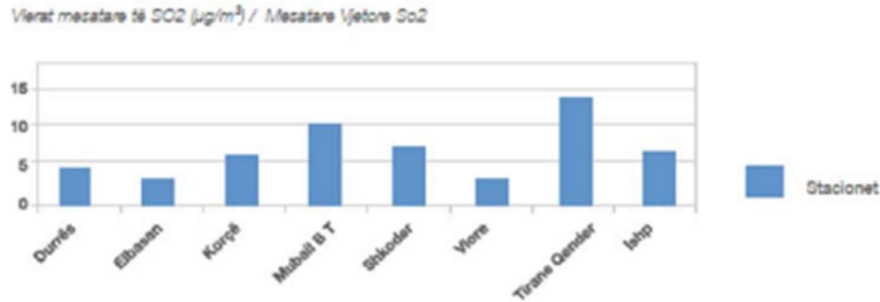


Figure 5-3 Mean SO2 annual concentration and Monitoring Route in Albania (2024)

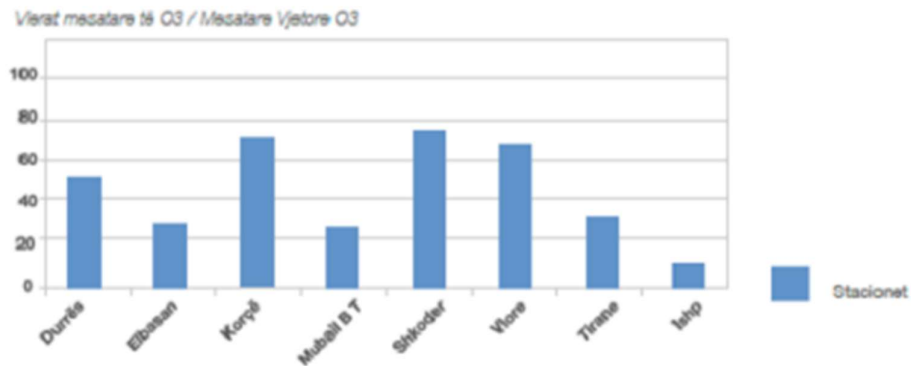


Figure 5-4 Mean O3 annual concentration and Monitoring Route in Albania (2024)

Source: National Environmental Agency (2024)

5.3 Noise

The Area of Influence of the project is in the eastern periphery of Tirana, along the Elbasani Road corridor, where TEG shopping center is situated. This area is characterized by low urban density but experiences moderate traffic volumes, especially during peak hours, as well as ongoing commercial and service-related activities within and around the complex. Noise levels in this area are primarily influenced by vehicular traffic, loading and unloading operations, and general customer and business activity. According to data from the National Environmental Agency and the Co-PLAN (2024) study on acoustic pollution in Tirana, average noise levels in urban peripheral zones such as the TEG area range between 55–65 dB(A) during the daytime and 45–55 dB(A) at night. These values partially exceed the maximum permissible limits defined by Decision of the Council of Ministers No. 587, dated 07.11.2003, which sets a daytime limit of 55 dB(A) and a nighttime limit of 45 dB(A) for mixed-use (residential and commercial) areas.

To accurately establish the existing acoustic baseline prior to the commencement of construction works, the project proponent will conduct noise monitoring before construction works, in accordance with relevant technical standards and international best practices. Monitoring will be carried out at two representative locations within the Area of Influence

using a calibrated sound level meter (Type I or Type II), with measurements recorded at 15-minute intervals over a 24-hour period. Measurements will be conducted under dry weather conditions and in the absence of strong wind (wind speed < 5 m/s), following appropriate quality assurance and control (QA/QC) protocols. The collected data will inform the assessment of potential acoustic impacts during the construction phase and guide the development of mitigation measures to minimize noise exposure for the surrounding community and on-site workers.

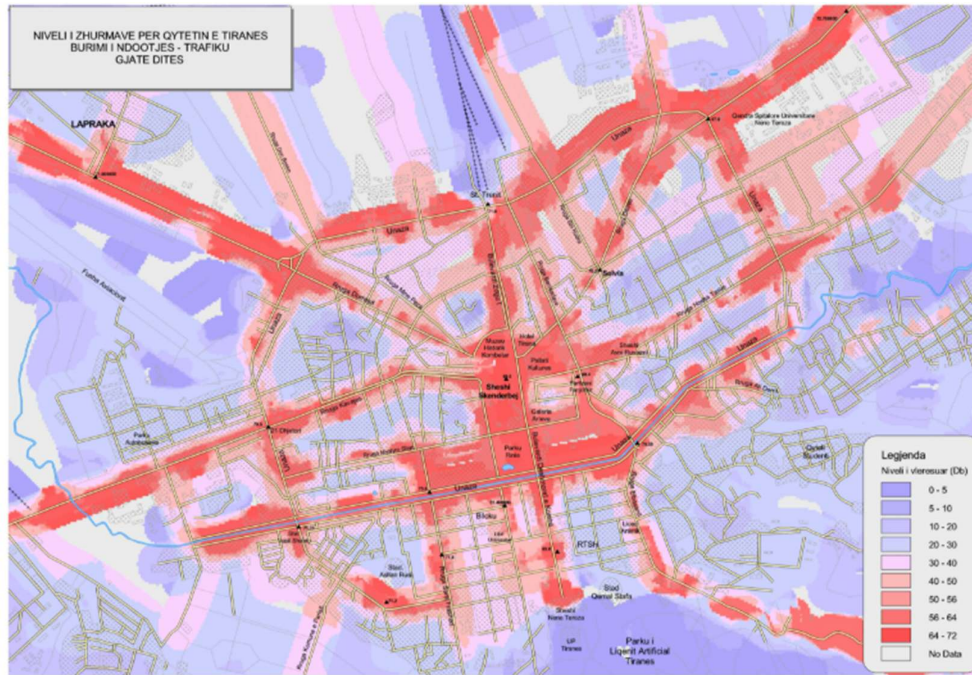


Figure 5-5 Map of Noise in Urban Areas of Tirana

Source: National Environmental Agency

5.4 Geomorphology and Topography

The area surrounding TEG Mall extension project is characterized by predominantly flat to gently sloping terrain, with an average elevation of approximately 100 meters above sea level. The site is situated within the eastern periphery of Tirana city, where the landscape transitions from urban development to peri-urban and semi-rural zones. The slopes in the immediate vicinity range between 1% and 5%, gently descending towards the southwest. Geologically, the area lies within the plain of the Tiranë basin, consisting mainly of alluvial deposits, silts, and clays, overlaying sedimentary rock formations typical of the region. The soils exhibit moderate compaction and drainage properties, suitable for commercial construction with standard ground preparation. According to existing hazard maps, the Project Area of Influence is not located within any significant landslide or flood risk zones. The project site currently

features a well-leveled surface, having been previously developed and used for commercial purposes.

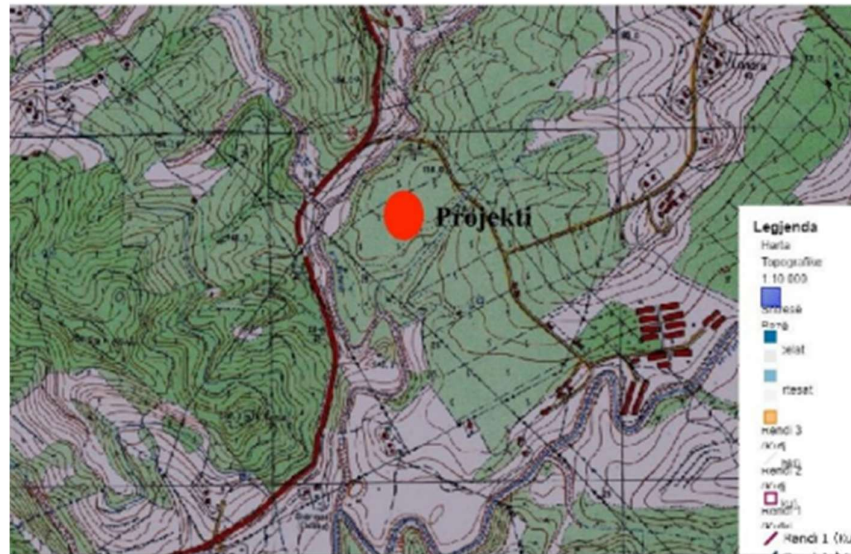


Figure 5-6 Topography of the Area of Influence
Source: Altea GeoStudio (2024).

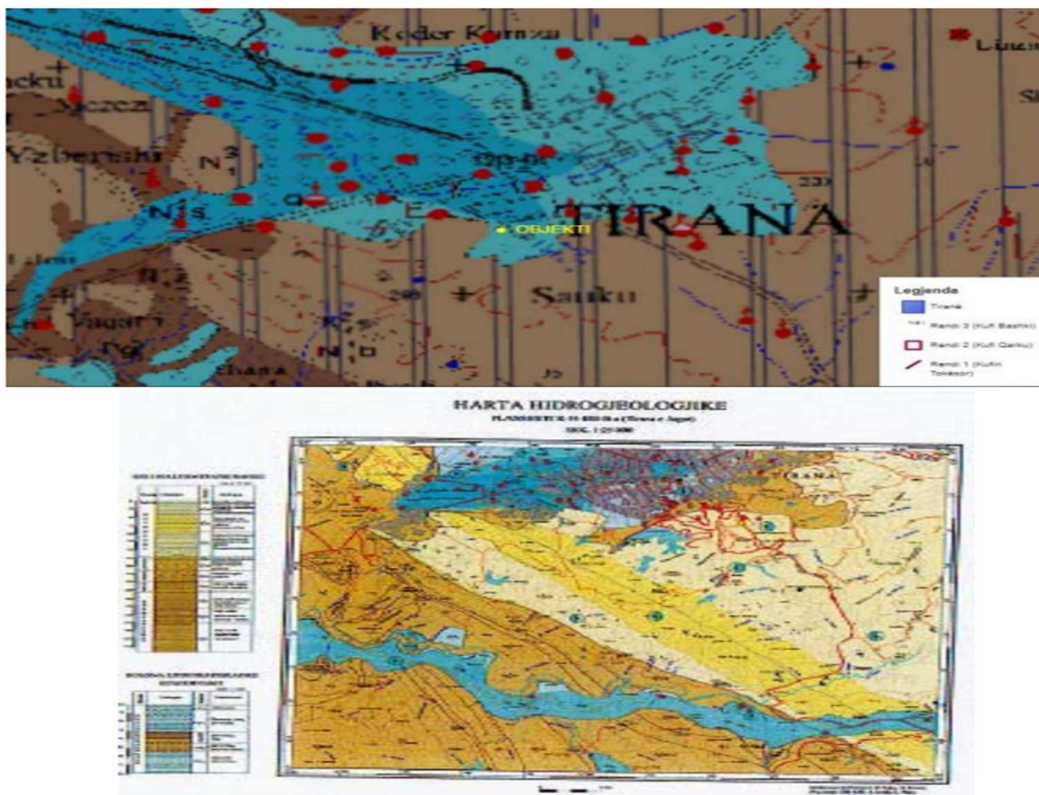


Figure 5-7 Landslide and Flood Risk Areas in Tirana
Note: Approximate location of the Area of Influence as a yellow dot.
Source: IGJEU, 2023.

5.5 Geology and Soils

The site where the “Additional extension on the northern and western sides of the TEG shopping center” will be constructed is in the village of Lundër, administrative unit Farkë, Municipality of Tirana. The site is situated on the northwest side of Lundër village, south of Tirana’s Grand Ring Road. The new buildings are to the north and west of the existing TEG shopping center, adjacent to it. Many other small villages and collective buildings have also been constructed on these slopes in recent years. The slope is bare of vegetation and was previously agricultural land. The slope is deformed and consists of semi-rocky Neogene formations, which are easily eroded by atmospheric agents and moisture. On top of these rocks are deluvial-eluvial deposits with a thickness of over 3.50 to 4.50 meters.

The construction area has slopes ranging from gentle to moderate, with a gradient between 10 and 25 degrees.

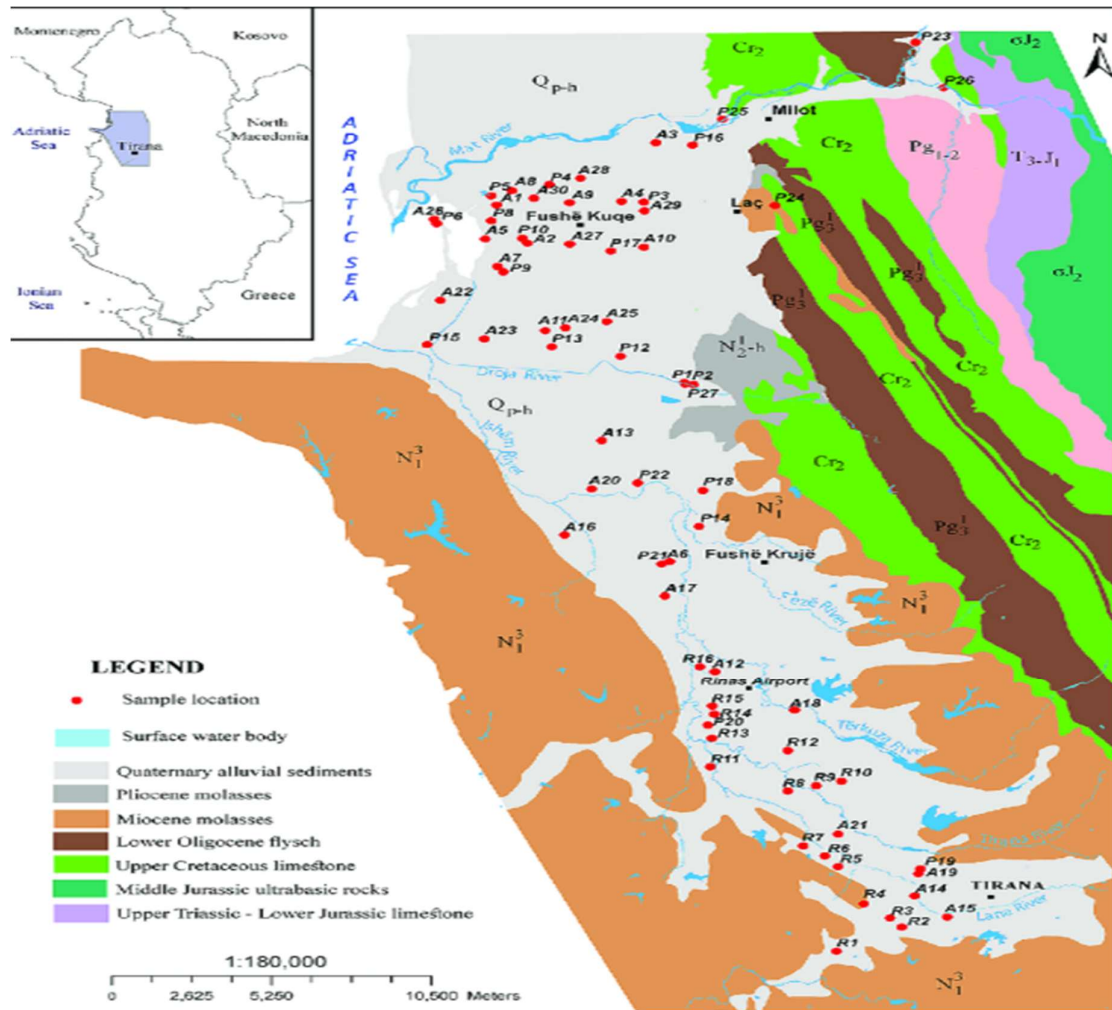
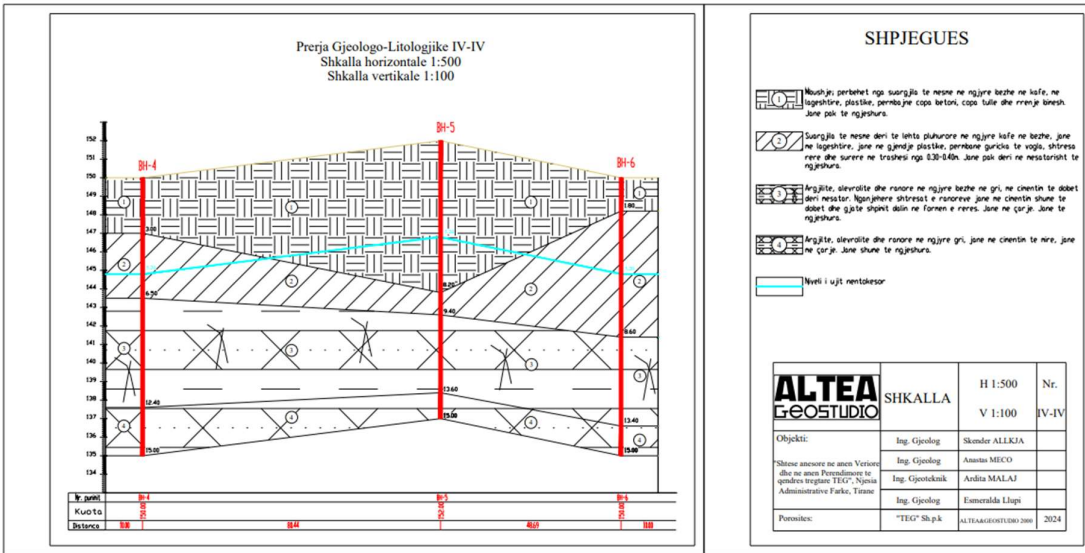


Figure 5-8 Geology in the Area of Influence

Source: Altea Geo Stuidio, 2024



Figure 5-9 Surface Soils in the Project Plot



Source: Altea GeoStudio, Geology and seismology Report, 2024.

5.6 Hydrology

Extensive regional and local geological and geotechnical investigations have been conducted in the hilly zones of Farka, Lundra, and Sauku within the Municipality of Tirana. These studies focus on the slope stability of the area as well as the design of foundations for newly constructed multi-story buildings in the administrative center of Farka, Municipality of Tirana.

In the Lundra hills, both Neogene and Quaternary deposits are present. Specifically, in the area designated for the lateral extension on the northern and western sides of the Teg shopping center, located in the village of Lundra, the following deposits have been identified:

Quaternary deposits (Q4 dl + el):

Deluvial-eluvial deposits mainly consist of medium to heavy silty clays and clays. These sediments are weakly to moderately consolidated, with thicknesses ranging between 5.00 and 8.50 meters, and are widespread throughout the area planned for the lateral extension

adjacent to the Teg shopping center. These deposits exhibit instability characteristics and tend to creep downslope; however, no deep-seated landslides have been observed within the investigated site.

Neogene deposits (N1 3):

Investigations have identified Neogene deposits composed of clays, sands, and gray siltstones (aleurolites) exhibiting weak to moderate cementation. The upper portion of these deposits shows signs of weathering. These formations create gently sloping, unstable slopes. Generally, they are overlain by deluvial-eluvial cover deposits but outcrop at the surface in certain locations within the Lundra, Farka, and Sauku hills in the Municipality of Tirana.

Based on studies conducted in the hilly areas of Lundra, Sauku, and Farka—drawing on multi-year groundwater measurements from various boreholes drilled during different projects in the area—it has been established that the groundwater level varies significantly between winter and summer seasons. The authors of this study utilized all existing data and supplemented it with new measurements taken periodically throughout the study duration.

Results indicate that, in most of the area, the groundwater table lies close to the ground surface, generally shallower than -5.20 meters. This represents the lowest groundwater level recorded, as no significant rainfall events occurred during the measurement period. During periods of precipitation, the groundwater level may rise to depths as shallow as -2.50 meters.

Field observations revealed the presence of small, seasonal springs at the interface between clay and sandy layers. The soil strata encountered at the construction site are primarily clayey, characterized by low permeability. This implies that during excavation, minor amounts of groundwater are expected to enter the excavation pit and can be effectively managed by pumping.

It is recommended to divert surface water flow away from the slopes of the excavation pit, as these can undermine slope stability.

During summer, the groundwater level is deeper compared to the levels recorded in winter and spring, with only minor seepage expected.

Chemical analyses of the groundwater classify it as neutral, indicating it is non-aggressive toward steel and concrete structures.

5.7 Hydrogeology

According to recent local hydrogeological assessments, information regarding groundwater resources in the Teg Extension Project area remains limited. Due to this data gap, previous

borehole installations in the vicinity, conducted with minimal geohydrological investigations, have occasionally experienced low yields or failures.

At the broader geological scale, the area surrounding the Teg Extension is characterized by a complex assemblage of Quaternary diluvial-eluvial deposits overlaying Neogene clays, silts, and sands. These deposits generally exhibit variable permeability and consolidation states, influencing groundwater storage and flow behavior. The Quaternary deposits, mainly composed of silty clays, tend to be less permeable and prone to localized groundwater retention, while Neogene formations display moderate permeability but weathered upper layers can affect aquifer properties.

Locally, the hydrogeology of the site is dominated by clay and silty layers with interspersed sandy horizons and occasional gravel lenses, which can serve as minor aquifers. Groundwater levels fluctuate seasonally, with shallow groundwater tables observed during the wet season, rising to approximately 2.5 meters below the surface, and falling to depths of around 5 meters or more in dry periods. Limited localized groundwater seepage is noted at interfaces between clay and sandy layers, often resulting in minor seasonal springs or seepage zones.

