



# Concept Environmental and Social Review Summary

## Concept Stage

### ( **ESRS Concept Stage** )

Date Prepared/Updated: 06/07/2024 | Report No: ESRSC04295



I. BASIC INFORMATION

A. Basic Operation Data

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P181046	Investment Project Financing (IPF)	AL-Dam Safety	2025
Operation Name	Optimization of Dam Safety and Resilience of Irrigation Systems in the Context of Climate Change		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Albania	Albania	EUROPE AND CENTRAL ASIA	Water
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Ministry Agriculture and Rural Development	Ministry of Agriculture and Rural development		31-Jan-2025
Estimated Concept Review Date	Total Project Cost		
29-Nov-2024	1,612,903.00		

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Proposed Development Objective

The objective of the project is to assist the Albanian Government in developing an investment program in dam safety and modernization to increase water storage capacity and climate resilience of irrigation systems.

B. Is the operation being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project Activities

[Description imported from the Concept Data Sheet in the Portal providing information about the key aspects and components/sub-components of the project]

The project aims to support the GoA in conducting pre-feasibility studies of more than 400 existing dams. The overall goal is to reveal and address the climate risk to water management and agriculture and dilapidated water infrastructure with a focus on increasing the water storage capacity of reservoirs for adaptation to a changing climate. Specifically, the



project intends to prepare grounds towards increasing the safety and water availability of dams to irrigate an area of 180,000 ha of agricultural land mostly located in the western–coastal part of Albania from Shkodra to Vlora, enabling 200,000 farms to increase yields and farm income. The rehabilitation, modernization of dams, and improvements of dam safety will need to include structural and non-structural measures, hydrological assessment, structural strengthening of dams and improvement of the water storage in the reservoirs, sediment management, modernization of control and monitoring, and other measures that would improve the safety and operation of the dams. Increasing the dam’s safety would provide socio-economic and environmental benefits in Albania.

## D. Environmental and Social Overview

### D.1 Overview of Environmental and Social Project Settings

*[Description of key features relevant to the operation’s environmental and social risks and opportunities (e.g., whether the project is nationwide or regional in scope, urban/rural, in an FCV context, presence of Indigenous Peoples or other minorities, involves associated facilities, high-biodiversity settings, etc.) – Max. character limit 2,000]*

According to the OESRC Advisory Note Technical Assistance and the Environmental and Social Framework (May 21, 2019), TA under this Project will be of Type 1: Supporting the preparation of future investment projects (whether or not funded by the Bank. The TA to be provided through a Recipient Executed Trust Fund (RETF) will support the Ministry of Agriculture and Rural Development (MARD) to carry out pre-feasibility studies to assess/evaluate dam safety for 431 dams all around the country. Due to the uneven spatial and temporal distribution of rainfall and climate change, irrigation is one of the most important investments with a direct impact on the sustainable growth of agricultural production in the country, making the rehabilitation of agriculture dams and increasing water storage capacity a priority intervention. An estimated 360,000 hectares have been equipped for irrigation, 280,000 hectares for drainage, and 130,000 hectares for marine flood protection. More than 55% of irrigated agriculture’ land is located in the western part of the country. About 626 agricultural reservoirs provide 0.56 billion m3 of water for irrigation purposes mainly during the hot and dry summer season for 180,000 ha. With World Bank support under the now closed Water Resources and Irrigation Project, 40,000 ha of agricultural land was improved through the application of new irrigation and drainage practices, while 13 dams were rehabilitated to meet international dam safety standards and lower the risk of severe flooding. The GoA has requested continued World Bank support while receiving a grant from the Western Balkan Investment Fund for pre-feasibility studies for 431 dams and associated irrigation networks. All reservoirs are for irrigation use. As per MARD, approximate 35% of all dams are large. These are earth dams ranging in height between 3.2m and 42m, majority between 16-20m. Most benefits will go to rural communities heavily relying on agriculture.