Groundwater recharge in the Teg area is influenced heavily by surface water infiltration, which is affected by urban development and land use changes. Surface runoff during the rainy season tends to concentrate in valley bottoms, with wetlands playing a crucial role in supporting groundwater replenishment. Proper management of surface water around excavation sites is essential to maintain slope stability and minimize erosion and sedimentation impacts.

Preliminary chemical analyses indicate that groundwater in the area generally exhibits neutral pH and is non-aggressive towards concrete and steel, but comprehensive water quality testing will be undertaken during detailed site investigations. To address existing uncertainties, the project investor has conducted detailed geological studies, which also included hydrogeological investigations. The detailed report provided an accurate description of the groundwater conditions, assisting in the design of the foundation protection for the existing building and offering recommendations for the implementation of the Teg Extension Project.

5.8 Landscape

The building to be constructed is in cadastral zone No. 2529, with property numbers 562/13, 562/13-ND, 863/4, and 863/4-ND in the Municipality of Tirana, covering a total area of 42,994 m². The project proposes the construction of an additional annex residential and service building of 2-3 floors with 2 underground levels. The volume is positioned linearly along the entire length of the property, respecting the urban setback distances from the property

boundaries, neighboring buildings, and the road corridor, ensuring compliance with the zoning study for the area.



Figure 5-10 Views of the Project Plot from Closest Buildings
Source: Eastern Bus Terminal (December 2024)



Figure 5-11 Street views of the Project Plot from the main road
Source: Altea Geostudio



Figure 5-12 Aerial view of the Project Plot
Source: Altea Geostudio

6. BIOLOGICAL BASELINE

6.1 Flora & Fauna

Tirana also has a rich terrestrial flora and fauna. The fauna inhabits this area with its diverse elements. According to data on the flora of Tirana and the surrounding areas, approximately 1,640 species and varieties of higher plants have been described, based on vascular cryptogams. This number is quite large considering the surface area that has been botanized. In fact, it is estimated that the flora of the whole of Albania comprises about 3,200 species of spontaneous plants, or 29% of the species of the European flora and 47% of the Balkan flora. The relatively large number of plant species found in the vicinity of Tirana is explained by the very diverse relief with altitudes ranging from 10 to 600 meters above sea level. This causes the climate and plant formations to vary significantly from one place to another. In the Tirana area, Mediterranean maquis formations with evergreen elements and oak formations along with alpine pastures are mainly encountered. Therefore, the variation in vegetation is quite pronounced and allows nearly half of Albania's plant species to be represented in this region. The lowland soil is very fertile. They form the basis for agricultural development; hence their arrangement and maintenance are of particular importance. It is worth mentioning that in the areas around Mezezi and Kashar, a variety of medicinal plant species grow, having a very positive role in the treatment of many diseases. This is also confirmed by the native inhabitants in their conversations.

The Albanian wildlife resembles that of Mediterranean European countries, especially that of the Balkans. This is related to suitable natural conditions and the diversity of natural environments. The most widespread animals are wolves, foxes, jackal, badger, wild cat, etc., while among birds there are eagle, owl, goshawk, woodcock, thrush, starling, and others.

Regarding the study area, being relatively limited in size, its fauna corresponds to that of the surrounding area. According to data from interviews with elderly people, some wild animals used to be encountered in the hills. As for birds, their diversity has not been high. They were generally of types such as harriers, woodcock, starling, or some other species.

Wild rabbits, partridges, common frogs, common turtles are also found, while in the forest woodpecker, wagtail, nightingale, greenfinch, etc.

Concerning endangered species in the study area, we mention the example of the coastal ephedra (*Ephedra distachya*). According to recent observations, only small patches of this community were noticed on Mount Dajti. This unique plant community for our country, especially the Albanian coast, and very rare in the Mediterranean, is gradually disappearing due to persistent cleaning, human intervention, and activities.

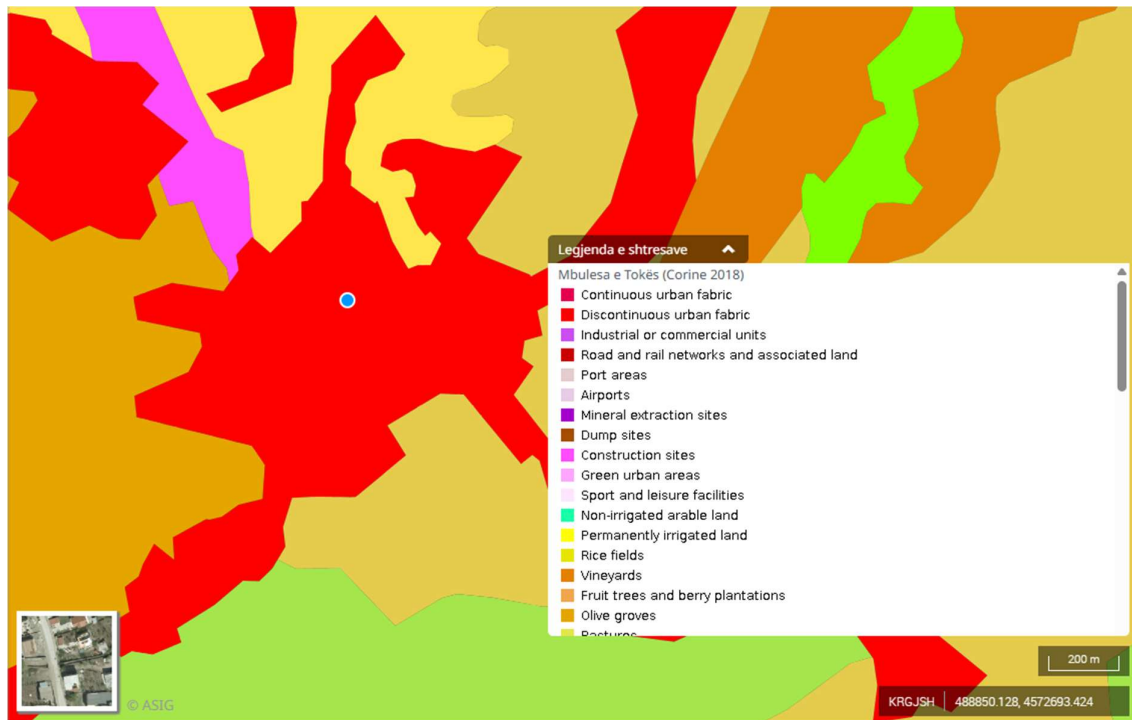


Figure 6-1 Soil layer





Figure 6-2Vegetation within the Project Plot and its Surroundings

6.2 Invasive Species

In Albania, as in many urban and peri-urban areas, invasive species pose a challenge to local biodiversity. In the area of the Teg Commercial Center in Tirana, during recent site visits and assessments, no noticeable presence of invasive species has been observed within the project plot. However, in the broader city perimeter and its surroundings, several plant and animal species have been identified that negatively impact local ecosystems.

Common invasive plant species found in Albania include *Dittrichia viscosa* (false yellowhead) and other species that replace native flora, causing biodiversity loss. Additionally, in freshwater bodies and lakes near the city, aquatic species such as *Pistia stratiotes* (water lettuce) and *Eichhornia crassipes* (water hyacinth) present risks to freshwater ecosystems.

Regarding fauna, urban areas and the hills around Tirana provide habitats for various common but important species, as well as species that may face competition from non-native invasive species.

To protect local ecosystems and prevent the spread of invasive species, ongoing monitoring of the TEG project area is recommended, along with management measures if harmful species are detected.

6.3 Protected Areas

No nationally designated protected areas are located directly within the vicinity of the TEG Extension Project site in Tirana. However, the project area is adjacent to important ecological features such as the Farka Lake and associated wetland complexes, which function as critical urban ecosystems providing biodiversity habitats, flood mitigation, and groundwater recharge.

These wetlands and natural water bodies are subject to pressures from ongoing urbanization, infrastructure expansion, and increased surface runoff, leading to habitat fragmentation and degradation. Like trends observed in other rapidly developing urban zones, unregulated land use changes and waste disposal have contributed to declining water quality and ecological functions in these wetland systems.

In Albania, wetlands and natural protected areas fall under the protection of the Law No. 8906, dated 06.06.2002 "On Protected Areas" and subsequent legislation regulating environmental protection, urban planning, and water resource management. The Ministry of Environment and Tourism is the competent authority responsible for enforcement and monitoring of these regulations.

Given the ecological sensitivity of the surrounding areas, the TEG Extension Project will conduct comprehensive environmental impact assessments (EIA) and coordinate with local environmental agencies to ensure compliance with all applicable environmental laws and standards. Special attention will be paid to safeguarding wetland hydrology and preventing negative impacts on biodiversity through mitigation measures such as stormwater management, green infrastructure integration, and habitat restoration where feasible.

Through these actions, the project aims to harmonize urban development needs with the preservation of critical natural resources in the Tirana metropolitan area

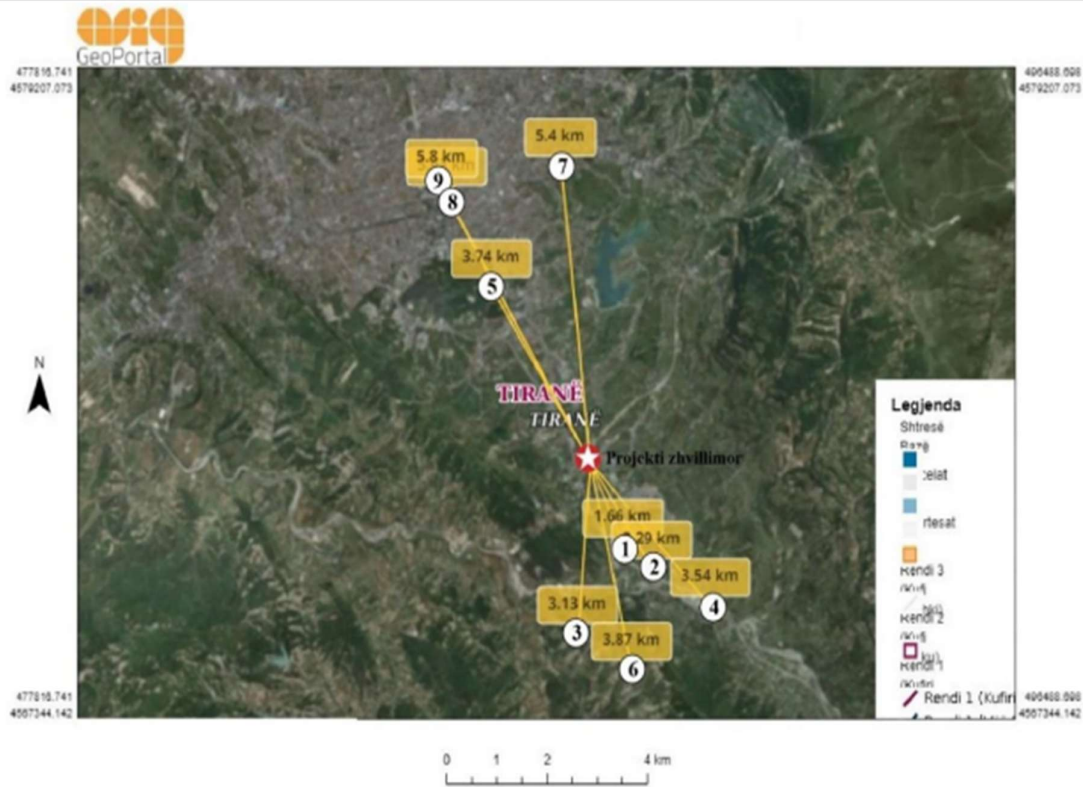


Figure 6-3 Wetlands Close to the Project Plot

Note: Approximate location of the Area of Influence as a red circle.

Source: Asig, Geoportal, 2024

6.4 Potential Critical Habitat in the Area of Influence

Potential critical habitats are areas that may support important species or ecosystems that are sensitive or of high conservation value. Within the Area of Influence of the TEG Extension Project, although the immediate site is urban and developed, nearby natural features such as wetlands, green spaces, and forest patches may provide habitat for local wildlife and plant species.

These habitats can be important for maintaining biodiversity, especially for species that rely on specific environments like wetlands or riparian zones. While no officially designated critical habitats are identified directly within the project site, surrounding areas may serve as important refuges or corridors for fauna and flora.

To ensure protection of biodiversity, it is recommended that ecological assessments be conducted before and during project development to identify any presence of sensitive or

protected species and habitats. This will help inform appropriate mitigation measures to avoid or reduce potential impacts.

Table 6-1 Trigger Bird Species in Tirana, Albania

Scientific name	Common name	IUCN Category	Suitable Habitats
<i>Alcedo atthis</i>	Common Kingfisher	LC	• Wetlands (inland) - Suitable of major importance
<i>Coracias garrulus</i>	European Roller	VU	• Wetlands (inland) – Suitable of major importance
<i>Apus pallidus</i>	Pallid Swift	LC	• Wetlands (inland) - Suitable of major importance • Artificial/Terrestrial (arable land) - Suitable
<i>Himantopus</i> <i>Himantopus</i>	Black-winged Stilt	LC	• Wetlands (inland) – Suitable of major importance • Artificial/Terrestrial (arable land) – Marginal
<i>Upupa epops</i>	Eurasian Hoopoe	NT	• Wetlands (inland) – Suitable of major importance
<i>Athene</i> <i>Noctua</i>	Little Owl	LC	• Forest, Shrubland, Wetlands (inland) - Suitable

Source: BirdLife International, 2023.

Presence of Critically Endangered (CR) and Endangered (EN) Species

Within the immediate vicinity of the Teg Extension project, located in the urban and commercial zone of Tirana East Gate, no records currently indicate the presence of Critically Endangered (CR) or Endangered (EN) species. The highly urbanized environment, characterized by commercial buildings, paved roads, and limited natural green spaces, generally provides limited suitable habitat for such sensitive species. However, nearby peripheral natural areas and green corridors on Tirana's outskirts may support some threatened flora and fauna. Conservation efforts in Tirana prioritize the protection and enhancement of these habitats to maintain biodiversity within the region. Prior to construction, ecological surveys are recommended to confirm the absence of any vulnerable species and to mitigate potential impacts on local biodiversity.

Presence of Restricted-Range Species

The Teg Extension project site, situated within the urban environment of Tirana East Gate, is located in a region where restricted-range species are generally uncommon due to the predominance of built-up areas and limited natural habitats. Restricted-range species—those with a limited geographic distribution—are typically found in more specialized or undisturbed habitats such as mountainous zones, wetlands, or dense forest patches around Tirana. While the immediate project area is unlikely to host such species, nearby natural reserves, hills, and peri-urban green spaces around Tirana may support some restricted-range flora and fauna.

Likelihood of Critical Habitat in the Area of Influence

The area surrounding the TEG Extension project in TEG is predominantly urban and commercial, which generally reduces the likelihood of critical habitat presence within the immediate project footprint. Critical habitats—areas essential for the survival of threatened species or unique ecosystems—are typically associated with natural, undisturbed environments such as wetlands, forests, or protected areas.

Although the urbanized setting limits such habitats, small pockets of green spaces, parks, or remnant natural features may still provide habitat for certain species of conservation concern.

Table 6-2 Threatened Species Identified in a 50-km Buffer from the Project Plot

No.	Species Name	Common Name	Taxonomic Group	IUCN Category	Population Trend	Biome	Distribution in Kigali City? (IUCN)	Suitable Habitats
1	<i>Emys orbicularis</i>	European Pond Turtle	Reptilia	NT	Stable	Freshwater	Present in Tirana Region	· Freshwater wetlands, ponds, slow rivers
2	<i>Aquila chrysaetos</i>	Golden Eagle	Birds	LC	Stable	Terrestrial	Found in mountainous areas near Tirana	· Open woodlands, cliffs, mountainous terrain
4	<i>Lanius collurio</i>	Red-backed Shrike	Birds	LC	Decreasing	Terrestrial	Common in Tirana outskirts	· Open fields, shrublands, agricultural areas
5	<i>Lutra lutra</i>	European Otter	Mammalia	NT	Freshwater	Terrestrial, Freshwater	Rarely found near Tirana wetlands	Rivers, streams, wetlands
6	<i>Quercus trojana</i>	Macedonian Oak	Magnoliopsida	VU	Stable	Terrestrial	Present in Tirana's surrounding hills	· Mixed forests, Mediterranean woodlands

Source: Ministry of Environment, 2024

The area surrounding the Teg Extension project, located in the commercial hub of Tirana, is primarily urbanized with limited natural habitats. However, within a 50 km buffer zone, a variety of threatened species are present, especially in the outskirts and nearby natural habitats such as wetlands, rivers, and forested hills.

Several Near Threatened (NT) and Vulnerable (VU) species such as the European Pond Turtle (*Emys orbicularis*), European Otter (*Lutra lutra*), and Macedonian Oak (*Quercus trojana*) are known to inhabit the natural freshwater and forest ecosystems within this wider region. Bird species like the Golden Eagle (*Aquila chrysaetos*) also occur in nearby mountainous and forested areas.

Although the immediate project site is heavily built-up, conservation considerations are important for protecting these species in surrounding green spaces and natural habitats.

6.5 Ecosystem Services

Ecosystem services are the benefits that people, including businesses, derive from ecosystems. Ecosystem services are organized into four types: (i) provisioning services, which are the products people obtain from ecosystems; (ii) regulating services, which are the benefits people obtain from the regulation of ecosystem processes; (iii) cultural services, which are the non-material benefits people obtain from ecosystems; and (iv) supporting services, which are the natural processes that maintain the other services.

Rivers and artificial lakes provide a variety of ecosystem services. Their use values include direct uses such as fish, agriculture, fuel wood, recreation, transport, wildlife, peat/energy; and indirect use values such as nutrient retention, flood control, groundwater recharge, external ecosystem support, and microclimate stabilization. In addition, their non-use values include biodiversity, culture, heritage, and bequest value.

However, the wetlands and natural habitats in the vicinity of the Teg Extension project face increasing pressure from urban expansion, infrastructure development, pollution, and agricultural activities. Encroachment and degradation of these ecosystems have led to reduced ecological function, threatening their ability to provide essential services. Protecting and managing these ecosystems within the Area of Influence is crucial to maintaining the environmental quality and sustainability of the region amidst ongoing urbanization.

7. SOCIAL BASELINE

7.1 Baseline Structure

This socioeconomic baseline section presents relevant socioeconomic information, as available, at various geographic levels, with particular focus on the District, Sector and local levels. This baseline section is organized into the following sections:

- **Context overview:** Overview of the primary and secondary Aol;
- **Governance and Administration:** Presentation of administrative structures and organizations present at District level, overview of the socioeconomic characteristics along the Aol;
- **Demographic Profile:** Summary of socioeconomic characteristics of the District of Tirana/Lundër and of the Aol with a focus on population composition and trends, ethnicity, language and religion, migration and population change;
- **Land Use and Ownership:** Land use and ownership status in the Aol, description of main land uses and identification of built structures in the Aol;
- **Employment and Occupation:** Summary of resources and activities at District and Project level, including unemployment rates and formal and informal economies.
- **Livelihood Activities:** Characterization and evaluation of the natural resources-based livelihoods present along the Aol;
- **Literacy and Education:** Community education profile, including distribution of schools in the Aol and presentation of gender disaggregated data;
- **Community Health, Safety and Security:** Understanding of the community health and identification of the potential impact to health in the Aol arising from the Project.
- **Infrastructure and Public Services:** Identification of infrastructures and services in the Aol, including communication services and public and private infrastructure; and
- **Vulnerability:** High level identification and qualification of vulnerable groups residing in the Aol.

7.2 Limitations

The main limitations of this Chapter are the following:

- Demographic and socio-economic data – Some information from the local communities surrounding the TEG Extension site could not be fully collected due to limited availability of updated census data and challenges in scheduling field interviews with local residents and authorities during the planned survey period.

- Biodiversity data – Comprehensive and recent studies on flora and fauna specific to the immediate project area and its surroundings are limited, which may affect the completeness of the ecological impact assessment.
- Transportation and traffic data – There is insufficient data on projected daily vehicle movements related to construction and operation phases, which could influence the accuracy of traffic and air quality impact assessments.
 - Occupational Health and Safety (OHS) Management Plan
 - Community Health and Safety Plan
 - Emergency Preparedness and Response Plan (EPRP)
 - Waste Management Plan (WMP)
 - Traffic Management Plan (TMP)
 - Supply Chain Management Plan
 - Life and Fire Safety (LFS) Plan
- Excavated materials and resource management – Finalized details are pending on the management of excavated materials, sourcing of aggregates, and handling of solid waste, wastewater, and sewage.
- Greenhouse Gas (GHG) emissions – Estimates on annual GHG emissions (tons/year), fuel consumption by type, and confirmation of the primary electricity source (public grid versus onsite backup generation) are not yet available and will be updated as part of the resource efficiency analysis.

7.3 Context Overview

7.3.1 Governance and Administration in Albania

Albania is a unitary parliamentary republic with a decentralized administrative structure. The country is divided into 12 counties, which are further subdivided into municipalities responsible for local governance. Municipalities manage urban planning, public services, and local development, operating under national laws and policies. The central government oversees national administration, while regional and local authorities implement policies related to infrastructure, environment, and social services. Coordination between national and local institutions is key for effective governance and sustainable development across Albania.