### D.2 Overview of Borrower’s Institutional Capacity for Managing Environmental and Social Risks and Impacts

*[Description of Borrower’s capacity (i.e., prior performance under the Safeguard Policies or ESF, experience applying E&S policies of IFIs, Environmental and social unit/staff already in place) and willingness to manage risks and impacts and of provisions planned or required to have capabilities in place, along with the needs for enhanced support to the Borrower – Max. character limit 2,000]*

The MARD will be the implementing institution for the proposed operation. Ministry has already implemented WB financed projects. Water Resources and Irrigation Project (WRIP P121186) which was implemented between 2013-2021 and invested in improving irrigation canals in Divjaka and Saranda regions. The Climate Resilience and Agriculture Development (CRAD) Project (P178715) will further, invest in modernization of irrigation schemes already invested under WRIP. The respective MARD staff is familiar with the previous environment and social safeguards requirements.



CRAD project, became effective in February 2024, is the first project of the Ministry under the new Environmental and Social Framework (ESF). MARD is committed to hiring one part-time environmental and one part-time social expert, both experienced in environmental and social risk management, to be part of the PIU and ensure incorporation of Environmental and social requirements in the pre-feasibility studies as per the Bank's ESF and Albanian regulatory framework. The specialists hired under the CRAD, will also support the present Project and will help the Recipient make informed decisions on sites selection and minimize potential adverse impacts. REFT will support studies while physical activities will be undertaken in the future with the support of other funding sources. Arrangement pertaining CRAD PIU's environmental and social experts contributing to the project implementation will be reflected in the Environmental and Social Commitment Plan of the project. Terms of Reference (ToR) for the studies will specify that the consultant team to be hired for this task shall include experienced environmental and social specialists to assess and mitigate environmental and social risks and potential impacts associated with works to be carried out downstream using other sources of funding.

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Moderate

**A.1 Environmental Risk Rating**

Moderate

*[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 2,000]*

The Project will not finance any physical works. It will support pre-feasibility studies assessing the actual situation of 431 dams of irrigation reservoirs in the country. These are earth dams with the height ranging between 3.2m and 42m. Around 35% all dams are large, majority of them 16-20m high. The studies will inform the dam investment program by identifying the functional dams in Albania that would be covered by the Feasibility Study later on, beyond the scope of this Project. Among other aspects, pre-feasibility the studies will: (i) Undertake irrigation network multi-criteria analysis and pre-feasibility quality assessment of downstream irrigation network; (ii) Identify environmental risks of future investments on biodiversity, soil fertility, health of freshwater ecosystems, and ecological status of freshwater bodies in the surrounding command areas aimed for the improvement of irrigation water availability, and, (iii) Assess institutional sustainability. Relevant ESSs will be adhered to while assessing various criteria of dams, reservoirs, and irrigation canals downstream. Climate change impacts and competition for water use that may emerge in case of future downstream developments will also be factored into the feasibility studies. The pre-feasibility studies will consider environmental assessment when suggesting specific dams for potential interventions. The interventions themselves to be detailed in the next phase, will aim an increase in water storage capacity, increase of dams' safety, efficiency on water use and resilience to protect people and natural environment. These technical studies and all other outputs of the TA will be consistent with World Bank ESF requirements. MARD will rely on the existing CRAD PIU with sufficient capacity on the ground. Considering all the above and potential downstream impacts, the Environmental Risk is assessed as Moderate.

Moderate

**A.2 Social Risk Rating**

*[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 2,000]*

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The operation involves TA to support the preparation of prefeasibility studies that will, as output, help the MARD to carry out prioritization for future investments in dam safety. The proposed Social Risk Rating is Moderate. Even though this is TA operation will only inform future, more detailed analysis, there are still potential social risks that need to be managed. The risks relating to the operation are mostly of a Public Concern nature and possible opposition to the studies. Communities living near may become worried about the potential findings and safety assessments leading to fear about safety. Opposition might arise from the surrounding communities concerned that their livelihoods and assets might be affected by potential dam repairs. Also, if the results of the assessments are perceived as biased or if their results are not communicated transparently, it could erode public trust in the authorities conducting the studies and managing the dams. Assessments may highlight the need for interventions that could impact local ecosystems and cultural heritage sites, leading to opposition from environmentalists and cultural preservation groups. In order to mitigate the risks it is crucial to engage early with the communities and different stakeholders, and ensure transparent communication regarding the studies' objectives, processes, and potential outcomes. Clear information should be provided on how the findings will be used and what steps will be taken to ensure public safety and address future concerns. Collaboration with environmental and cultural experts to address any potential impacts on ecosystems and heritage sites would also be key to address the social risks based on perception.