- **The Provinces & Districts**

Albania is divided into 12 administrative counties (known locally as “qarqe”), which serve as the top-level territorial units. Each county encompasses several municipalities and serves as a regional hub for governance, coordinating public services, regional development, and implementation of national policies. The counties play a key role in bridging national and local administrations, supporting infrastructure, economic growth, and environmental management across their territories (Figure 6.1 below).



Figure 7-1 Administrative Map of Albania

Source: Nations Online

The Project is in Tirana District, Albania. Figure 6.2 below shows the Tirana District map with its corresponding divisions.

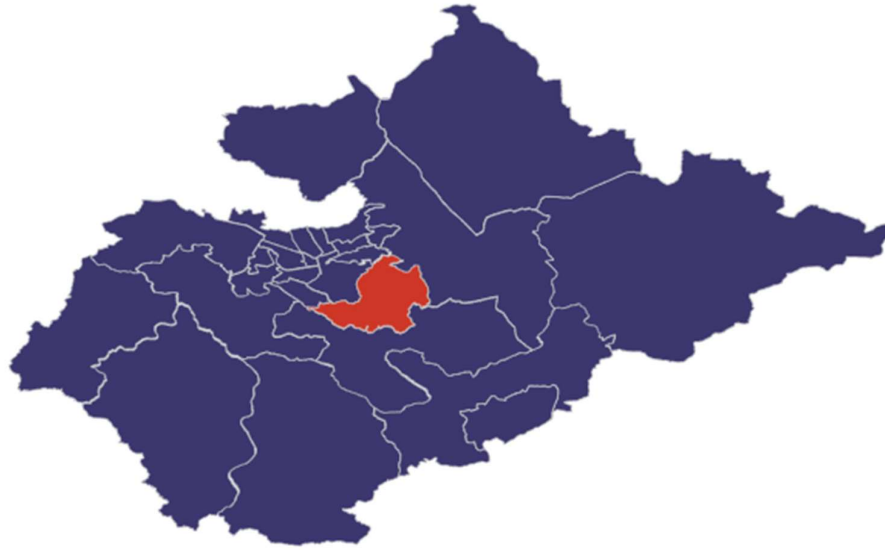


Figure 7-2 Tirana District Map

Red zone, project location

Sources: Tirana Municipality Webpage.

Tirana District, now part of Tirana County since 2000, covered approximately 1,193 km² with a population of around 900,000. It included urban centers like Tirana city and surrounding municipalities. The district is Albania's main political, economic, and cultural hub, characterized by rapid urbanization and mixed land use. Key environmental features include significant green spaces such as the Grand Park of Tirana and Dajti Mountain. These factors are essential for assessing potential E&S impacts in the area.

- **Administrative units**

As of now, Tirana is divided into 11 administrative units. These units were formed after a local government reform that merged smaller municipalities into the larger Tirana municipality. Each unit has its own local administration but is under the larger Tirana municipality. The city center (Tirana unit) is the urban core, while others are more suburban or rural. The project is in Farkë Administrative Units.

Farkë is located southeast of central Tirana. It's part of the greater Tirana municipality but has a more suburban and semi-rural character compared to the urban core.

It covers an area that includes hills and some natural landscapes, making it a popular area for residential neighborhoods that want to be close to the city but with a more peaceful environment. Farkë has been developing quickly in recent years as Tirana expands, attracting people looking for quieter living spaces with access to the city.

- **The Villages**

Tirana, Albania's capital, is divided into 24 administrative units, which include both urban neighborhoods and rural areas. Within the rural administrative units, there are approximately 130 villages. These villages represent the smallest local communities where residents engage closely with local governance and daily life. While the urban parts of Tirana are organized into neighborhoods rather than villages, the rural villages serve as important grassroots units for mobilization and addressing community needs. Examples include the administrative units of Petrelë, Farkë, and Dajt, which encompass multiple villages each, contributing to the diverse social and geographic makeup of the Tirana municipality.

- **Decentralization in Tirana**

Decentralization in Tirana involves shifting governance and service delivery responsibilities from central government to local municipalities following administrative reforms after 2000. This process has increased local authority in urban planning and public services, improving responsiveness to community needs. Challenges remain, including capacity gaps, resource limitations, and coordination across the rapidly growing metropolitan area. Overall, decentralization aims to enhance local governance and support sustainable development in Tirana.

7.3.2 Demographic Level

- **District Level**
 - **Population**

The table below is based on the 2023 population census data from INSTAT and represent the urban and rural population distribution within the main administrative units of Tirana County.

Table 7-1 Population data for Tirana Country's administrative units

Province	District	Population			Percentage (%) Share	
		Urban	Rural	Total	Urban	Rural
City of Tirana	Municipality of Tirana	820,000	80,000	900,000	91.1	8.9
	Municipality of Kamëz	75,000	20,000	95,000	78.9	21.1
	Municipality of Vorë	30,000	25,000	55,000	54.5	45.5
	Commune of Kashar	10,000	18,000	28,000	35.7	64.3
	Commune of Petrele	5,000	15,000	20,000	25.05	75
	Commune of Dajt	8,000	12,000	20,000	40	60

	Commune of Farke	7,000	13,000	20,000	35	65
	Commune of Zall-Bastar	3,000	7,000	10,000	30	70
	Commune of Baldushk	2,000	8,000	10,000	20	80
City of Tirana		960,000	178,000	1,138,000	84.4%	15.6%

Source: Housing Census (2023)

According to Table 6.1, Municipality of Tirana has the highest population in the City. The whole Country is much more urban than rural.

According to Table 6.2, Country population is, in its majority male (although not by a great difference). However, in both, the median age of its citizens would be classified as young – 30.5 years in total.

Table 7-2 Age and Gender Distribution in Tirana Country's, 2023

Location	Population			Total Median Age (Years)		
Age Group	Male	Female	Total	Male	Female	Total
Tirana Metropol	468,000 (52%)	432,000 (48%)	900,000	30	28	30.5

Source Housing Census (2023)

In 2023, Tirana Country had a population of 900,000, as per the Fourth Population and Housing Census conducted by the National Institute of Statistics. Out of this population, 52% were male and 48% were female. All the residents in this sector were exclusively urban, and there were no reports of inhabitants coming from rural areas. The density is estimated to be at 1.785 inhabitants per square km.

The forecast of the 2050 population density (people per hectare) believes that the centre will become even more densely populated and other areas further away from the centre will also become more.

- **Religion & Nationality**

Tirana, the capital city of Albania, is predominantly inhabited by ethnic Albanians, who make up over 90% of the population. Small minority groups such as Greeks, Roma, and Macedonians also reside in the city. Regarding religion, according to recent estimates,

approximately 58% of Tirana's population identify as Muslim (mostly Sunni and Bektashi), while about 10-15% belong to the Albanian Orthodox Church. Roman Catholics constitute around 7%, and a notable percentage of the population (about 20-25%) identifies as secular, atheist, or non-religious, reflecting Albania's strong tradition of religious tolerance and secularism. These diverse religious and national identities contribute to Tirana's multicultural and inclusive atmosphere.

- **Area of Influence (AoI)**

Household, Age and Gender Distribution

Farka has around 36,000 residents, with a balanced gender split (about 17,800 males and 18,500 females). Most of the population is of working age, with a smaller number of young children and elderly people. The area is likely to experience some migration due to its proximity to Tirana and local development. Many residents are ethnically Albanian and predominantly Muslim, with some secular individuals.

Sauk, a suburb of Tirana, is growing due to urbanization and attracts people mainly from rural areas seeking jobs and better living conditions. It hosts several educational institutions contributing to its appeal. Like Farka, Sauk's population is mostly ethnically Albanian and predominantly Muslim.

7.3.3 Land Use & Land Tenure

- **Local Government / Municipal Level**

The planned extension of TEG is located within the administrative territory of the Municipality of Tirana, in the Farkë–Lundër area, a peri-urban zone that has undergone significant transformation over the last decade due to rapid urban development. Historically, this area had a predominantly agricultural character, with land used for crop cultivation, orchards, and small-scale livestock farming. However, sustained residential and commercial construction has substantially reduced the share of agricultural land.

The local development strategy, as reflected in the General Local Plan (GLP) of the Municipality of Tirana, promotes the transition from low-intensity agricultural land use to higher-value commercial, service, and mixed-use developments. This transition is driven by market demand for retail, leisure, and office space, as well as by improved infrastructure connectivity along the Tirana–Elbasan national road.

According to INSTAT and the latest municipal cadastral records, the average size of individual agricultural parcels in the Farkë–Lundër area is below the national average due to historical land fragmentation and ongoing subdivision for residential and commercial purposes. The

majority of landowners retain freehold title to their properties, with tenure rights registered under the State Cadastral Agency (ASHK).

A significant portion of the land adjacent to the TEG site has already been converted to non-agricultural use, following the required change-of-use procedures in accordance with the Law on Territorial Planning and Development (Law No. 107/2014, as amended). The project site for the extension is fully designated for commercial purposes in the approved urban plan, and no restrictions exist on its development in line with the approved Detailed Local Plan (DLP).

This land-use context ensures that the TEG extension project is consistent with municipal planning policies, national legislation, and market trends in the area. It also minimizes the risk of tenure disputes, as the land is already in registered ownership and its designated use is aligned with the project objective.

- Land tenure

In Albania, land ownership is recognized and protected by law, with property titles registered through the State Cadastral Agency (ASHK). In the Farkë–Lunder area, where the TEG extension is planned, most parcels are held in formal freehold ownership and are recorded in the national cadaster.

Conversion from agricultural to commercial use follows the approved urban plans and is formalized through development and building permits. The area around TEG has predominantly formal tenure, with over 90% of landholders possessing registered titles. The small number of unregistered parcels are under regularization, and no displacement of informal occupants is anticipated within the project site.

- Area of Influence (Aoi)

The extension of the TEG Shopping Center is located within the Municipality of Tirana, under the General Local Plan (GLP) and the approved Detailed Local Plan (DLP) for the Farkë–Lundër area. These plans integrate international best practices with local socio-economic data to ensure balanced urban growth.

As no physical displacement is anticipated, monitoring will confirm that nearby businesses or land users are not economically affected. Any unforeseen disturbances will trigger compensation or livelihood-restoration measures.

Areas disturbed by construction will be restored using native vegetation species. Erosion control and post-construction monitoring will ensure habitat recovery and prevent the spread of invasive species.

The zoning framework determines land use categories, development intensity, building heights, and density limits for each parcel, providing a clear guide on permitted, conditional, and prohibited uses. This ensures new developments are consistent with municipal objectives and compatible with surrounding land uses.

The Primary Area of Influence (within ~500 m of the project site) is predominantly commercial, mixed-use, and service-oriented, directly linked to the TEG complex. The Secondary Area of Influence (within ~2 km of the site) includes a mix of residential, institutional, and commercial areas benefiting from improved connectivity along the Tirana–Elbasan corridor.

Figure 7.3 portrays the Land Use Map with the Primary & Secondary Area of Influence of the project.

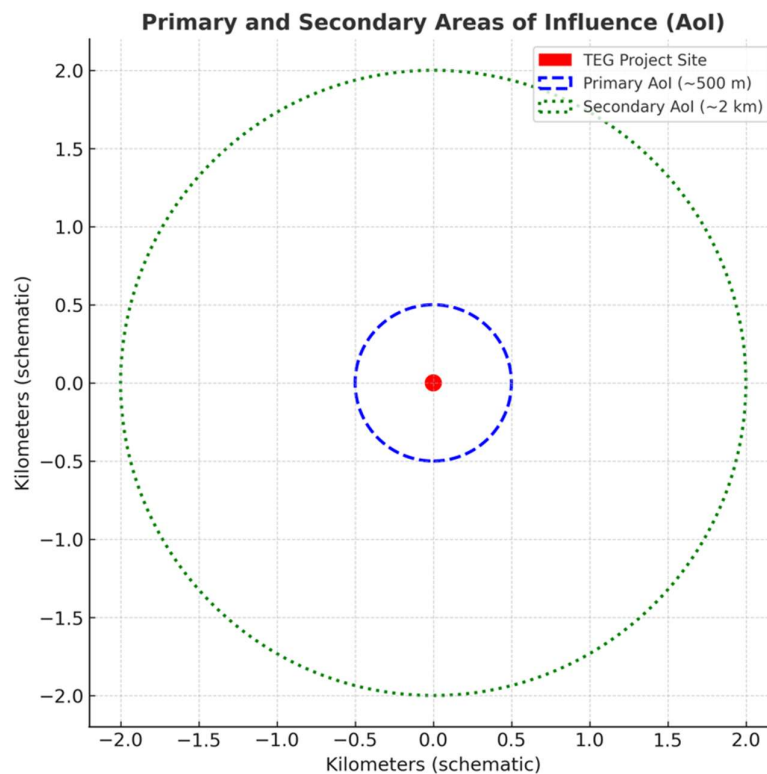


Figure 7-3 Land Use Map with the Primary & Secondary Aoi

Source: TEG, 2025.

- **Primary Aoi Zoning**

The zoning assessment defines existing land-use patterns and urban functions within the Project's primary and secondary Areas of Influence (Aoi). The analysis provides a spatial

understanding of how the Project interfaces with surrounding land uses and informs mitigation measures for traffic, noise, and community safety.

The Project Site is located within a “**RED Point**” area as classified by the Tirana Municipality Development Plan—indicating a key urban commercial and service node characterized by intensive retail, office, and leisure activities.

To the north, west, and east of the Project Site, the following predominant zoning categories have been identified:

- Commercial/ Retail

This zone includes large-scale commercial centers, supermarkets, and service facilities. Land parcels are privately owned, fully urbanized, and supported by paved access roads and parking infrastructure. Activities within this zone contribute to local employment and economic growth.

- Mixed-use (Commercial + Residential)

Located adjacent to the retail core, these areas combine ground-floor commercial premises with upper-floor residential apartments. The mixed-use character promotes walkability and access to services while creating potential sensitivities to construction noise and traffic impacts.

- Residential

Further outward from the retail core, low- and medium-density housing predominates. Buildings are mostly multi-family units with associated community services. The population in these areas represents a key stakeholder group likely to experience indirect impacts from construction and operational traffic.

- Secondary Aol Zoning

The **Secondary Aol** encompasses the broader urban neighborhoods influenced by Project-related transport, service demand, and visual changes. Within this ring, land-use categories are as follows:

To the **North/ West and East** of the Project Site:

- Residential

Predominantly medium-density housing areas served by local road networks and public utilities. These neighborhoods are expected to experience limited indirect effects, mainly from increased traffic flow and noise during construction peaks.

- Institutional;

Includes schools, health-care facilities, and municipal offices located along main access routes. Special attention will be given to traffic management and pedestrian safety near these institutions during construction and delivery operations.

Table 6.3 Zoning Regulations Applicable to Area of Influence

Type of Zone	General Description	Permitted Uses	Prohibited Uses	Conditional Uses
Industrial / Commercial Zone Construction will take place on this Type of Zone	Primary commercial area designated for retail, services, offices, hotels, and entertainment. Min. lot size 1,000 m ² .	• Shopping centers, offices, hotels, leisure & entertainment facilities, serviced apartments.	• Heavy industrial activities • major infrastructure installations.	• Public Facilities • Petrol stations • Small transport terminals • Garages • Car Wash Services
Mixed Use	Allows combined commercial, residential, and service uses with mandatory ground floor commercial activity.	• Retail, restaurants, recreational facilities, offices above 1st floor, residential units.	• Large-scale industrial uses, heavy infrastructure.	• Hotels, public facilities, petrol stations, garages.
Low Density Residential	Residential zone for detached/semi-detached houses and low-rise apartment buildings.	• Single-family homes, semi-detached houses, small apartment blocks.	• Industrial uses, buildings over 3 floors.	• Small commercial units, guesthouses, restaurants, public facilities.

7.3.4 Economy & Employment

- Municipal Level

The Municipality of Tirana has experienced sustained economic growth over the last decade, with GDP growth rates averaging between 3% and 4.5% annually, driven primarily by expansion in the services, trade, construction, and tourism sectors. According to INSTAT data, the service sector accounts for over 60% of Tirana's GDP, reflecting the city's role as Albania's primary economic and administrative hub.

In the peri-urban area of Farkë–Lundër, economic activity has shifted significantly over the past 15 years from small-scale agriculture toward retail, hospitality, and real estate development. This transformation has been accelerated by infrastructure investments along the Tirana–Elbasan corridor and the presence of anchor developments such as the TEG Shopping Center.

Labor force participation in the Municipality of Tirana is estimated at 69% for males and 56% for females (ages 15–64), with employment concentrated in retail trade, hospitality, construction, and public administration. The private sector, particularly in commerce and services, accounts for many jobs, followed by public sector employment. Informal employment, though at present, has declined due to urban planning enforcement and the formalization of commercial activities in newly developed areas.

The extension of TEG is expected to generate both direct and indirect employment:

- Direct jobs in construction, project management, and commercial operations.
 - Indirect jobs through supply chains, logistics, and supporting services in the surrounding area.
- This aligns with Tirana Municipality's local development strategy, which targets job creation in high-value-added service sectors and aims to increase female labor market participation.

Table 7-3 Main sources of Employment for the Municipality of Tirana vs National Average

	Public	Public Enterprises	Private, formal	Private, informal	Others
National	10.2	3.8	21.6	62.0	2.4
Tirana Municipality	13.5	4.5	35.8	43.2	3.0

Source: INSTAT Labor Force Survey 2023

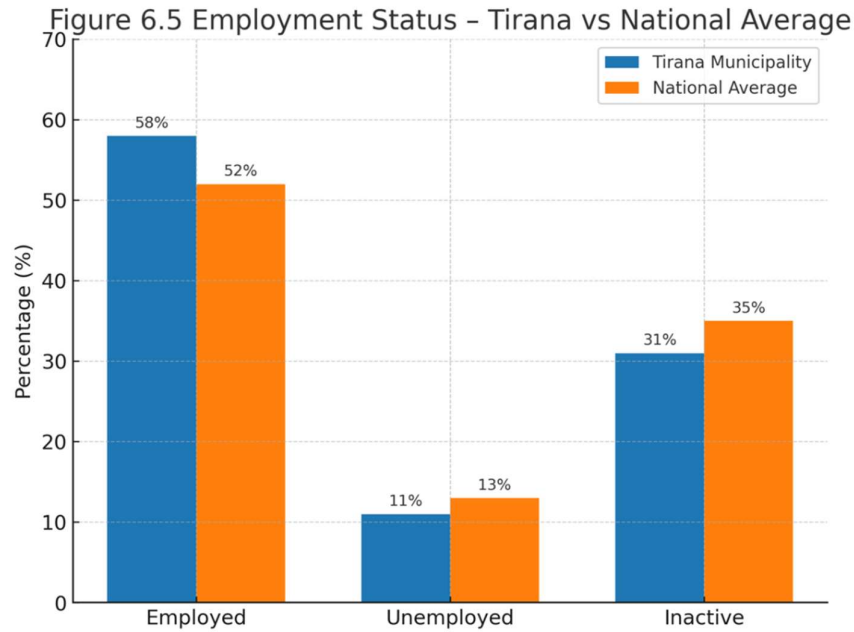


Figure 6.5 Employment Status for the Different Districts in Tirana

Source: INSTAT Labor Force Survey 2023

The TEG extension project is expected to contribute to reducing local unemployment by creating new jobs both during construction and operation. Its strategic location in the Farkë–Lundër area, combined with high labour mobility towards Tirana, ensures access to a skilled and semi-skilled workforce. This will have a positive socio-economic impact, particularly in boosting employment in retail, services, and facility management.

- Area of Influence (Aol)

In the Farkë–Lundër Aol, the main economic activities include retail trade, hospitality (restaurants, cafés, and hotels), educational services, and small-scale businesses such as beauty salons, grocery shops, and local transport providers. Formal employment is estimated at approximately 3,400 people, with around 1,200 unemployed and 250 inactive.

Youth employment accounts for about 1,000 positions, with a gender distribution of roughly 60% male and 40% female. Most jobs are held by adults in retail, services, and facility management. Unemployment rates among youth are higher than for older age groups but are expected to decrease as the TEG extension generates new opportunities in construction, retail, and supporting services.

7.3.5 Livelihood

- District Level

Agriculture

In the Municipality of Tirana, agriculture (crop production and livestock) remain an important economic activity in the peri-urban and rural administrative units, including Farkë and Petrelë, although its share in employment has been declining due to rapid urbanization and growth of the service sector. According to INSTAT data, approximately 28–30% of the population in these areas is engaged in agriculture, with the majority being independent small-scale farmers and a smaller proportion employed as wage laborers.

Agricultural activities are typically family-run, producing for both household consumption and local markets, with olives, grapes, vegetables, and small-scale livestock being the main outputs. While agriculture continues to support local livelihoods, the extension of commercial zones such as TEG is gradually shifting the local economy towards retail, services, and construction-based employment.

Table 7-4 Distribution of Tirana Municipality Population involved in Agriculture sectors.

Economic Activity	Total Workers
	Percent
Crop only	~ 35% of agricultural households
Livestock only	~ 7% of agricultural households
Crop + Livestock	~ 55% of agricultural households
Combined agricultural & non-agricultural	~ 2–3% of agricultural households

Source: INSTAT, Monitor, Wikipedia synthesis adapted for Tirana context.

Crop production

According to data from Tirana Municipality and INSTAT sources, the agricultural land in the surrounding areas of Farka and Lunder consists mainly of cultivated land and orchards, with smaller portions of meadows and pastures. Cultivated land accounts for approximately 60% of the total agricultural land in the area, while fallow land and pastures represent around 15% and 2% respectively. The remaining portion is non-agricultural land (buildings, infrastructure, landscaped areas).

The main crops produced include fresh vegetables (tomatoes, peppers, cucumbers) which represent about 30% of the cultivated area, followed by cereals (maize, wheat) at around 25%

and fruit trees (olives, figs, peaches) at about 20%. The remaining portion is shared between legumes and aromatic plants.

Table 7-5 Cultivated area by crop type, productivity, and production³¹.

Crop/Crop category	Area (Ha)	%	Productivity (Kg/Ha)	Production (MT)
Cereals	1,420	22.5	4,200	5,964
Maize	530	8.4	4,150	2,200
Barley	280	4.4	4,000	1,120
Vegetables	1,680	26.6	18,000	30,240
Tomato	610	9.7	25,000	15,250
Cucumber	420	6.7	18,500	7,770
Peppers	350	5.5	15,200	5,320
Other Vegetables	300	4.7	6,700	2,010
Legumes & Pulses	520	8.2	2,500	1,300
Beans	320	5.1	2,400	768
Chickpeas	200	3.1	2,660	532
Medicinal/Herbal Plants	110	1.7	2,020	22
Root Crops	390	6.2	4,500	1,755
Potatoes	250	4.0	5,000	1,250
Onions & Garlic	140	2.2	3,600	505
Other	540	8.6	-	-

Agricultural activities

For the project area, agricultural activity is primarily focused on the cultivation of seasonal vegetables and fruit trees, with smaller areas dedicated to industrial crops such as olives and vineyards. These crops represent the main sources of income for local farming households, supplemented by limited production of cereals and other cash crops.

Table 7-6 Data on Households Cultivating Selected Crops (Tirana & National Level)

	Data of HHs producing selected fruit and vegetation				
	Tomatoes, Peppers, Cucumber	Melons & Watermelons	Olives, Figs	Grapes & Other Fruits	Legumes
Albania	High share among F&V producers (not quantified)	Common in national production	Among main tree crops	Significant national production	Widely cultivated nationally

³¹ Source: Ministry of Agriculture and Rural Development (MARD) – Annual Agricultural Production Report

(Tirana Project Aol)	High – principal local produce (based on local agricultural reports)	Moderate – small-scale cultivation	Present – home gardens and small orchards	Present – vine and fruit cultivation in peri-urban farms	Present – small plots and family gardens
----------------------	--	------------------------------------	---	--	--

Source: Ministry of Agriculture and Rural Development (MARD) – Annual Agricultural Production Report

Agro-business opportunities

Agriculture in the project area offers significant agri-business opportunities through the commercialization of crop production. The average share of production sold by farming households is estimated at around **20%**, including both staple crops and fruits and vegetables. The share of fruit and vegetable sales is slightly lower compared to staple crops, mainly due to high household consumption and limited storage infrastructure. The use of improved seeds and chemical fertilizers remains limited, indicating potential for productivity growth.

Livestock production and productivity

Livestock farming in the area focuses primarily on poultry, cattle, and goats. A considerable number of households own cattle, but the infrastructure for milk collection and marketing is still limited. This presents an opportunity for investments in milk collection and processing centers, increasing the economic potential of the area.

Tourism industry infrastructure

The tourism sector has the potential to generate employment, particularly due to its proximity to Tirana and access to the capital's tourism market. While tourism is not yet fully developed, the area's proximity to cultural, natural, and commercial attractions could be leveraged to attract visitors.

Hotel and restaurant facilities and businesses

The area has a growing number of accommodation facilities and food service businesses, including restaurants, bars, and cafés, which contribute to the local economy and provide employment opportunities.

Tour operation businesses

While most tour operators are concentrated in Tirana, the project area has the potential for developing local tour guide services and tourism-related businesses.

Employment

Table 6.8 below portrays the distribution of the employed population in the Tirana Municipality. According to these statistics, employment is slightly above average in the area.

Table 7-7 Distribution (%) of the Currently Employed Youth of Tirana

Sector of Employment	Tirana District (%)	Project Aol Estimated (%)	Comments / Basis
Wholesale & Retail Trade, Services	28–32	34–36	Services dominate Tirana's labour market; youth are over-represented in retail/services. Estimate aligns with LFS service-sector growth.
Hospitality, Food & Beverage	14–18	12–15	Seasonal/shift work typical for youth; share varies with tourism seasonality.
Manufacturing & Light Industry	10–14	8–11	Concentrated in peri-urban areas; lower youth share than services in Tirana.
Construction	9–13	7–10	Short-term contracts/subcontracting common for youth entrants.
Information & Communication Technology (ICT)	7–10	6–8	Small but growing urban youth employer in Tirana.
Public Administration, Education & Health	9–12	8–10	Higher qualification barrier reduces youth share relative to total employed.
Transport, Storage & Logistics	5–8	6–8	Logistics demand around major retail nodes (Aol) nudges share upward.
Agriculture & Related Services	2–4	1–2	Minimal within Tirana's urbanized Aol; youth largely in non-farm sectors.

Source: INSTAT

- Area of Influence (Aol)

Based on primary information gathered from local authorities in the project area, the main sources of livelihood include the operation of small- to medium-scale businesses such as retail shops, restaurants, cafés, salons, supermarkets, entertainment venues, and educational institutions. The leasing and management of commercial spaces also contributes to local income.

- National Level

According to INSTAT and Ministry of Education data, Albania has achieved near-universal access to primary education, with net enrolment rates for primary school exceeding 96% in recent years. In Tirana, enrolment rates are slightly above the national average, and gender parity has been reached at primary level. Completion rates are high, supported by extensive public and private schooling options.

Secondary school net enrolment in Tirana is also above the national average, with girls representing slightly more than half of the student population. The city hosts a dense concentration of both public and private schools, including a growing number of private institutions at primary, secondary, and tertiary levels. The private sector accounts for an

estimated 70–80% of kindergartens and a significant share of secondary and higher education institutions.

Tirana also has a well-developed network of vocational and technical schools, which support skills development in construction, ICT, hospitality, and design—sectors directly relevant to the city's economic structure. Several public and private universities operate in the city, including the University of Tirana, Polytechnic University of Tirana, Agricultural University, and a range of international institutions.

Literacy rates in Albania are above 97% for those aged 15 years and older, with Tirana exceeding the national average. Computer literacy and ICT usage are considerably higher in the capital compared to rural areas, reflecting the concentration of services, internet infrastructure, and digital education initiatives. Average pupil–teacher ratios in Tirana's primary schools are lower than the national standard, indicating better access to educational resources.

In Table 6.9 we find the distribution (count and %) of the school-Age population of Gasabo district by School Attendance. The data portrays that attendance rates in Gasabo district are very high, especially during primary school years. Secondary school levels of attendance decline relatively, nevertheless, they're strongly above average.

Table 7-8 Distribution (count and %) of the school-Age population National and Municipality Level

School-Age Population		Number				Percentage	
		Total	Currently attending	No longer attending	Never attended	Currently attending	No longer attending
Pre-school age (3-6 years)	Tirana	25,800	18,200	750	6,850	70.5	2.9
	Albania	112,240	77,500	3,900	31,000	68.9	3.5
Primary-school age (7-12 years)	Tirana	39,400	38,000	400	1,000	96.4	1.0
	Albania	238,700	229,000	3,200	6,500	95.9	1.3
Secondary-school age (12-onwards)	Tirana	41,500	33,800	6,700	1,000	81.4	16.1
	Albania	253,200	200,100	48,700	4,400	79	19.2

Source: INSTAT – *Population and Housing Census 2023*; Ministry of Education and Sports of Albania – *Education Statistics Annual Report 2023*

- Area of Influence (Aol)

Education Levels in the Area:

In the project's Area of Influence, there are an estimated 1,950 children of pre-school age (3–6 years), of whom about 56.4% are currently attending kindergarten or early childhood education, 3.1% have dropped out, and 40.5% have never attended.

For primary-school age children (7–12 years), the participation rate is very high: out of approximately 2,480 children, 95.6% are currently enrolled, 1.2% have dropped out, and 3.2% have never attended.

Among secondary-school age youth (13–18 years), there are around 2,620 individuals, with 78.2% currently attending, 19.1% having dropped out, and 2.7% having never attended.

Overall, school attendance in the Area of Influence is strong at the primary level, while pre-school participation is moderate and secondary-school enrolment shows some decline due to dropouts, which reflects patterns commonly observed in urban areas of Albania.

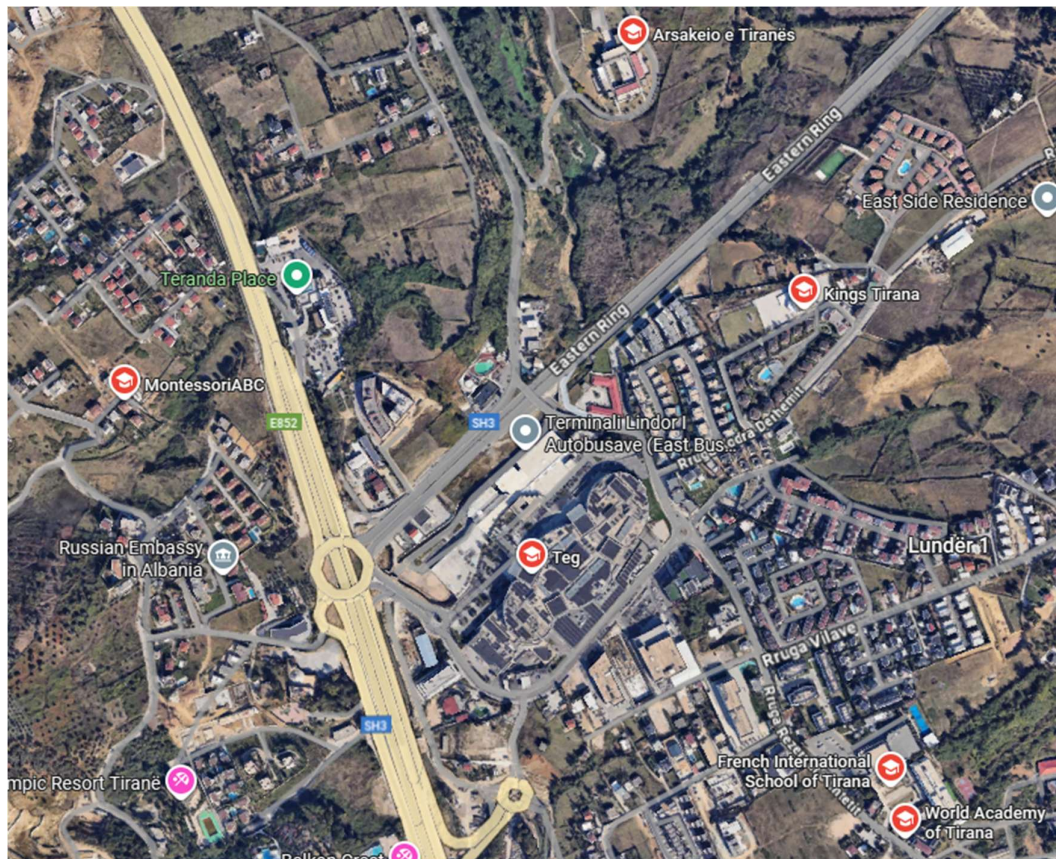


Figure 7-4 Map of schools that can be found in the vicinity

7.3.6 Community Health, Safety & Security

- Municipal Level

According to data from the Institute of Public Health (ISHP) and the Municipality of Tirana, the health network in Tirana Municipality consists of 5 public hospitals, over 25 public health centers, dozens of private clinics and specialist medical facilities, and multiple diagnostic laboratories. Each administrative unit (njësi administrative) has at least one primary health care facility, with community nurses and family doctors assigned to local catchment areas.

In terms of public health indicators, Tirana has lower child stunting rates compared to rural regions (estimated at around 10–12%, versus the national average of 14% – UNICEF, 2022). Fertility rates in Tirana are below the national average, at approximately 1.4 births per woman, reflecting urban family planning trends. Contraceptive use among women of reproductive age (15–49) in Tirana is slightly higher than the national figure, but still below EU averages.

Household Health Insurance

Health insurance coverage in Albania is managed by the Compulsory Health Insurance Fund (FSDKSH). Nationally, coverage rates are estimated above 75%, but gaps remain among low-income households and informal sector workers.

Childhood Mortality Rates

Mortality and morbidity rates for children under 5 are among the lowest in the country, with under-5 mortality estimated at 8 per 1,000 live births, compared to 10 per 1,000 nationally (INSTAT, 2023).

HIV prevalence in Albania remains low, estimated at <0.1%, with many cases concentrated in specific high-risk groups. However, awareness and testing rates in the general population are still limited.

Tirana faces challenges in the availability of specialized medical staff, with shortages in certain fields such as emergency medicine, midwifery, and mental health services.

The COVID-19 pandemic has had a significant impact on the city's health system, prompting the rapid expansion of telemedicine services, vaccination campaigns, and temporary adaptation of hospital capacity.

The Tirana Municipality's health system is jointly supported by the Ministry of Health and Social Protection, local government contributions, donor-funded programs, and private sector partnerships.

District	Neonatal Mortality (per 1,000)	Post-Neonatal Mortality (per 1,000)	Infant Mortality (per 1,000)	Child Mortality (per 1,000)	Under -5 Mortality (per 1,000)
Tirana Municipality	5	3	8	2	10
Albania (National)	6	4	10	3	13

Table 7-9 Ten-year early childhood mortality rates according to additional characteristics

Source: INSTAT, Ministry of Health & Social Protection, UNICEF Albania (latest available data 2022–2023).

Road Safety Issues

According to police data, road accidents in Tirana remain a notable concern compared to other regions of Albania, especially in areas with high traffic volumes and mixed vehicle types. Motorcycles and bicycles account for a significant proportion of reported accidents. The Tirana–Elbasan Highway, the surrounding arterial roads, and key junctions near the TEG area are identified as having higher accident rates, particularly during peak traffic hours.

Within the Area of Influence of the project, no accident hotspots with high fatality rates have been officially recorded; however, occasional minor accidents involving vehicles and pedestrians do occur, mainly linked to high shopping traffic and delivery activities.

The Albanian government, in cooperation with local authorities and the national police, has been implementing road safety improvement programs, including public awareness campaigns, stricter enforcement of traffic laws, and infrastructure upgrades such as clearer road markings, pedestrian crossings, and speed-reduction measures in commercial zones.

Gender Based-Violence and Harassment (GBVH)

No specific official data is available for gender-based violence or harassment cases within the immediate Area of Influence of the TEG project. However, at the municipal level, the Municipality of Tirana, in collaboration with the Albanian State Police and the Ministry of Health and Social Protection, has implemented prevention and support programs, including awareness campaigns, emergency helplines, and victim support services. These initiatives aim to reduce incidents and ensure access to reporting and assistance for affected individuals.

- *Area of Influence (Aol)*

The closest healthcare facility to the TEG Mall is the University Hospital Center "Mother Teresa" (QSUT), located approximately 4 km from the project site, offering a range of tertiary-level services including emergency care, cardiovascular surgery, intensive care, and obstetrics. Despite its distance, it's the largest and most comprehensive medical center in Albania, serving both inpatient and outpatient needs, and handling over 200,000 emergency visits annually.



Figure 7-5 University Hospital Center “Mother Teresa” (QSUT)

It is worth noting that within TEG there is a pharmacy in operation, which provides immediate assistance in all cases to individuals in need.

7.3.7 Infrastructure & Public Services

- Municipal Level
 - Housing

The settlement morphology in the Municipality of Tirana comprises a mix of formal planned neighborhoods, semi-formal areas, and informal settlements. Planned neighborhoods are characterized by clearly demarcated plots, paved road access, and relatively higher-quality urban infrastructure and services. These areas typically accommodate middle- and high-income residents.

Informal settlements, on the other hand, are more prevalent in the peri-urban zones, including parts of the municipality surrounding the AoI of the Project. These are often located in areas with limited access to main roads and public services. Houses are typically self-built, using mixed materials such as bricks, blocks, and corrugated iron, and may not comply with urban planning or construction standards. The classification of “informal” does not necessarily mean that the property lacks ownership documentation, but rather that construction has not followed the municipal planning regulations or approved standards.

The key drivers for informal settlement growth in Tirana are rural-to-urban migration in search of employment and better living opportunities, often resulting in residents accepting

low-cost housing with minimal infrastructure. This pattern contributes to fragmented land use and increases the strain on urban services.

Household vulnerability in Albania is assessed primarily through income level, employment status, and housing quality, with various social assistance programs available for low-income and vulnerable households.

- Area of Influence (Aol)

The predominant religion in the Area of Influence is Islam, with the majority of the local population identifying as Muslim. The nearest mosque to the Project Site is the “Xhamia e Farkës” (Farka Mosque), located approximately 1.5 km east of the Mall.

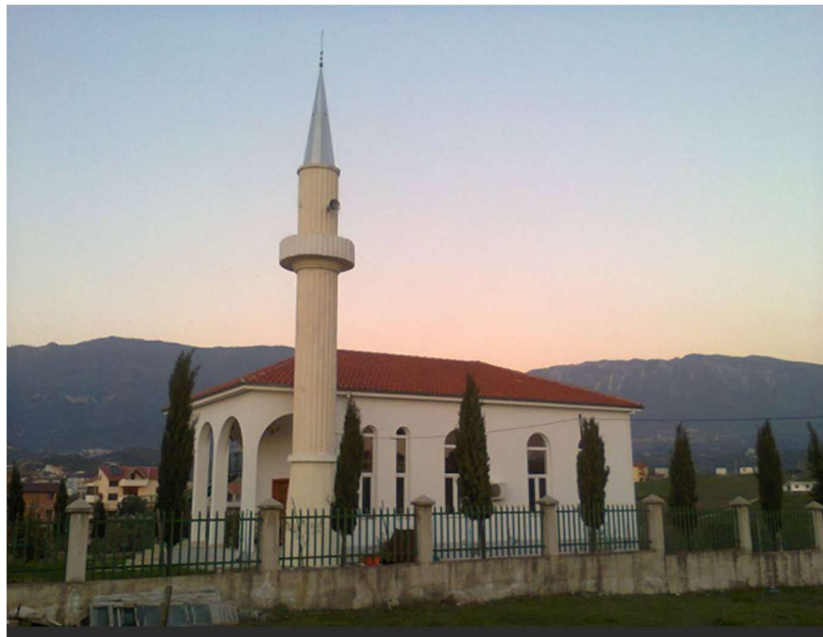


Figure 7-6 “Farka Mosque”

The main construction materials for housing in the Area of Influence are brick and reinforced concrete, reflecting modern urban building standards. However, some semi-permanent structures are also present, particularly in peripheral areas, constructed using corrugated iron sheets, timber, or lighter masonry.

7.3.8 Water Supply & Sanitation

- District Level
 - Water Resources

In Tirana Municipality, more than 92% of households have access to an improved drinking water source, most of them through direct connection to the municipal water supply network managed by UKT (Ujësjellës Kanalizime Tiranë). The average time to access drinking water in urban areas is less than 5 minutes, as most households have in-home taps. However, due to

seasonal demand peaks and system maintenance, intermittent supply can occur in certain neighborhoods.

The water distributed in the Tirana area is sourced mainly from the Bovilla Reservoir and supplemented by underground wells. Water quality is monitored regularly to meet national standards. Households and businesses without direct connections to the network typically purchase bottled water or use tanker supply services for drinking purposes.

- Sanitation

In terms of sanitation, over 95% of households in Tirana Municipality are connected to improved sanitation facilities. In urban areas, most households have flush toilets connected either to the municipal sewerage system or to septic tanks. The municipal sewerage network covers most of the central and suburban urban zones, including the Farka area where TEG is located.

While public toilets exist in parks, markets, and transport hubs, their number remains limited compared to demand. In large commercial centers such as Tirana East Gate, sanitation facilities are privately managed and meet high hygiene standards.

Currently, there is no fully centralized wastewater treatment facility serving the entire Tirana Municipality; wastewater is discharged into local sewer systems and partially treated before disposal. However, ongoing national and municipal investment programs aim to expand wastewater treatment capacity to achieve EU alignment.

- Area of Influence (AoI)

Based on primary information gathered from local authorities and site observations, most households and commercial facilities within the AoI of the TEG Mall extension project are connected to the Tirana municipal piped water network. This network ensures year-round access to drinking water, with supplementary supply available from private boreholes and wells in nearby residential areas, which are occasionally used during peak demand or in case of temporary network interruptions.

Sanitation facilities in the AoI meet urban infrastructure standards, with WC flush toilets being the predominant type used in both residential and commercial premises. The TEG Mall itself is connected to the municipal sewerage system, and the extension will be integrated into the same network to ensure adequate wastewater management.

7.3.9 Waste Management

- District Level

In the Municipality of Tirana, household and commercial waste is collected primarily through the municipal waste management system. Most households and businesses use private waste

bins or containers provided by the municipal contractor. Waste collection services are typically carried out on a scheduled basis, with most urban areas receiving at least bi-weekly pickups. Public refuse collection points are also available in high-traffic areas, and recycling collection is gradually being introduced in certain neighborhoods.