**A.3 Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Risk Rating**

Low

*[Summary of key factors contributing to risk rating. This attribute is only for the internal version of the download document and not a part of the disclosable version – Max. character limit 2,000]*

The operation involves TA with Moderate E&S risk, involving consultants to carry out pre-feasibility studies only. Based on this context and the country SEA/SH assessment, the risk rating is classified as Low.

**B. Relevance of Standards and Policies at Concept Stage**

**B.1 Relevance of Environmental and Social Standards**

**ESS1 - Assessment and Management of Environmental and Social Risks and Impacts**

Relevant

*[Optional Explanation - Max. character limit 1,000]*

The pre-feasibility studies will consider impacts on biodiversity, soil health and other sensitive environmental and social receptors, including health and safety of surrounding communities and include recommendations for addressing said potential Environmental and Social impacts that are consistent with ESSs 1-10. The studies should include recommendations for mitigating the impacts found as per the OESRC Advisory Note. The project will be implemented with robust stakeholder engagement both during the studies and dissemination of their findings. This will be achieved by including relevant ESF requirements in all ToRs and studies supported by the Project, and will be enforced through integrating such requirements into the ESCP and the POM. The project will use the services of a consultant, including environmental and social experts, to carry out Pre-Feasibility assessment and advise on the need of additional in-depth studies to be undertaken later, at the feasibility assessment phase.

**ESS10 - Stakeholder Engagement and Information Disclosure**

Relevant

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*[Optional Explanation - Max. character limit 1,000]*

Given that main social risks for the activities are related to improper engagement and information sharing with affected and interested parties, the counterparts will engage stakeholders early in the process and prepare a robust Stakeholder Engagement Plan (SEP) prior to Appraisal. Interested parties for the activities would be from private and the public sector, local and central level. Disadvantaged groups will be those communities living near the most remoted dams from the regional centers, Farmers and farmers associations, food processors, agro-tourism and agro-business holdings would be direct beneficiaries and interested parties due to dependence on reliable irrigation. The SEP will be prepared in interaction with the listed stakeholders, and the final draft will be consulted and disseminated to all stakeholders and interested parties before Appraisal. SEP will describe also the preparation and establishment of the appropriate GRM for the activity.

**ESS2 - Labor and Working Conditions**

Relevant

*[Optional Explanation - Max. character limit 1,000]*

The standard is relevant. The project workers would be direct workers, and these would be consultants hired to implement the activities, the PIU of the project and the contracted workers, who would be the consultants defining and preparing the pre-feasibility studies. The respective risks for the problems is low as the contracts of all consultants engaged are reviewed by the bank and later the performance is monitored. Potential labor management issues mostly related working conditions and safety (including the SEA/SH) will be defined in the POM and adequate reference to this will be introduced in the ESCP. Measures, with specific timelines and monitoring measures and appropriate channels to receive potential labor-related grievances will be included in the POM.

**ESS3 - Resource Efficiency and Pollution Prevention and Management**

Relevant

*[Optional Explanation - Max. character limit 1,000]*

Pre-feasibility studies to be carried out under the project may identify a need of reconstructing several dams. Such works would generate waste, emissions, noise, and may have other impacts that will have to be assessed later, beyond the scope of the project. However, the project will identify main types of pollution that may be associated with future civil works and provide an outline of impact mitigation approach. The pre-feasibility studies will also consider actions for optimizing the functionality of water reservoirs and increasing dam safety. Relevant provisions of this ESS will be included in the technical studies through adequate provisions of the ESCP and the POM.

**ESS4 - Community Health and Safety**

Relevant

*[Optional Explanation - Max. character limit 1,000]*

Pre-feasibility studies will propose solutions for optimizing the functionality of irrigation reservoirs and increasing dam safety aimed at reducing health, safety, and security risks and impacts on project-affected communities and describe responsibilities of the Recipient to avoid or minimize such risks and impacts. Groups of population that are likely to be particularly vulnerable to the risks of future works on irrigation dams will also be identified for more detailed study at a later stage. Overall, pre-feasibility studies will include recommendations on incorporated dam safety aspects into the next phase of the program, comprising feasibility studies and investments.