Sectors	Mode of Waste Disposal (%)								
	Total (counts)	Compos t dumping	Privat e dust bins	Public refuse dump s	In the bush	On the farm s	In the River/Strea m/ /Drain/Gutt er	Other	Not stated
Tirana Municipality	300,000 +	10	55	8	12	5	0.2	4	5.8
TEG Aol	1,200	5	75	10	5.0	2.0	0.0	2.0	1.0

Table 7-10 Distribution (count and %) of Private Households in the Aol by Mode of Waste Disposal (2023)

Source: Waste Management Plan (2023) & Operator i Pastrimit Tiranë

- Area of Influence (Aol)

Within the Aol of the TEG Mall extension project, waste management services are provided by a licensed private contractor operating under the Municipality of Tirana's solid waste management program. Waste is collected from TEG and surrounding businesses daily, with additional collections during weekends and peak commercial periods.

The main method of waste disposal in the Aol is via collection by the registered waste handler, who transports waste to the designated municipal landfill at Sharra. TEG Mall already operates an internal waste segregation system for cardboard and plastics. This system will be expanded to the new extension, integrating dedicated collection points to minimize landfill disposal and align with Tirana's waste reduction targets.

7.3.10 Energy

- District Level

In Tirana, household and service sector energy demand is mainly divided into electricity for lighting and appliances, and energy for cooking/heating. The majority of households in the urban area are connected to the public electricity grid, with connection fees and extension costs applied according to national regulations. TEG Mall is located within an area with reliable grid coverage and access to backup power systems as needed.

- Area of Influence (Aoi)

Approximately 100% of the households and businesses within the Aoi are connected to the public electricity network, with electricity as the main energy source. TEG Mall is already fully supplied from the grid and equipped with backup diesel generators to ensure continuous operation during outages. The extension project will be connected to the same power infrastructure, with provisions for energy-efficient lighting, HVAC systems, and integration of renewable energy measures in line with Tirana's energy efficiency and carbon reduction targets.

7.3.11 Telecommunication Access/Infrastructure

- Municipal Level

According to the Electronic and Postal Communications Authority of Albania (AKEP) 2023 data, internet access in Tirana Municipality is among the highest in the country, with more than 85% of households connected to fixed broadband services and over 95% having mobile internet access via smartphones. Fibre-optic networks are available in most urban areas, especially in planned residential and commercial zones, with average speeds exceeding 100 Mbps.

Mobile network coverage (4G/LTE) is effectively universal in Tirana, and 5G service has begun rolling out in high-density areas, including the Kashar area where TEG Mall is located. Landline telephone service penetration is relatively low (below 20%), as most households and businesses rely on mobile communication.

- Area of Influence (Aoi)

Within the TEG Mall area of influence, all commercial and residential buildings have access to fibre-optic or high-speed DSL connections. Mobile network coverage is excellent, with full 4G/LTE service and partial 5G coverage from the three main operators (Vodafone Albania, One Telecommunications- former Albtelecom). Public Wi-Fi hotspots

are available in the mall itself, nearby cafés, and some public spaces. Businesses in the Aol, including the Mall's tenants, rely heavily on digital communication, point-of-sale internet connectivity, and online platforms for operations.

7.3.12 Transportation Infrastructure

The TEG Extension Project is located along the Tirana–Elbasan national road corridor, a major artery characterized by high daily traffic volumes and commercial activity. The construction and operation of the extension will interact with existing transport infrastructure, particularly access roads and parking areas.

- **Baseline Conditions**

The current road network includes the main access road to the TEG complex from the Tirana–Elbasan highway, internal service roads, and structured parking facilities. Pedestrian walkways and vehicular entrances are already delineated and regulated under municipal permits issued by the **Tirana Municipality Directorate of Transport**.

Traffic surveys indicate an average daily volume of approximately **22,000 vehicle movements**, primarily private cars and delivery trucks, with peak congestion periods in the late afternoon and weekends.

- **Potential Impacts**

The project's transport-related impacts include:

- **Increased construction traffic**, particularly heavy trucks delivering materials;
- **Temporary congestion** on access roads, potentially affecting nearby businesses;
- **Increased accident risk** during construction due to vehicle–pedestrian interactions;
- **Potential damage to local road surfaces** from heavy vehicles;
- **Increased operational traffic** due to additional commercial tenants and visitors post-extension. (*IFC PS4*)

- **Mitigation and Management Measures**

A **TMP** is developed and implemented as part of the ESMP, incorporating the following measures:

1. **Construction Phase:**

- Designate fixed entry/exit points for trucks and prohibit idling near public roads.
- Schedule material deliveries during off-peak hours.

- Use road signage and flag personnel to guide construction vehicles safely.
- Conduct road condition assessments before and after major works.
- Coordinate with the **Municipality of Farkë** and **Traffic Police** for temporary detours or lane adjustments.

(IFC PS4; Law No. 8378/1998)

2. Operational Phase:

- Maintain clear pedestrian crossings, walkways, and emergency access routes.
- Expand parking capacity with accessible design standards for disabled users.
- Promote public transportation options through coordination with **Tirana Urban Transport Authority (TUTA)**.
- Conduct annual traffic impact assessments to ensure long-term performance of access roads and parking facilities.

(IFC PS4; DCM No. 153/2000)

3. Monitoring and Reporting:

- Monitor vehicle counts and accident statistics during construction.
- Include traffic and safety indicators in the semiannual ESMP progress report.
- Adjust mitigation measures as necessary in coordination with local authorities.

- Expected Outcomes

By implementing these measures, the project will ensure:

- Minimal disturbance to local traffic flow;
- Enhanced road safety for both workers and the public;
- Preservation of local infrastructure condition;
- Compliance with IFC PS4, national road transport legislation, and **Good International Industry Practice (GIIP)** for traffic safety management.

- Area of Influence (AoI)

The AoI for the TEG Extension Project encompasses all locations where direct, indirect, and cumulative effects on the social and physical environment may occur as a result of the Project's construction and operation. It extends beyond the project's physical footprint to include adjacent transport routes, local businesses, nearby residential clusters, and shared public spaces.

- Direct AoI

The direct AoI includes:

- The TEG site boundary and its immediate access roads;
- Construction laydown and material-storage areas;
- Temporary worker facilities and utility connection points;
- The TEG parking areas and service roads.

Within this zone, construction and operational activities may cause short-term noise, vibration, or access-related disturbances.

- **Indirect AoI**

The indirect AoI comprises communities and assets that could experience secondary effects such as:

- Traffic congestion on the Tirana–Elbasan corridor;
- Air-quality and dust dispersion along access roads;
- Economic linkages with suppliers, subcontractors, and local service providers;
- Public safety considerations for users of adjacent facilities (schools, retail, and recreational areas).

These impacts are primarily managed through the TMP and SEP.

- **Cumulative AoI**

The cumulative AoI includes other developments within approximately a 2-km radius of the TEG complex, particularly new commercial and residential projects that may collectively influence mobility patterns, air quality, and community safety.

The ESIA recognizes that these combined effects, while limited in magnitude, require coordination with the Municipality of Tirana and other developers to harmonize construction scheduling and shared-infrastructure use.

- **Assessment Approach**

The delineation of the AoI was based on:

- Baseline data from the Preliminary EIA (VNM Paraprake TEG);
- GIS mapping of transport corridors and population centers;
- Consultation feedback obtained through the SEP; and
- Expert judgment applying a 500-m buffer for direct impacts and up to 2 km for indirect or cumulative effects.

The AoI will be reviewed annually during implementation to reflect any project modifications or changes in community dynamics.

7.3.13 Public Transport Network

- **Baseline Conditions**

The project site is currently served by several municipal bus routes operating between Tirana City Center, Farkë, and Lundër, with the nearest public transport stop located approximately 300 meters west of the main TEG entrance. During weekdays, an average of 12 bus departures per hour are recorded along the Tirana–Elbasan corridor, peaking during commuting hours. Informal minibuses also operate along secondary roads connecting residential zones to the TEG shopping complex.

- **District-Level Transport Context**

At the district level, the Project lies within the Municipality of Tirana, under the Administrative Unit of Farkë. This unit has a rapidly developing suburban character, with growing residential neighborhoods (e.g., Lundër, Mullet, and Daias) increasingly reliant on the Tirana–Elbasan transport corridor for commuting and commerce.

Public transport within the district is managed by the Municipal Directorate of Transport and Traffic Management, which oversees both licensed and community-based operators. Key district-level features include:

Two primary arterial routes: the Tirana–Elbasan Highway and the secondary road network connecting Farkë and Lundër to TEG.

Limited feeder connections between hillside residential zones and the main highway, causing reliance on informal minibuses.

Growing transport demand due to new housing permits and the extension of commercial facilities such as TEG and Qendra Tregtare Farka.

The district authority has prioritized upgrading public-transport reliability and safety through infrastructure improvements, pedestrian pathways, and improved signage under the 2024–2028 Tirana Municipal Transport Plan. The TEG Extension Project complements this objective by improving access design, coordinating bus-stop locations, and reinforcing the capacity of existing corridors.

By aligning the Project's transport management measures with district-level strategies, the ESIA ensures consistency between local development objectives and IFC requirements on community safety and accessibility.

- **Potential Impacts**

The TEG Extension Project is expected to increase daily visitor numbers and, consequently, the demand for public transport services.

Potential impacts include:

- Temporary traffic delays at bus stops during construction;
- Overcrowding of buses during peak operating hours once the extension opens;
- Safety risks for pedestrians crossing access roads to reach bus stops;
- Pressure on existing transport infrastructure, including turning lanes and lay-bys.

- **Mitigation and Enhancement Measures**

To manage public-transport-related impacts, the project will implement the following measures through the Traffic and Transport Management Plan (TTMP) and the Community Health and Safety Plan (CHSP):

During Construction:

- Maintain unobstructed pedestrian access to bus stops through temporary walkways and signage.
- Coordinate with the Municipality of Tirana Directorate of Transport to temporarily relocate stops if access becomes restricted.
- Communicate route adjustments through the SEP.

During Operation:

- Collaborate with the Tirana Urban Transport Authority (TUTA) to optimize bus scheduling and capacity.
- Construct or upgrade dedicated bus bays within the TEG access road to minimize traffic interference.
- Install lighting, seating, and weather shelters at bus stops in coordination with municipal standards.
- Encourage use of low-emission or electric buses as part of the operator's sustainability objectives.
(IFC PS 4; Law No. 8378/1998)

Monitoring and Reporting:

- Record passenger counts at nearby bus stops during the first year of operation.
- Track community feedback regarding accessibility or safety through the grievance mechanism.
- Include public-transport performance indicators in the semiannual ESMP progress report.

Expected Outcomes

The above measures will:

- Maintain safe and efficient access for public-transport users;
- Reduce reliance on private vehicles and associated emissions;
- Strengthen coordination between project management and municipal authorities;
- Demonstrate full compliance with IFC PS 4 and national transport-safety standards.

- **Area of Influence (Aoi)**

The Aoi for public transport infrastructure and services associated with the TEG Extension Project encompasses the road and transit network that directly or indirectly supports workforce and visitor mobility to the site.

The Aoi extends beyond the project's immediate access roads to include both municipal and district-level transport corridors, as well as affected residential and commercial zones.

- **Direct Aoi**

The direct Aoi includes the:

- Tirana–Elbasan main road segment between the Mullet interchange and the TEG access road;
- Internal circulation network within the TEG site, including bus bays, drop-off zones, and parking access;
- Adjacent pedestrian and cycling routes linking TEG to residential neighborhoods.

These areas are expected to experience short-term construction-related traffic interference and long-term changes in mobility flow due to increased visitor numbers. (IFC PS 4)

- **Indirect Aoi**

The indirect Aoi covers the wider Farkë Administrative Unit, including residential settlements in Lundër, Mullet, and Sauk, which rely on the Tirana–Elbasan corridor and feeder roads for public transport access.

It also includes bus and minibus routes connecting Tirana city center to the TEG complex and surrounding retail zones.

These routes may experience increased passenger demand and minor congestion during construction, requiring coordination with the Municipality of Tirana Directorate of Transport and Traffic Management.

- **Cumulative Aoi**

The cumulative Aoi includes nearby large-scale commercial and residential developments such as Qendra Tregtare Farka, Rolling Hills Residences, and other extension projects planned within a 3-kilometer radius.

These developments, in combination with the TEG Extension, may contribute to:

- Increased public-transport demand during weekends;
- Higher traffic density at key intersections;
- Pressure on bus-stop infrastructure.

The project's mitigation measures under the Traffic and Transport Management Plan (TTMP) and Community Health and Safety Plan (CHSP) will be coordinated with municipal authorities to minimize overlapping disruptions.

- **Assessment Approach**

The delineation of the public-transport AoI was based on:

- GIS mapping of bus routes, service frequencies, and pedestrian access points;
- Consultations with the Municipality of Tirana and Farkë Administrative Unit;
- Field observations of peak and off-peak traffic periods; and
- Socioeconomic data from the Preliminary EIA (VNM Paraprake TEG).

The AoI will be reviewed annually to incorporate any new urban development or road extension that may influence accessibility, safety, or cumulative transport effects.

7.3.14 Vulnerability

- **Overview**

The concept of vulnerability in the context of the TEG Extension Project refers to individuals or groups who, due to their economic, physical, social, or cultural conditions, may be disproportionately affected by project-related impacts or face barriers to accessing project benefits.

Vulnerable populations identified within the Farkë Administrative Unit include:

- Low-income households and informal workers;
- Women-headed households;
- Elderly residents and persons with disabilities;
- Seasonal and migrant laborers employed during construction; and
- Youth populations reliant on entry-level employment opportunities.

- **Potential Vulnerabilities and Project Implications**

Potential social and economic vulnerabilities relate to:

- Limited access to employment opportunities due to lack of formal education or technical skills;
- Exposure to construction-related health and safety risks, including dust, traffic, and noise;
- Increased living costs near the project area due to local economic growth;
- Barriers to participation in community consultations or grievance mechanisms due to literacy or accessibility constraints.

During both the construction and operation phases, the Project will ensure that engagement and benefit-sharing activities address these barriers.

- **Mitigation and Inclusion Measures**

The following measures will be implemented:

Inclusive Employment Practices:

- Promote recruitment from vulnerable and underrepresented groups, especially women and youth, through local labor offices.
- Enforce non-discrimination clauses in all contractor and subcontractor agreements.

Accessible Community Engagement:

- Conduct consultations at accessible venues, using clear, inclusive language.
- Provide materials in Albanian and simplified formats when necessary.
- Ensure the Grievance Mechanism (from SEP) allows for oral submissions for illiterate or elderly participants.

Occupational and Community Health Support:

- Identify vulnerable workers and ensure appropriate PPE, training, and safety supervision.
- Ensure pedestrian safety measures (crossings, lighting, barriers) accommodate the elderly and persons with disabilities.

Monitoring and Reporting:

- Include vulnerability indicators in social monitoring reports (gender participation rates, grievance types, response times).
- Engage local NGOs or social-service centers to assist in outreach to vulnerable residents.

Expected Outcomes

By addressing vulnerability as part of the ESIA and ESMP, the Project will:

- Strengthen social inclusion and equitable access to project benefits;
- Reduce risks of social tension and exclusion;
- Demonstrate consistency with IFC PS1–PS4, Albanian social legislation, and international best practice on inclusive development.

7.3.15 Elderly Population

Within the Farkë Administrative Unit, the proportion of residents aged 65 and above has grown steadily over the past decade, reflecting Albania's broader demographic trend toward population aging. Many elderly residents rely on limited pensions and have restricted mobility, depending on public transportation or family assistance for access to commercial services and healthcare. (IFC PS 1)

- **Potential Project Impacts**

Potential impacts on the elderly population include:

- Reduced accessibility during construction due to road closures, detours, and temporary walkway interruptions;
- Increased exposure to dust, noise, and vibration, potentially affecting persons with respiratory or cardiovascular conditions;
- Difficulties navigating large commercial spaces without appropriate accessibility features;
- Social isolation risks if the project alters public gathering or resting areas used by older residents.

- **Mitigation and Support Measures**

The Project will integrate targeted actions to safeguard elderly well-being:

- Accessible Design and Infrastructure:
- Ensure pedestrian crossings, ramps, elevators, and resting benches meet Universal Access standards.
- Maintain continuous, well-lit sidewalks around TEG during construction and operation.
- Information and Engagement:
- Provide printed notices in large-font Albanian, distributed through local community centers.
- Conduct periodic briefings with senior associations and the Municipal Directorate of Social Services.

Health and Safety Assistance:

- Implement noise and air-quality controls near residential zones with high elderly populations.
- Provide on-site first-aid readiness and emergency evacuation drills inclusive of older visitors and employees.

Community Integration and Monitoring:

- Encourage elderly participation in community consultations and grievance processes through dedicated focal points.
- Monitor accessibility performance indicators (e.g., number of barrier-free routes, complaint types, response times).

- Expected Outcomes

Through inclusive planning and infrastructure design, the Project will:

- Guarantee safe and dignified access for elderly residents and visitors;
- Strengthen social cohesion by maintaining community mobility and interaction;
- Demonstrate compliance with IFC PS 1–4 and Albanian social-protection standards on elderly care.

- District Level

At the district level, the Farkë Administrative Unit, under the Municipality of Tirana, provides social services to approximately 2,800 residents aged 65 and older, representing roughly 10–12% of its total population (INSTAT, 2024). This share is projected to increase over the next decade due to ongoing urban development and in-migration of retired individuals seeking proximity to family members and healthcare in Tirana.

Elderly residents in the Farkë area primarily depend on:

- Public health centers located in Lundër and Sauk;
- Municipal pension schemes administered through the Social Insurance Institute;
- Local social-service centers under the Municipal Directorate of Social Services, which provide limited home-care and assistance programs.

Despite the gradual urbanization of the area, gaps remain in public transport connectivity, pedestrian safety, and accessibility to essential services. These issues are particularly acute for elderly individuals with reduced mobility or chronic health conditions.

The ESIA identifies the district-level social vulnerability of elderly residents as a significant factor influencing project design and mitigation measures.

To address these concerns, the Project will coordinate with:

- The Municipal Directorate of Social Services to identify at-risk elderly persons in the vicinity of TEG;
- The Municipality's Transport Department to ensure safe pedestrian crossings and accessible bus shelters; and
- Local NGOs and senior citizens' associations to facilitate communication, consultation, and awareness on construction schedules or access changes.

These actions support inclusive urban development objectives in Tirana's Local Social Plan 2022–2028 and ensure full consistency with IFC PS1 and PS4 regarding equitable risk management and accessibility.

Table 7-11 Number and Share (%) of the Resident Elderly (aged 60 years and above) among the Total Resident Population of Tirana

(Source: INSTAT, 2024; Municipality of Tirana, Directorate of Social Services, 2023)

Administrative Unit / Area	Total Resident Population	Elderly Population (60+)	Share of Elderly (%)	Comments / Observations
Tirana Municipality (Total)	912,000	146,000	16.0%	Represents a consistent upward trend; aging index increased by 12% since 2015.
Farkë Administrative Unit	23,400	2,820	12.0%	Moderate elderly share; concentrated in Lundër and Sauk areas.
Kashar Administrative Unit	29,800	3,850	12.9%	Aging population linked to urban housing developments and internal migration.
Ndroq Administrative Unit	7,600	1,180	15.5%	Higher rural elderly ratio; limited access to public transport and healthcare.
Dajt Administrative Unit	27,000	3,700	13.7%	Elderly concentrated in hillside villages with limited mobility.
Total (Municipal Average)	—	—	14.9%	Average elderly share across Tirana Municipality.

Interpretation

The data illustrate a gradual demographic shift toward an aging population across the Tirana metropolitan area, with the Farkë Administrative Unit displaying a comparable, though slightly lower, proportion of elderly residents (12%).

This reinforces the need for:

- Accessible infrastructure and public transport adjustments near TEG;

- Targeted social outreach to elderly residents in nearby communities; and Integration of age-sensitive indicators into the ESMP and monitoring framework. (IFC PS1; IFC PS4; Law No. 121/2016 “On Social Services”)
- Area of Influence (Aol)

The Aol for elderly residents considers both physical proximity to the Project and functional dependence on public infrastructure and services that may be affected by construction or operation activities.

- Direct Aol

The direct Aol includes the neighborhoods immediately surrounding the TEG complex, specifically within a 500-meter radius of the site boundary.

Elderly residents in these areas may experience:

- Temporary restrictions to pedestrian movement due to road works or equipment traffic;
- Increased noise and dust emissions from construction;
- Changes in accessibility to local bus stops and sidewalks adjacent to the TEG site. Mitigation will prioritize barrier-free movement, pedestrian safety, and information dissemination to residents in this zone.

- Indirect Aol

The indirect Aol extends to the wider Farkë Administrative Unit, encompassing Lundër, Mullet, and Sauk, where elderly populations access TEG for shopping, healthcare, and social interaction.

Impacts may relate to:

- Increased public-transport demand;
- Traffic congestion affecting bus reliability and travel time;
- Altered pedestrian and vehicle patterns on secondary roads. These factors will be addressed through the TMP and OCHSP in coordination with municipal authorities.

- Cumulative Aol

The cumulative Aol incorporates the broader Tirana Municipality, recognizing that the TEG Extension may coincide with other major urban projects—commercial, residential, or infrastructure-related—that collectively influence elderly mobility and access to services.

Potential cumulative issues include:

- Greater strain on municipal transport and social-service systems;
 - Overlapping construction traffic from multiple developments;
 - Increased demand for safe pedestrian crossings and sheltered waiting areas. Coordination with the Municipality of Tirana Directorate of Social Services and the Transport Directorate will ensure joint planning and minimize negative cumulative effects.
- **Assessment Approach**

The delineation of the elderly population AoI was based on:

- Demographic data from INSTAT (2024) and the Municipality of Tirana Social Services Directorate;
- GIS mapping of elderly household clusters within 2 km of TEG;
- Stakeholder consultations conducted under the SEP with municipal social workers and local NGOs; and
- Field observations of elderly mobility and access to public spaces.

This AoI will be reviewed annually as part of ESMP monitoring to reflect demographic changes, new residential developments, or infrastructure upgrades influencing accessibility and exposure levels.

7.3.16 Households below poverty line

- **Overview**

Poverty remains a critical social indicator in the Tirana region, influenced by labor-market participation, education level, and access to social services. Within the Municipality of Tirana, approximately 9 – 10 % of households are classified as below the national poverty line, while in peri-urban areas such as Farkë Administrative Unit, the share is slightly higher, estimated at 11 – 12 % (INSTAT 2023).

These households are more susceptible to economic vulnerability during construction activities that may temporarily affect access, local business revenue, or short-term employment opportunities.

- **Socioeconomic Characteristics**

Households below the poverty line in Farkë typically exhibit:

- Employment in informal or seasonal labor, particularly in construction and small-scale trade;
- Limited education levels, with lower access to vocational training;
- Dependence on social assistance transfers or remittances;
- Residence in rented or non-formalized housing along secondary roads near the Tirana–Elbasan corridor.

- **Potential Project Impacts**

The TEG Extension Project is not expected to cause direct displacement or loss of housing. However, several indirect effects could influence low-income households:

- Short-term income disruption from reduced roadside trading or informal transport services during construction;
- Increased cost of living near the project area due to higher demand for goods and services;
- Limited access to temporary jobs if recruitment procedures do not ensure inclusivity;
- Reduced mobility for households without private vehicles during traffic rerouting.

- **Mitigation and Support Measures**

The Project will implement targeted measures to protect and benefit low-income households through the Social Inclusion and Vulnerability Management Framework (SIVMF) under the ESMP:

- Local Employment Opportunities:
- Prioritize low-income and unskilled workers for construction and maintenance roles.
- Coordinate with the Municipality of Tirana Labor Office to identify eligible candidates.

Economic Support and Monitoring:

- Establish an income restoration monitoring mechanism for roadside vendors or workers temporarily affected.
- Ensure no households experience net economic loss without compensation or support.

Community Engagement and Communication:

- Disseminate information about employment opportunities and construction schedules through public meetings and notice boards in Lundër and Mullet.
- Ensure consultation venues and materials are accessible to low-income residents.

- **Expected Outcomes**

Implementation of these measures will:

- Reduce economic vulnerability and support equitable benefit sharing;
- Strengthen social license to operate through inclusive employment;
- Demonstrate alignment with IFC PS 1–2 and Albanian social-protection laws;

- Contribute to local poverty reduction objectives under the National Social Protection Strategy 2030.

- District Level

At the district level, the Municipality of Tirana demonstrates notable social and economic contrasts between its urban center and peri-urban administrative units such as Farkë, Kashar, and Dajt.

While the overall poverty incidence in central Tirana remains below 7%, the outskirts and suburban communities report higher rates, often linked to limited infrastructure, informal employment, and migration from rural areas.

In the Farkë Administrative Unit, approximately 11–12% of households are classified as living below the national poverty line (INSTAT, 2023).

These households are typically characterized by:

- Employment in low-wage or informal sectors, including construction, small trade, and domestic work;
- High dependency ratios, with limited household income supporting multiple dependents;
- Limited access to municipal support programs, often due to lack of formal residence registration;
- Reliance on social transfers, such as Ndihma Ekonomike (economic assistance), administered by the Municipal Directorate of Social Services.

The district's poverty-reduction initiatives—including the Tirana Social Protection Program 2022–2028—aim to improve labor market participation, expand skills training, and ensure that social benefits reach marginalized groups.

The Project's presence within this socio-economic landscape implies the need to:

- Ensure inclusive hiring practices for construction and operations;
- Minimize economic disruptions to vulnerable informal livelihoods;
- Collaborate with municipal social-service departments to support poverty alleviation efforts and coordinate monitoring.

- Area of Influence (Aoi)

The AOI for households below the poverty line has been determined based on the Project's geographic footprint, economic reach, and social-service accessibility patterns. It includes zones where the Project may cause direct or indirect socioeconomic effects—particularly those influencing livelihoods, employment, and access to services.

- Direct Aoi

The direct Aol covers the immediate surroundings of the TEG complex, primarily within a 500-meter radius, encompassing small businesses, informal roadside vendors, and low-income households located along the Tirana–Elbasan corridor. Residents in this area may experience temporary construction disturbances such as restricted access, dust, and increased noise levels, as well as shifts in local business dynamics due to altered traffic and customer flow.

Many of these households rely on:

- Informal vending, domestic services, and short-term construction work;
- Daily commuting via public transport routes linking Lundër, Mullet, and Sauk;
- Access to nearby schools and healthcare facilities, where transport interruptions may affect daily routines.

- **Indirect Aol**

The indirect Aol extends to the broader Farkë Administrative Unit and portions of Dajt and Kashar, where a significant number of lower-income residents travel to the TEG area for employment or commerce.

Project activities could indirectly affect these populations through:

- Increased competition for low-skilled labor;
- Shifts in transport costs and travel times;
- Rising local rental and service prices following project-induced economic growth.

These impacts will be managed through coordinated measures in the Employment and Livelihood Restoration Plan (ELRP) and the SEP to ensure equitable participation and mitigate disproportionate economic burdens.

- **Cumulative Aol**

The cumulative Aol encompasses the Tirana Metropolitan Region, where urban expansion and multiple infrastructure projects (including new residential developments and road upgrades) collectively influence local poverty dynamics.

Potential cumulative effects may include:

- Concentration of temporary construction workers increasing pressure on social infrastructure;
- Economic displacement of low-income vendors and tenants due to rising land values;
- Increased competition for municipal support services (e.g., economic aid and subsidized transport).

The ESIA recommends coordination with the Municipality of Tirana, Regional Employment Office, and Directorate of Social Services to monitor and respond to these broader socioeconomic shifts through integrated social monitoring.

- **Assessment Approach**

The delineation of the Aol for low-income households was based on:

- Socioeconomic surveys and data from INSTAT (2023);
- GIS mapping of informal and vulnerable households within a 2 km radius of the TEG site;
- Stakeholder interviews with local authorities and NGOs working on poverty reduction;
- Field verification of household clustering, informal trading activity, and commuting patterns.

The Aol will be reviewed annually under the ESMP monitoring process to ensure that changing demographic and economic conditions remain reflected in mitigation and compensation strategies.

7.3.17 Disability

- **District Level**

According to INSTAT (2023) and the Municipality of Tirana Directorate of Social Services, approximately 4.5 – 5 % of the municipality's population has a formally recognized disability.

In the Farkë Administrative Unit, the number of registered persons with disabilities is estimated at 750 – 800 individuals, equivalent to around 3.5 % of its total population.

- Persons with disabilities in Farkë and surrounding areas face persistent challenges including:
- Limited accessibility in public transport and pedestrian infrastructure;
- Insufficient workplace inclusion, particularly in the retail and service sectors;
- Reliance on municipal social transfers and family care networks;
- Physical and communication barriers restricting participation in community consultation processes.

The Municipality of Tirana's Social Inclusion Plan 2022 – 2028 identifies accessibility improvements and vocational rehabilitation as key district-level priorities. In coordination with this framework, the Project will:

- Ensure compliance with national accessibility standards (DCM No. 1074/2016) in all site designs and buildings;
- Collaborate with the Municipal Directorate of Social Services to identify and support local disabled residents seeking employment or training;

- Include disability-sensitive indicators in community engagement and monitoring reports.

- **Area of Influence (Aol)**

The Aol for disability considerations reflects both the physical environment and the service-accessibility network surrounding the Project site.

- **Direct Aol**

The direct Aol encompasses the immediate vicinity of TEG within a 500 m radius, where people with disabilities may interact with construction zones, pedestrian walkways, and retail access routes.

Key considerations include:

- Maintaining barrier-free mobility through temporary ramps, tactile paving, and accessible signage;
- Ensuring that public transport stops and parking areas adjacent to the Project remain fully accessible during all phases;
- Providing clear communication and safety information in both written and visual formats.

- **Indirect Aol**

The indirect Aol covers the broader Farkë Administrative Unit and the Tirana metropolitan area, where disabled individuals travel for employment, healthcare, and services at TEG or neighboring facilities.

Impacts may include:

- Potential exclusion from employment opportunities if accessibility measures are not integrated into recruitment and workplace design;
- Changes in mobility patterns resulting from construction traffic or altered bus routes;
- Indirect economic impacts on family members providing caregiving support. Mitigation strategies will be implemented through the Inclusive Employment and Accessibility Plan (IEAP), part of the ESMP.

- **Cumulative Aol**

Cumulatively, persons with disabilities may experience overlapping impacts from multiple ongoing infrastructure and commercial developments across Tirana. These can compound

existing access limitations and strain municipal social-support services. The Project will therefore coordinate with:

- Municipal Transport Directorate, to ensure accessible bus infrastructure;
 - NGOs and advocacy groups, such as the National Disability Council of Albania, to inform inclusive design and feedback mechanisms;
 - Local health centers, to ensure emergency preparedness considers mobility or sensory impairments.
- **Assessment Approach**

The disability AoI delineation was based on:

- Municipal registry data (INSTAT 2023, Municipality of Tirana 2024);
- Site accessibility audits and stakeholder consultations;
- Field observation of existing pedestrian, transport, and facility accessibility;
- Review of national accessibility standards and international good practice (ISO 21542:2011³²).

Annual monitoring under the ESMP will verify continued compliance and functionality of accessibility measures throughout construction and operation.

7.3.18 Archaeology & Cultural Heritage

The Project area is located within the administrative boundaries of the Municipality of Tirana, where the broader landscape has moderate archaeological potential due to its proximity to historic trade routes connecting ancient Dyrrachium (Durrës) and Scampis (Elbasan).

While no officially registered archaeological monuments exist within the immediate footprint of the TEG complex, prior surveys indicate the presence of subsurface artifacts and architectural remains in the Tirana–Farkë–Petrela corridor.

A preliminary archaeological assessment was conducted in accordance with Law No. 27/2018³³, confirming low-to-moderate sensitivity of the area. However, chance finds procedures remain mandatory throughout all phases of construction.

- **District Level**

At the district level, the Municipality of Tirana contains numerous protected archaeological sites and monuments of national importance, including Petrela Castle, Farkë Church, and several Ottoman-era bridges within a 10–15 km radius of the Project.

³² <https://www.iso.org/standard/50498.html>

³³ <https://www.qbz.gov.al/eli/ligj/2018/03/15/27>

These heritage assets fall under the jurisdiction of the Regional Directorate of National Cultural Heritage, Tirana (DRKK-Tirana) and are managed in coordination with the National Institute of Cultural Heritage (IKTK).

Within the Farkë Administrative Unit, no officially designated “protected zones” overlap with the TEG Extension footprint. Nevertheless, unregistered subsurface archaeological remains are possible, particularly along the Elbasan Road corridor where ancient settlement layers and artifacts have occasionally been uncovered during infrastructure works.

The ESIA recognizes that even low-probability archaeological areas require preventive management and early coordination with relevant authorities. Accordingly, the Project will:

- Obtain written clearance from DRKK-Tirana prior to ground disturbance;
- Include archaeological supervision during excavation activities;
- Ensure that all site personnel are trained on the Chance Finds Procedure (CFP);
- Establish communication protocols for immediate reporting of any discoveries.

- **Area of Influence (Aoi)**

The Aoi for archaeological and cultural heritage resources extends beyond the physical construction zone to include the broader Farkë–Petrela cultural landscape, known for its historical settlements, religious monuments, and heritage trails.

- **Direct Aoi**

The direct Aoi comprises the project footprint and immediate 200 m buffer around the construction site, where earthworks or material transport could directly disturb potential archaeological remains.

Mitigation measures include:

- Pre-construction verification through archaeological field screening;
- On-site presence of an authorized archaeologist during ground-breaking;
- Suspension of works in the event of any find, pending DRKK-Tirana inspection.

- **Indirect Aoi**

The indirect Aoi encompasses nearby cultural landmarks, notably Farkë Church (18th century) and Petrela Castle, which may experience indirect visual or traffic-related impacts during project implementation.

To minimize these effects, the Project will:

- Avoid excessive night lighting or dust emissions that could degrade the setting of heritage sites;
 - Coordinate with the Municipal Department of Culture to schedule works during non-peak tourist periods;
 - Promote public awareness through information panels highlighting the area's cultural context.
- **Cumulative Aol**

The cumulative Aol includes the Tirana–Elbasan corridor, where multiple commercial and infrastructure developments may collectively increase pressure on unrecorded archaeological assets.

The ESIA recommends that the Project collaborate with the National Archaeological Service (NAS) to share findings, contribute to GIS heritage mapping, and strengthen regional heritage protection measures.

Assessment Approach

- The Aol delineation relied on:
- Review of archaeological databases from the National Institute of Cultural Heritage;
- Desk-based archival research on historical settlement patterns;
- Field inspection by a licensed archaeologist during preliminary geotechnical investigations;
- Consultations with DRKK-Tirana and Municipality of Tirana's Cultural Heritage Department.

Continuous monitoring and chance-find reporting will be incorporated into the ESMP and verified during construction audits to ensure full compliance with IFC PS8³⁴ and Albanian cultural-heritage laws.

8. STAKEHOLDER ENGAGEMENT, PUBLIC CONSULTATION & COMMUNICATION

The overall purpose of the SEP is to ensure that a consistent, comprehensive, and coordinated approach is taken to stakeholder engagement and project disclosure throughout the TEG Extension Project. It is further intended to demonstrate the commitment of Balfin Group (BG), as the project developer and main implementing party, to an international best practice approach to engagement. BG is committed to full compliance with Albanian environmental legislation, including the national Environmental

³⁴ <https://www.ifc.org/ps8>

Impact Assessment (EIA) framework, as well as alignment with international standards such as the IFC Performance Standards and relevant EU directives.

In line with current international best practice, this SEP aims to ensure that stakeholder engagement is conducted on the basis of timely, relevant, and accessible information. In this way, the SEP seeks to guarantee that stakeholders are given sufficient opportunity to voice their opinions and concerns, and that these concerns influence project decisions in a meaningful way. The SEP:

Provides the approach to stakeholder engagement, showing how this will be integrated into the ESIA process and implemented throughout the entire project lifecycle;

Identifies the main categories of stakeholders and how they will be engaged in relation to project risks, impacts, and benefits;

Defines the mechanisms for documenting and monitoring engagement activities to ensure accountability and transparency.

8.1 Objectives of Stakeholder Engagement

The objectives of engaging stakeholders and the community during the ESIA process and beyond include:

Ensuring understanding: An open, inclusive and transparent process of engagement and communication will be undertaken by Balfin Group to ensure that stakeholders are well informed about the proposed development. Information will be disclosed as early and as comprehensively as possible, in formats accessible to diverse audiences.

Involving stakeholders in the assessment: Stakeholders will be engaged during project scoping, impact assessment, and the identification of management and mitigation measures. Their input will be essential for refining baseline information, validating project assumptions, and ensuring that local knowledge and perspectives inform the environmental and social assessments.

Building relationships: Through supporting open dialogue, engagements help establish and maintain a productive relationship between the Project team and stakeholders. This will be engaged during project scoping, impact assessment, and the identification of management and mitigation measures. Their input will be essential for refining baseline information, validating project assumptions, and ensuring that local knowledge and perspectives inform the environmental and social assessments

Managing expectations: It is important to ensure that the proposed Project does not create, or allow, unrealistic expectations about potential benefits. Engagement will serve as a mechanism for understanding and managing stakeholder and community expectations by disseminating accurate, clear, and timely information

Ensuring compliance: The engagement process is designed to ensure compliance with Albanian legal requirements, as well as with international standards and good practice, including IFC Performance Standards.

Stakeholder engagement has been prepared to ensure compliance with both Albanian legislative requirements and international good practice standards. This chapter presents the relevant standards and legislation that guide stakeholder engagement for the TEG Extension Project. This process will help to ensure that stakeholder concerns are integrated into the assessment and are addressed - where feasible – in the Project design. To comply to IFC PS Standards, three phases of engagement should be undertaken:

- Pre-construction: disclosure of detailed designs, project grievance mechanism disclosure, construction timelines, and mitigation measures.
- Construction phase: regular updates, grievance management, and monitoring of impacts on tenants, customers, and the community.
- Operational phase: disclosure of project outcomes, sustainability performance (e.g., green certification), and continuous stakeholder trust-building.
- The management of all stakeholder consultations will be undertaken by our consultant.

8.2 Project Stakeholders

A stakeholder is defined as any individual or group which is potentially affected by the Project or who has an interest in the Project and its potential impacts. Different issues are likely to concern different stakeholders as such stakeholders have been grouped based on their connections to the Project.

Table 7.1 presents a summary of the stakeholder engagements conducted for the purpose of the SLIP, while a summary of the key issues raised/ comments made is presented in Table 7.2. The selection of these stakeholder engagements was based on a desktop analysis of the area affected by the Project, The results of the stakeholder consultations have been incorporated into the baseline information as well as taken into consideration in the ESMP (Chapter 0 of this SLIP Report). All interviewed stakeholders supported the Project.

Table 7.1 Details of SLIP Stakeholder Engagement

Date of Meeting/Communication	Site	Content	Attendees
Dec. DD/2025	Landowner & Unit (agreement signing)	Signing of mutual agreement covering phasing, access, safety, communications, and business continuity during works.	TEG CEO (Elda Hysenbelli) Property Owner (Vahid Ruli) Retail VP (Juljan Mane)
03/12/ 2024	Municipality of Tirana (GIS Cadaster sector)	Verification that works are within existing cadastral Boundary	Project Manager (Ariona Shehu) Maintenance Director (Marjel Hasa) Municipality Representatives (Erland Jaho) A
07/02/2025	Utility providers (water, electricity, albletecom	Capacity check; tie-ins; scheduling of any planned interruptions, excisting as-build network	CEO (Elda Hysenbelli) Project Manager (Ariona Shehu) Utility Provider Representatives: 1.UKT (Kostandin Budurushi) 2.OSHEE (Enea Karakaçi)
18/12/2024	TEG Shopping Mall	Customer access routes; parking and delivery logistics; dust/noise controls; tenant notifications; grievance channels.	Project Manager (A.Shehu) Retail Project Development Director (E.Sali) Maintenance Director (M.Hasa) Mall Manager Security Manager (A.Picari) Parking Manager (B.Buna)
11/07/2025	TEG Shopping Mall/ Cineplex room 1	Presentation of planned works, timeline, and operational mitigation (access, logistics, noise). Feedback on maintaining business continuity.	Tenants

8.3 Outstanding Feedback and Primary Demographic Social Baseline

Stakeholder Identification and Analysis

Purpose and Objectives

This chapter outlines the process and results of stakeholder identification and analysis for the Project. Its purpose is to ensure that all individuals, groups, and institutions affected by or interested in the Project are identified, analyzed, and engaged in accordance with **IFC PS1, PS2, PS5**, and relevant **Albanian legislation** (Law No. 10440/2011 on Environmental Impact Assessment, as amended and its secondary legislation, Law No. 119/2014 on the Right to Information, and Law No. 146/2014 on Public Notification and Consultation).

The objectives of this process are to:

- Identify all stakeholders who may be affected by or have influence over the Project.
- Assess their interests, influence, and preferred engagement modes.
- Prioritize engagement efforts to ensure meaningful consultation, especially for vulnerable or disadvantaged groups.
- Establish a dynamic register that will be regularly updated throughout the project lifecycle.

Stakeholder Categories

Table 8-1 Stakeholder Categories

Category	Definition	Examples
Project-Affected Parties (PAPs)	Individuals, households, or entities directly affected by construction or operation activities.	Tenants and Owners within the TEG complex (e.g., Veranda Unit), neighboring residents, site employees, on-site contractors.
Other Interested Parties (OIPs)	Institutions, authorities, or groups interested in or influencing project decisions.	Municipality of Tirana, National Environment Agency (NEA), Ministry of Environment (MoE), media, NGOs, utility providers.
Vulnerable and Disadvantaged Groups	Persons or groups facing challenges in accessing information or participation opportunities.	Elderly, persons with disabilities, women-headed households, low-income families, temporary workers.

Stakeholder Register and Analysis

A stakeholder register was developed and will be updated upon significant project changes. The table below summarizes the key stakeholder groups, their interests, influence, and proposed engagement approaches.

Table 8-2 Stakeholder Register and Analysis

Stakeholder Group	Interest / Concern	Impact	Influence	Engagement Approach	Frequency
TEG Tenants and Owners (e.g., Veranda Unit)	Potential business interruption, access management, operational noise	High	Medium	Direct meetings, advance notifications, grievance mechanism	As needed
Local Residents (adjacent communities)	Construction noise, dust, traffic safety	Medium	Low	Public notices, community meetings, hotline, social media	As needed
Construction Workers & Contractors	Occupational safety, working conditions, employment terms	High	Medium	Toolbox talks, worker GM, bulletin board notices	As needed
Municipality of Tirana	Compliance with local planning and EIA approvals	Medium	High	Formal correspondence, technical meetings, reports	As needed
National Environment Agency (NEA)	ESIA approval, environmental monitoring	High	High	Submission of ESIA, public hearings, updates	As needed
Ministry of Environment (MoE)	Oversight of environmental compliance	High	High	Written reports, joint inspections	As needed
Local NGOs & CSOs	E&S performance, community welfare	Medium	Medium	Public disclosure, consultations	As needed
Media Outlets	Project transparency and updates	Medium	Medium	Press releases, online announcements	As needed
Vulnerable Groups (elderly, disabled, women)	Accessibility, inclusion in consultation	Medium	Low	Targeted outreach, accessible venues, interpreters	As needed
Utility Providers	Service continuity during construction	Medium	Medium	Coordination meetings, notices	As needed

Engagement with Vulnerable Groups

To ensure inclusivity, the Project will implement tailored engagement measures consistent with **IFC PS1 GN 56** and **Law No. 146/2014**:

Table 8-3 Engagement with Vulnerable Groups

Identified Barrier	Inclusive Measure	Responsible Person	Budget Allocation
Mobility limitations	Accessible venues; transportation support	SEP Coordinator	SEP Budget
Literacy barriers	Simplified materials; visual infographics	HR / SEP Coordinator	SEP Budget
Time constraints (care duties)	Flexible meeting times; childcare options	HR / SEP Coordinator	OPEX
Disabilities (hearing/vision)	Sign language interpreter; large-print materials	HR / SEP Coordinator	SEP Budget

Records of engagement with vulnerable groups will be maintained and reviewed as needed.

- Dynamic Update Mechanism

The stakeholder register will be reviewed following any project phase change. New stakeholders will be added as identified through consultations, grievances, or institutional feedback.

A summary of stakeholder engagement and updates will be disclosed annually through the Project's website and municipal notice boards, fulfilling obligations under **Law No. 119/2014 (Right to Information)** and **the Aarhus Convention**.

Table 8-4 Outcomes of ESIA Process Stakeholder Engagements

Date of Meeting	Site / Stakeholder	Content	Attendees
27/02/2025	Veranda Unit	Consultation on reconfiguration impacts; confirmation that works remain within existing property boundary; discussion of construction phasing, access, deliveries, temporary protection of shopfront/services; agreement in principle on roles and responsibilities.	TEG CEO; VP Retail; Property Owner
Dec. 2025 (TBD)	Landowner & Veranda Unit	Signing of mutual agreement covering phasing, access, safety, communications, and business continuity during works.	TEG CEO (Elda Hysenbelli) Property Owner (Vahid Ruli) Retail VP (Juljan M)
03/12/2024	Municipality of Tirana (GIS Cadastre Sector)	Verification that project works remain within existing cadastral boundary; discussion of permit conditions.	Project Manager (Ariona Shehu) Maintenance Director (Marjel Hasa) Municipality
07/02/2025	Utility Providers (UKT – Water, OSHEE – Electricity, Albtelecom – Telecoms)	Capacity check; network tie-ins; scheduling of any planned service interruptions; review of existing as-built network.	CEO (Elda Hysenbelli) Project Manager (Ariona Shehu) Utility Provider Representatives: 1.UKT (Kostandin Budurushi) 2.OSHEE (Enea Karakaçi)
18/12/2024	TEG Shopping Mall (Management Meeting)	Consultation on customer access routes, parking and delivery logistics; dust/noise controls; tenant notifications; grievance channels.	Project Manager (A.Shehu) Retail Project Development Director (E.Sali) Maintenance Director (M.Hasa) Mall Manager Security Manager (A.Picari) Parking Manager (B.Buna)
11/07/2025	TEG Shopping Mall /	Presentation and discussion of planned	Tenants

Date of Meeting	Site / Stakeholder	Content	Attendees
	Cineplex Room 1	works, construction timeline, and mitigation measures (access, logistics, noise); feedback session with tenants on maintaining business continuity.	

8.4 Ongoing Engagement During Construction and Operation Phases

(IFC PS 1; PS 2; PS 4; Law No. 10431/2011 “On Environmental Protection”, as amended; Law No. 146/2014 “On Notification and Public Consultation”)

8.4.1 Overview

Stakeholder engagement is not limited to the ESIA preparation phase but continues as an ongoing process throughout construction, operation, and, if applicable, decommissioning. This continuous engagement ensures transparency, responsiveness, and accountability as project activities evolve, in line with IFC PS 1, Paragraphs 26–36, and Albanian EIA follow-up requirements.

8.4.2 Construction Phase Engagement

During construction, proactive communication and consultation will focus on managing potential disturbances, ensuring safety, and maintaining good community relations.

Key activities include:

- Coordination meetings between the Contractor, Project Manager, and local representatives to discuss upcoming works, mitigation measures, and potential disruptions (e.g., noise, dust, traffic).
- Public information sessions held at the Farkë Administrative Office to update residents on construction progress, schedules, and environmental performance.
- Disclosure of monitoring results, such as dust levels, noise readings, and traffic management status, through bulletin boards at site entrances and municipal offices.
- Emergency information sharing in coordination with the Fire and Rescue Service and local civil protection units.
- Grievance management ensuring all complaints are logged, tracked, and resolved within defined timeframes.
- Special attention will be paid to vulnerable groups, including elderly residents and people with disabilities, ensuring that engagement materials are accessible, understandable, and inclusive.

8.4.3 Operation Phase Engagement

Once the facility becomes operational, engagement will shift toward performance transparency, community development, and sustainability reporting.

Key activities include:

- Annual stakeholder meetings to present E&S Performance Reports and discuss environmental monitoring outcomes, employment data, and community initiatives;
- Community outreach programs to support education, local entrepreneurship, and environmental awareness;
- Continuous operation of the grievance mechanism, ensuring all stakeholders can communicate concerns or suggestions directly to the Facility Management Team;
- Periodic feedback surveys to measure stakeholder satisfaction and identify areas for improvement in engagement and project performance.

8.4.4 Responsibilities and Coordination

The Project Manager will maintain responsibility for implementing the engagement plan and updating the Stakeholder Engagement Register.

Coordination between project entities will ensure that all stakeholder communications remain consistent, transparent, and traceable.

Table 8-5 Responsibilities and coordination

Role	Key Engagement Responsibilities	Frequency / Duration
Operational Quality Manager	Oversees implementation of the SEP; maintains stakeholder and grievance records; coordinates inputs from departments; prepares engagement and compliance reports.	Continuous
TEG Operation & Management	Acts as the primary operational interface with stakeholders; coordinates day-to-day communication related to site activities, logistics, and operational impacts; supports grievance handling and follow-up.	Continuous
Marketing & Brand Communication Manager	Manages public-facing communication, disclosure of project information, notices, and updates; ensures information is accessible and consistent with corporate messaging.	As needed
Security Director	Coordinates communication related to access, security arrangements, traffic control, and emergency-related stakeholder interactions.	As needed
Maintenance Director	Supports engagement related to maintenance works, service interruptions, and operational impacts affecting tenants and users.	As needed

Role	Key Engagement Responsibilities	Frequency / Duration
General Manager	Reviews stakeholder engagement outcomes; authorizes mitigation measures and corrective actions; provides senior oversight and decision-making.	As needed

Public Participation & Grievance Mechanism Public participation is a legal requirement in the ESIA process; the key principle of consultation is to ensure that the views of stakeholders are considered and reported throughout the ESIA process. The objective is to ensure that the assessment is robust, transparent and has considered the full range of issues or perceptions, and to an appropriate level of detail. Stakeholder participation will assist in identifying environmental and social consequences of the proposed Project and ensure that these are evaluated in the process.

A grievance is any complaint or comment (including questions/ suggestions) about the way a project is being implemented.

During the Project lifecycle, there may be several instances of conflicts, allegations and dissatisfaction due to Project-related activities raised by stakeholders. Grievance management is an important component of any project's implementation and is driven by well-defined Grievance Mechanism (GM) procedure.

Balfin Group has already a GM in place that is presented in ESIA Document. Further information of the GM will be included in the SEP to be prepared as part of the ESIA phase.

8.4.5 Continuous Improvement

Stakeholder engagement will remain a dynamic and iterative process, adapting to new project phases, stakeholder expectations, and regulatory requirements. Periodic training for project staff will ensure ongoing competency in communication, negotiation, and grievance management.

By maintaining an open dialogue with affected communities and stakeholders, the Project will uphold the principles of transparency, participation, and accountability that are central to both IFC PSs and the Albanian environmental governance framework.

9. Environmental and Social MANAGEMENT PLAN (ESMP)

9.1 Purpose and Objectives

This Environmental and Social Management Plan (ESMP) establishes the measures, responsibilities, implementation arrangements, monitoring requirements, and reporting

mechanisms required to manage the environmental and social (E&S) risks and impacts associated with the TEG Extension Project.

The ESMP translates the findings and mitigation commitments of the ESIA into **specific, implementable, and verifiable actions** applicable to the design, pre-construction, construction, commissioning, and operational phases of the Project.

The ESMP has been developed in accordance with applicable Albanian legislation, the IFC Performance Standards (2012), relevant World Bank Group Environmental, Health and Safety (EHS) Guidelines, and the Group Environmental and Social Management System (ESMS).

Implementation of the ESMP will follow the mitigation hierarchy established under IFC PS1 by:

1. **anticipating and avoiding** adverse E&S risks and impacts where feasible;
2. **minimizing** risks and impacts where avoidance is not possible;
3. **mitigating and managing** residual risks and impacts through appropriate controls and management measures; and
4. **monitoring and reviewing** the effectiveness of mitigation measures and implementing corrective actions where necessary.

Given that the TEG Extension will be constructed adjacent to and integrated with an **operational commercial centre**, particular attention will be given to interfaces between construction activities and ongoing TEG operations. This includes management of occupational and community health and safety, fire and life safety, pedestrian and vehicle movements, construction traffic, emergency access, noise and dust, waste management, public access, contractor activities, and business continuity.

The ESMP is therefore intended to function as a **practical management and compliance tool**, rather than solely as a statement of mitigation principles.

9.2 Scope and Application

The ESMP applies to all Project activities and to all parties undertaking activities on behalf of the Project, as relevant to their respective responsibilities, including:

- the Project Developer/Owner;
- Project management and technical teams;
- designers and supervising engineers;
- the main construction contractor;
- subcontractors and primary suppliers, where applicable;
- TEG facility management and operational personnel; and
- specialist consultants and service providers.

Relevant ESMP requirements shall be incorporated into design documentation, procurement packages, construction contracts, contractor method statements, and operational procedures, as applicable.

Contractors and subcontractors shall be contractually required to comply with applicable Project E&S requirements and to prepare detailed procedures and method statements where required by this ESMP.

9.3 ESMP Implementation Framework

For each identified E&S risk or impact, the ESMP defines:

- the Project activity or source of risk;
- the potential environmental or social impact;
- the required mitigation or management measure;
- the Project phase and timing for implementation;
- the party responsible for implementation;
- the party responsible for supervision and verification;
- the monitoring indicator or evidence of compliance;
- the monitoring frequency; and
- the required records and reporting arrangements.

Implementation shall be monitored throughout the Project lifecycle. Where monitoring identifies non-compliance, ineffective mitigation, incidents, complaints, or unforeseen E&S impacts, corrective and preventive actions shall be established, assigned to a responsible party, given a completion deadline, and tracked through to closure.

9.4 Roles and Responsibilities

Overall responsibility for ensuring implementation of the ESMP rests with the **Project Developer**. Day-to-day implementation responsibilities will be allocated according to the Project phase and activity.

The **Project Developer/Project Management Team** shall ensure that E&S requirements are integrated into Project planning, design, procurement, contracting, and implementation and that adequate resources are available for ESMP implementation.

The **Contractor** shall be responsible for implementing all construction-related E&S requirements applicable to its activities and those of its subcontractors. Prior to commencement of relevant works, the Contractor shall prepare the required site-specific plans, procedures, and method statements and submit them for review and approval in accordance with the Project's management arrangements.

The **Supervising Engineer/E&S function** shall monitor contractor compliance through inspections, document reviews, monitoring results, incident records, grievance records, and periodic reporting and shall require corrective action where deficiencies are identified.

TEG Facility Management shall coordinate interfaces between construction activities and ongoing mall operations, particularly in relation to public safety, emergency access, fire and life safety, traffic and pedestrian management, communications, and business continuity.

During operation, responsibility for applicable E&S controls shall be transferred to the relevant TEG operational functions and incorporated into the existing operational management system.

9.5 ESMP Implementation and Monitoring Matrix

The following structure shall be used as the principal mechanism for implementation and monitoring of the ESMP:

E&S Risk / Impact	Mitigation / Management Measure	Phase / Timing	Implementation Responsibility	Supervision / Verification	Monitoring Indicator	Frequency	Records / Evidence
Dust and air emissions	Apply water suppression where required; cover transported fine materials; maintain construction vehicles and equipment; prohibit unnecessary idling; promptly clean material deposited on public/internal roads.	Construction – throughout earthworks and material handling	Contractor	Supervising Engineer / Project E&S	Visible dust; complaints; inspection findings; condition of access roads	Daily visual checks; formal weekly inspection	Site inspection records; complaint register; corrective-action records
Construction noise and vibration	Maintain equipment; restrict particularly noisy activities to approved working hours; locate stationary equipment away from sensitive receptors where feasible; communicate disruptive works in advance where relevant.	Construction	Contractor	Supervising Engineer / Project E&S	Noise complaints; working-hour compliance; monitoring results where required	Daily supervision; measurement following complaints or where required	Inspection records; monitoring results; grievance register

Waste generation	Segregate waste streams; provide designated storage areas; use appropriately authorized waste operators; maintain waste-transfer documentation; prohibit uncontrolled disposal or burning.	Construction and operation	Contractor / TEG Facility Management	Project E&S	Waste quantities; segregation; transfer documentation; housekeeping	Weekly during construction; operational frequency per waste procedure	Waste register; transfer records; inspection reports
Construction traffic and pedestrian safety	Implement an approved Traffic Management Plan; separate construction and public movements where practicable; maintain emergency access; provide signage, barriers, banksmen and controlled delivery arrangements.	Before and throughout construction	Contractor	TEG Facility Management / Supervising Engineer	Traffic incidents; blocked routes; pedestrian conflicts; complaints	Continuous control; daily checks	Traffic logs; inspection records; incident reports
Public/customer safety	Physically segregate construction areas from public areas; secure work zones; maintain safe pedestrian routes; control falling-object and work-at-height risks at public interfaces; provide clear warning signage.	Construction	Contractor	TEG Facility Management / Supervising Engineer	Integrity of barriers; unsafe conditions; public incidents/near misses	Daily	Inspection checklists; incident/near-miss register
Occupational health and safety	Implement Project OHS requirements; task-specific	Construction	Contractor	Supervising Engineer /	Injuries; near misses; training;	Continuous / daily	OHS statistics; training records; permits;

	risk assessments; permit-to-work arrangements where applicable; PPE; toolbox talks; competent supervision; incident reporting and investigation.			Project E&S	PPE compliance; inspection findings		inspection reports
Fire and life safety	Maintain emergency and fire access throughout works; coordinate temporary changes with TEG emergency arrangements; control hot works; maintain fire detection/suppression functionality; verify final systems prior to occupancy.	Design, construction and commissioning	Designer / Contractor / TEG Facility Management	Project Manager / competent fire and life safety specialists	Emergency routes; hot-work compliance; testing and commissioning results	Continuous during works; formal verification before opening	Permits; inspection records; testing/commissioning certificates
Worker grievances and labour conditions	Provide written employment terms; communicate worker rights and grievance channels; prohibit discrimination, harassment, forced labour and child labour; maintain confidential grievance records.	Prior to mobilization and throughout construction	Contractor	Project E&S	Worker contracts; grievance resolution times; labour inspection findings	Monthly review	Worker records; grievance register; audit reports
Community/stakeholder grievances	Maintain an accessible external grievance mechanism; register, investigate and respond to complaints; communicate	Construction and operation	Project Developer / Contractor as applicable	Project E&S	Number/type of grievances; response and closure time; recurring issues	Monthly review and following each grievance	Stakeholder grievance register; correspondence; closure evidence

	disruptive works where relevant.						
Emergency preparedness and response	Develop and coordinate construction emergency arrangements with existing TEG emergency procedures; conduct drills; define communication and evacuation responsibilities.	Before construction and throughout construction/operation	Contractor / TEG Facility Management	Project Management	Emergency plan available; drills undertaken; corrective actions closed	Before works and periodic drills	Emergency plans; drill records; corrective-action tracker

9.6 Contractor Management Plans

Before commencement of the relevant construction activities, the Contractor shall prepare and implement detailed management plans and procedures consistent with this ESMP and proportionate to the Project risks.

These shall include, as applicable:

- Occupational Health and Safety Plan;
- Construction Environmental Management Plan;
- Waste Management Plan;
- Traffic and Pedestrian Management Plan;
- Emergency Preparedness and Response Plan;
- Community Health and Safety measures;
- Pollution Prevention and Spill Response Procedure;
- Construction Logistics Plan;
- Worker Grievance Mechanism;
- Code of Conduct;
- Incident Reporting and Investigation Procedure; and
- other task-specific method statements and risk assessments required by the ESMP.

The plans shall clearly identify responsible personnel, implementation measures, inspection and monitoring requirements, reporting arrangements, and corrective-action processes.

9.7 Monitoring, Reporting and Corrective Action

ESMP implementation shall be monitored through a combination of routine site supervision, scheduled E&S inspections, review of contractor documentation, environmental monitoring where required, incident and near-miss reporting, grievance tracking, and periodic compliance reviews.

During construction, the Contractor shall provide periodic E&S performance information to the Project Developer/Supervising Engineer. Reporting shall include, at minimum, implementation status of ESMP measures, OHS performance, environmental monitoring results where applicable, waste management data, incidents and near misses, grievances, training undertaken, inspection findings, non-conformities, and status of corrective actions.

Significant E&S incidents shall be reported immediately in accordance with the Project's incident notification and escalation requirements.

All identified non-conformities shall be recorded in a Corrective Action Register, specifying:

- the identified deficiency;
- required corrective or preventive action;
- responsible party;
- target completion date;
- status; and
- evidence and date of closure.

Repeated or significant non-compliance shall be escalated to Project management and may result in additional supervision, suspension of the relevant activity, or other contractual measures, as appropriate.

9.8 Review and Update

The ESMP is a living management document and shall be reviewed and updated, where necessary, to reflect material changes in Project design or activities, new or unforeseen E&S risks and impacts, monitoring findings, incidents, grievances, changes in applicable requirements, and lessons learned during implementation.

Updates shall maintain consistency with the mitigation hierarchy and the requirements of the Project ESMS, applicable Albanian legislation, and relevant IFC Performance Standards.

The ESMP shall remain applicable throughout construction and commissioning, while measures relevant to the operational phase shall be incorporated into TEG's operational management systems and procedures prior to commencement of operation of the Extension.

9.9 Contractor Environmental and Social Management Plan (C-ESMP)

The present ESMP establishes the **Project-level environmental and social management framework, minimum requirements, mitigation measures, responsibilities, and monitoring commitments** identified through the ESIA process. It shall be read in conjunction with the ESIA and the Project-specific environmental and social management plans and procedures prepared separately for the TEG Extension Project.

Following appointment of the construction Contractor, and **prior to commencement of any construction activities**, the Contractor shall prepare a detailed, site-specific **Contractor**

Environmental and Social Management Plan (C-ESMP). The C-ESMP shall translate the requirements and commitments established through the ESIA, this ESMP, the Project-specific management plans, applicable Albanian legislation, the IFC Performance Standards, relevant World Bank Group EHS Guidelines, and contractual E&S requirements into practical construction-level controls and procedures.

Preparation of the detailed C-ESMP following Contractor appointment is necessary because construction methodologies, sequencing, equipment, workforce arrangements, subcontractors, logistics, temporary facilities, access arrangements, and other site-specific implementation details will only be fully defined once the Contractor has been mobilized and detailed construction planning has been completed.

The C-ESMP shall therefore be **specific to the Contractor's proposed construction methodology and actual site conditions** and shall, at minimum:

- identify construction activities and associated E&S risks and impacts;
- define activity-specific mitigation and control measures in accordance with the mitigation hierarchy;
- establish clear organizational arrangements, roles, responsibilities, and lines of accountability for E&S management;
- identify competent E&S and OHS personnel responsible for implementation and supervision;
- establish inspection, monitoring, measurement, and reporting requirements, including indicators and frequencies;
- define training, induction, toolbox talk, and competency requirements;
- establish incident, near-miss, non-conformity, and corrective-action management procedures;
- establish arrangements for worker and stakeholder grievances;
- define emergency preparedness, communication, and response arrangements;
- establish procedures for management and oversight of subcontractors and relevant suppliers; and
- provide the site-specific procedures, method statements, registers, checklists, and records necessary to demonstrate implementation and compliance.

The C-ESMP shall incorporate or be supported by detailed topic-specific management plans and procedures, as applicable to the Contractor's activities and the Project risks. These shall include, as relevant, the Occupational Health and Safety Plan, Construction Environmental Management Plan, Waste Management Plan, Traffic and Pedestrian Management Plan, Emergency Preparedness and Response Plan, Community Health and Safety measures, Pollution Prevention and Spill Response Procedure, Construction Logistics Plan, Worker Grievance Mechanism, Code of Conduct, Incident Reporting and Investigation Procedure, and relevant activity-specific risk assessments and method statements.

Particular attention shall be given to the interface between construction activities and the continued operation of the existing TEG commercial centre, including segregation of construction and public areas, pedestrian and vehicle movements, emergency and fire

access, fire and life safety, dust and noise control, delivery arrangements, public communication, and business continuity.

9.10 C-ESMP Preparation and Approval

The following implementation sequence shall apply:

ESIA and Project ESMP → Project-specific E&S Management Plans → Contractor Appointment → Contractor Construction Planning and Risk Assessment → Preparation of Detailed C-ESMP and Sub-Plans → Review and Approval → Construction Mobilization/Commencement → Implementation, Monitoring, Reporting and Corrective Action

The Contractor shall submit the C-ESMP and applicable supporting plans to the Project Developer/Supervising Engineer and relevant Project E&S function sufficiently in advance of the planned commencement of works to allow adequate review and revision.

No construction activities shall commence until the C-ESMP and the management plans and procedures required for the relevant works have been reviewed and accepted/approved in accordance with the Project's contractual and E&S management arrangements.

Where works are undertaken in stages, activity-specific plans, risk assessments, or method statements may be developed progressively; however, these shall be prepared, reviewed, and accepted before commencement of the activity to which they apply.

Approval of the C-ESMP shall not relieve the Contractor of its responsibility to comply with applicable legislation, contractual requirements, the ESIA/ESMP commitments, or applicable IFC requirements.

C-ESMP Implementation and Updating

Once approved, the C-ESMP shall constitute the principal construction-phase E&S management instrument and shall be binding on the Contractor and its subcontractors.

The Contractor shall maintain the C-ESMP as a **living document** throughout construction and shall review and update it whenever necessary, including following:

- changes in construction methodology, sequencing, design, or site conditions;
- identification of new or previously unforeseen E&S risks or impacts;
- significant incidents or near misses;
- monitoring or inspection findings;
- grievances or stakeholder concerns;
- non-conformities or recurring deficiencies; and
- changes in applicable legal, lender, or Project requirements.

Revisions shall be submitted for review and approval through the same Project E&S management arrangements, where applicable.

The Project Developer and/or Supervising Engineer shall monitor implementation of the C-ESMP through inspections, audits, review of monitoring results and records, incident and grievance tracking, and periodic Contractor E&S reporting. Identified deficiencies shall be recorded and addressed through time-bound corrective actions, with implementation tracked through to verified closure.

Accordingly, the ESIA and this ESMP establish the minimum E&S performance requirements and commitments for the Project, while the detailed C-ESMP will define how those requirements will be implemented, monitored, documented, and continuously improved by the appointed Contractor during construction.

Table 9-1 Integrated E&S Risk, Mitigation, and Cost Framework

Project Aspect	Phase	Potential Risk	IFC PS	Narrative Mitigation and Management Approach	Responsibility	Cost Type
Land use and spatial planning	Design	If the extension is poorly configured, it could create unsafe traffic movements, inefficient service areas, and congestion that would persist for the lifetime of the mall.	PS1, PS4	The building footprint, access points, service yards, parking areas, and pedestrian flows are designed to physically separate customers, delivery vehicles, and emergency services. This avoids conflicts, reduces accident risk, and improves overall mall functionality.	TEG and design consultants	CAPEX
Energy demand and climate impact	Design	High long-term electricity demand would increase operating costs and greenhouse gas emissions.	PS3	Solar photovoltaic panels, LED lighting, high-efficiency HVAC systems, and automated controls are incorporated into the design so that energy consumption is minimized over the building's lifetime.	TEG	CAPEX
Water demand and wastewater	Design	High potable water consumption and inadequate wastewater handling could overload municipal systems.	PS3	Low-flow fixtures, tenant-level metering, grease traps, and hydraulic capacity checks are integrated into the design to ensure efficient and safe water and wastewater management.	TEG	CAPEX
Fire and life safety	Design	Poor evacuation, fire detection, or smoke control could lead to mass casualty events in an emergency.	PS4	The extension is designed in accordance with NFPA and international fire codes ³⁵ , including automatic sprinklers, alarms, smoke extraction, fire-rated compartments, and protected escape routes.	TEG and designers	CAPEX
Dust and air emissions	Construction	Earthworks, demolition, and vehicle movements could create dust that affects mall visitors and nearby residents.	PS3	Water spraying, covering of trucks, paved access roads, and equipment maintenance are used to keep dust and exhaust emissions within acceptable levels.	Contractor	OPEX
Noise and vibration	Construction	Heavy equipment and demolition could disturb customers, neighbors, and sensitive receptors.	PS4	Work scheduling, equipment maintenance, noise barriers, and continuous monitoring are used to minimize disturbance and prevent exceedances.	Contractor	OPEX
Traffic and public safety	Construction	Construction vehicles could endanger mall visitors and cause congestion.	PS4	A TMP establishes delivery routes, traffic marshals, physical barriers, and time restrictions to protect the public.	Contractor & TEG	OPEX
Worker health and safety	Construction	Accidents could result in serious injury or fatalities.	PS2	Mandatory induction, PPE, toolbox talks, medical facilities, and supervision are enforced for all workers.	Contractor	OPEX

³⁵ <https://www.nfpa.org/Codes-and-Standards>

Project Aspect	Phase	Potential Risk	IFC PS	Narrative Mitigation and Management Approach	Responsibility	Cost Type
Waste and hazardous materials	Construction	Improper handling could contaminate soil or create safety hazards.	PS3	Waste is segregated, stored safely, and removed by licensed operators, while fuels and chemicals are kept in bunded areas with spill response equipment.	Contractor	CAPEX + OPEX
Energy and water use	Operation	Inefficient consumption would increase costs and environmental footprint.	PS3	Continuous metering, preventive maintenance, and energy management systems ensure efficient resource use.	TEG	OPEX
Waste	Operation	Increased waste volumes could cause pollution and hygiene issues.	PS3	Segregation, recycling, licensed collection, and grease trap maintenance are enforced for all tenants.	TEG & Tenants	OPEX
Fire, emergency and security	Operation	Fires, power failures, or security incidents could threaten life and business continuity.	PS4	Fire drills, emergency response plans, trained security staff, and maintained fire systems protect people and assets.	TEG	OPEX
Workers and tenant staff	Operation	Poor labor practices could create legal and reputational risks.	PS2	Labour Management Procedures, OHS systems, and grievance mechanisms ensure fair and safe working conditions.	TEG & Tenants	OPEX
Community relations	All phases	Complaints and conflicts could arise from construction and operation.	PS1	Stakeholder engagement, disclosure, and grievance management ensure concerns are addressed quickly and transparently.	TEG	OPEX

9.11 Documentation, Monitoring, Reporting, and Continuous Improvement

Effective E&S risk management depends not only on technical mitigation measures but also on robust systems for documentation, monitoring, reporting, and continual improvement. This section establishes how the Project will ensure that all commitments contained in the ESIA, ESMP, and ESMS are properly implemented, tracked, verified, and updated throughout the life of the Project.

These procedures are designed to ensure compliance with the IFC PS1 and provide lenders, regulators, and stakeholders with confidence that E&S risks are being managed in a systematic, transparent, and accountable manner.

Document Control and Record Management

All E&S documentation associated with the Project will be subject to formal document control procedures. This ensures that only approved and current versions of plans, permits, and procedures are used in daily operations and that historical records are retained for auditing, regulatory review, and lender verification.

Document control also ensures traceability of decisions, responsibilities, and corrective actions over time. This is particularly important for a complex project such as the TEG Extension, where multiple contractors, tenants, and service providers are involved.

The Project will maintain and control, at a minimum, the following records:

- E&S Impact Assessment
- Occupational Community Health and Safety Plan
- Traffic Management Plan
- Waste Management Plan
- Emergency Preparedness and Response Plan
- Stakeholder Engagement Plan
- Environmental permits, licenses, and approvals
- Monitoring data, inspection records, and audit reports
- Training, induction, and competency records
- Incident, accident, and near-miss registers
- Grievance logs and stakeholder correspondence

All records shall be retained for the duration of construction and operation and for a minimum period following closure or decommissioning, as required by law and lender agreements.

E&S Monitoring

Monitoring is the primary tool through which the Project verifies that mitigation measures are functioning as intended and that actual impacts remain within acceptable limits. The monitoring program is risk-based, meaning that higher-risk activities such as construction,

heavy vehicle movements, and hazardous material handling are monitored more frequently and in greater detail.

Monitoring data will be used not only to demonstrate compliance but also to identify trends, emerging risks, and opportunities for improvement.

The Project's monitoring program will include, as applicable:

- Air quality (dust and exhaust emissions)
- Noise and vibration
- Waste generation, segregation, and disposal
- Water consumption and wastewater discharges
- Energy consumption and efficiency
- Occupational health and safety performance
- Traffic movements and public safety incidents
- Site conditions and housekeeping
- Stakeholder complaints and grievances

Internal Reporting

Internal reporting ensures that information from monitoring and inspections is rapidly transmitted to those who can take corrective action. Contractors, facility managers, and tenants are required to submit regular E&S performance reports to TEG, which consolidates and reviews them.

Internal reporting will include:

- E&S performance reports during construction
- Incident and accident reports within 24 hours
- Records of non-compliance and corrective actions
- Waste tracking and disposal manifests
- Training and induction statistics

These reports form the basis for management review and lender reporting.

External Reporting and Disclosure

TEG will prepare periodic E&S performance reports for submission to lenders and, where required, regulatory authorities. These reports will summarize compliance status, monitoring results, incidents, grievances, and corrective actions.

At a minimum, TEG will prepare an annual E&S Performance Report during the operational phase.

External reporting ensures transparency and demonstrates continued compliance with IFC PSs and financing conditions.

Incident, Non-Compliance, and Grievance Management

All environmental, health, safety, and social incidents, including near-misses and complaints from stakeholders, will be formally recorded, investigated, and closed out through a

structured process. This ensures that problems are not repeated and that accountability is maintained.

This process includes:

- Logging of incidents, accidents, and grievances
- Investigation to determine root causes
- Definition and implementation of corrective actions
- Follow-up verification and closure
- Escalation of serious incidents to senior management and lenders

Auditing and Management Review

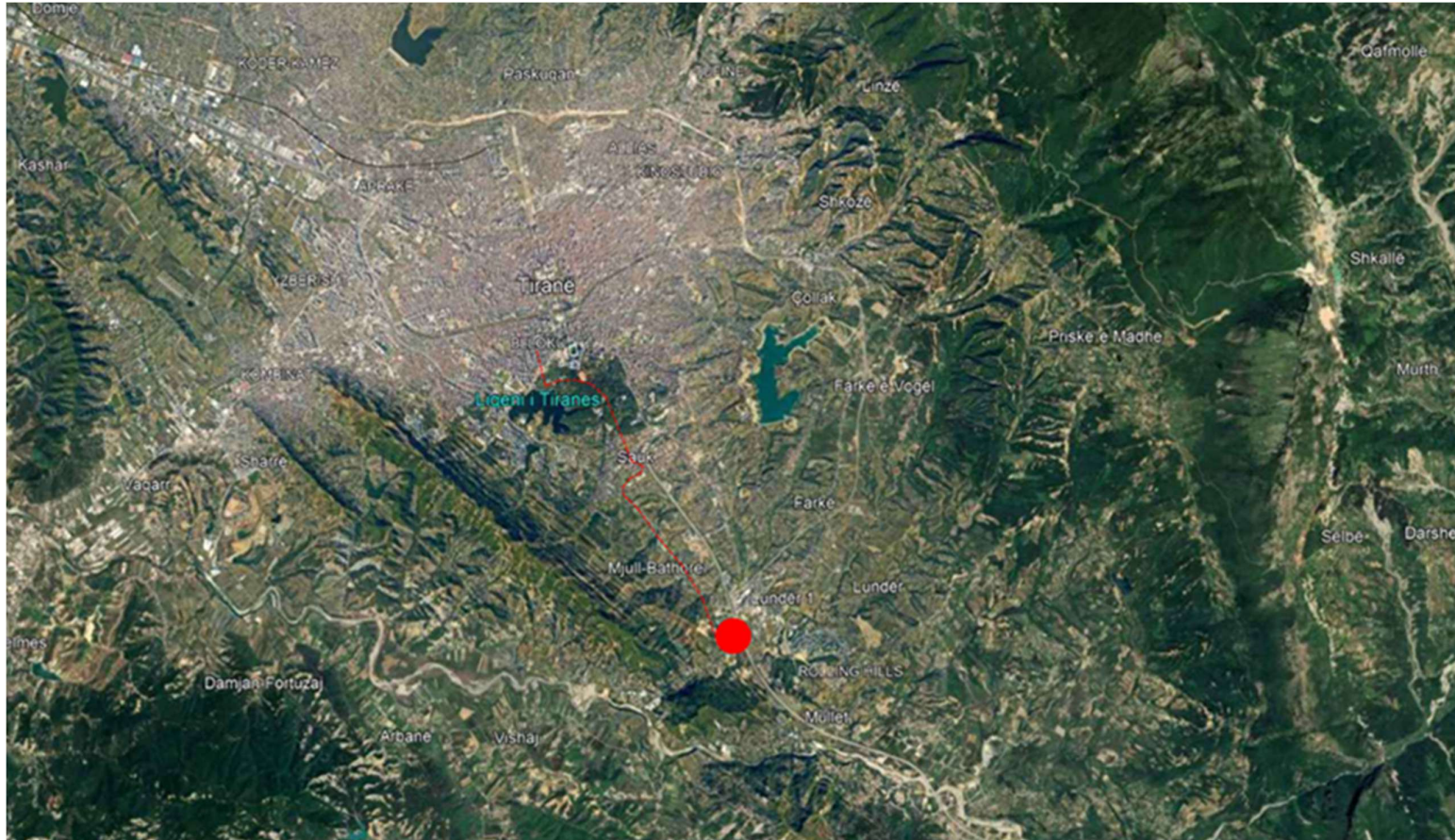
Periodic internal audits and external lender or regulatory audits will be conducted to verify that the ESMP and ESMS are functioning as intended. Audit findings will be reviewed by senior management and used to update procedures, training, and mitigation measures.

Continuous Improvement

The ESMP and ESMS are designed as living systems. They will be updated whenever new risks are identified, project activities change, monitoring reveals weaknesses, or stakeholder feedback indicates the need for improvement. This adaptive approach ensures that E&S risk management remains effective throughout the Project's lifetime.

Annex 1 – Work Zone Layout Sheets and Typical Details

– Project Location Related to Tirana City



➤ Satellite View and Proposed Bypass Connection near TEG



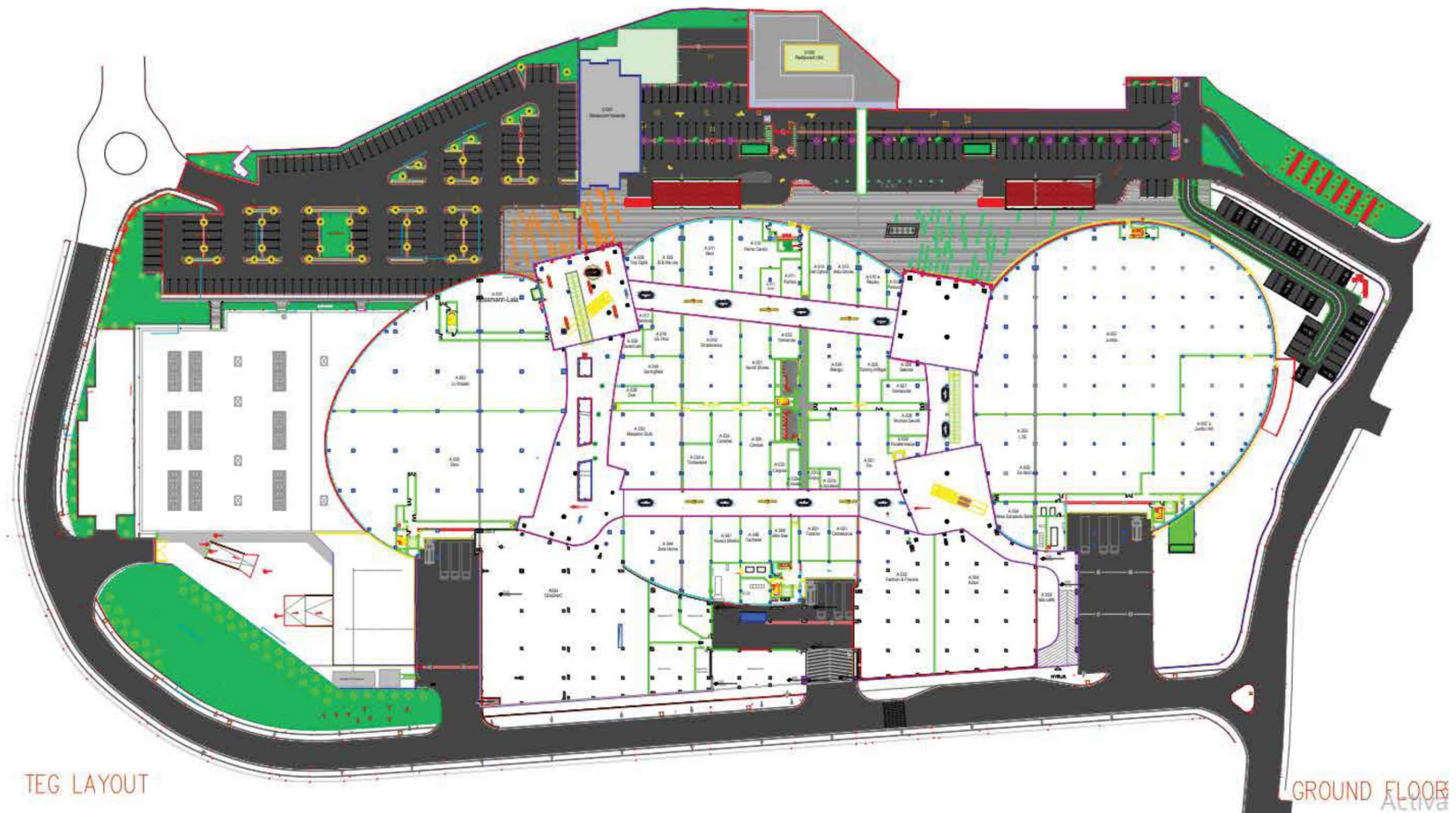
The current traffic situation at TEG is influenced by the construction and connection of the nearby bypass road. Observations indicate that the bypass affects access points to TEG, creating potential congestion and operational challenges. Additionally, there is currently no official master plan in place to coordinate traffic flow and development in the area, which underscores the need for a structured TMP to ensure safe and efficient access for visitors, staff, and delivery vehicles.

➤ Project Layout

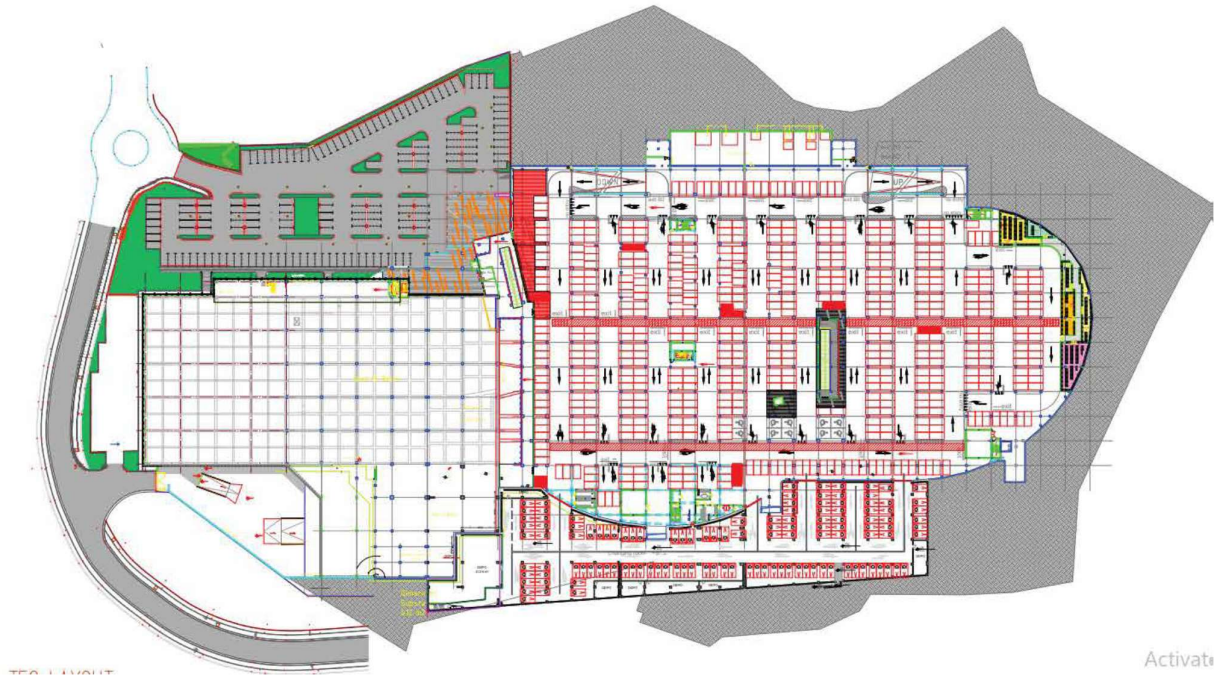


➤ First Floor





➤ -1 Floor



➤ - 2 Floor



➤ TEG Entrances and Exits – Proposed Project