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**ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Not Currently Relevant

*[Optional Explanation - Max. character limit 1,000]*

**ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources**

Relevant

*[Optional Explanation - Max. character limit 1,000]*

The project will include an assessment of reservoir sedimentation rates, irrigation needs, flood holding capacities, opportunities to use irrigation reservoirs for other purposes such as recreational, fisheries, etc. It will also identify potential impacts of future investments on biodiversity, soil fertility, health of freshwater ecosystems, and ecological status of freshwater bodies in the surrounding command areas aimed for the improvement of irrigation water availability. ToRs and outputs of pre-feasibility studies will be aligned with the relevant requirements of ESS6. Capacity of MARD to undertake quality control of pre-feasibility and feasibility studies and to provide oversight of future works from biodiversity conservation perspective will be assessed during project implementation.

**ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

Not Currently Relevant

*[Optional Explanation - Max. character limit 1,000]*

**ESS8 - Cultural Heritage**

Not Currently Relevant

*[Optional Explanation - Max. character limit 1,000]*

**ESS9 - Financial Intermediaries**

Not Currently Relevant

*[Optional Explanation - Max. character limit 1,000]*

**B.2 Legal Operational Policies that Apply**

**OP 7.50 Operations on International Waterways**

No

The project is Technical Assistance and aims to conduct pre-feasibility studies of more than 431 existing dams in Albania, while based on the nature of future works this is not going to have any impact on water quality and quantity upstream or downstream.

**OP 7.60 Operations in Disputed Areas**

No

**B.3 Other Salient Features**

**Use of Borrower Framework**

No

*[Optional explanation – Max. character limit 1,000]*

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N/A

**Use of Common Approach**

No

*[Optional Explanation including list of possible financing partners – Max. character limit 1,000]*

**B.4 Summary of Assessment of Environmental and Social Risks and Impacts**

*[Description provided will not be disclosed but will flow as a one time flow to the Concept Stage PID – Max. character limit 5,000]*

The government is considering to undertake pre-feasibility studies of 431 irrigation reservoirs to examine dam safety issues while aiming to increase water storage, prevent siltation, enhance structural integrity, and increase safety of communities in the inundation area. The proposed project will finance such studies without supporting any physical works. Pre-feasibility studies will include the assessment of environmental and social risks associated with future investments into dam rehabilitation and suggest general approach to risk mitigation. More specifically, recommendations will pertain dam safety, efficiency on water use, climate resilience, application of mitigation hierarchy to the expected impacts on surface water bodies, aquatic and terrestrial biodiversity, soils and the use of pesticides, all to protect people and natural environment. ToRs and outputs of pre-feasibility studies and other TA will be consistent with Albanian Regulatory Framework and the World Bank Environmental and Social Framework.

Risks associated with undertaking feasibility studies may come from public concerns that may lead to the opposition to the studies. Communities residing within the study area may get concerned about their safety and possible impacts of future rehabilitation works on their livelihoods. ToRs of pre-feasibility studies to be developed during project implementation will include measures to mitigate risks related to the conduct of these studies and will also ensure that study reports pertaining dam rehabilitation and modernization of downstream irrigation infrastructure to be performed at a later stage, are fully aligned with relevant ESSs of the World Bank. The Recipient will prepare an Environmental and Social Commitment Plan (ESCP) which will outline the measures and actions required to avoid, minimize, reduce or otherwise mitigate the potential environmental and social risks and impacts of the Project.

**C. Overview of Required Environmental and Social Risk Management Activities**

**C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by Appraisal?**

*[Description of expectations in terms of documents to be prepared to assess and manage the project’s environmental and social risks and by when (i.e., prior to Effectiveness, or during implementation), highlighted features of ESA documents, other project documents where environmental and social measures are to be included, and the related due diligence process planned to be carried out by the World Bank, including sources of information for the due diligence - Max. character limit 3,000]*

Environmental and Social Commitment Plan, Stakeholder Engagement Plan, will be developed, disclosed and consulted with stakeholders before Appraisal.

**III. CONTACT POINT**

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**Contact Point**

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**IV. FOR MORE INFORMATION CONTACT**

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**V. APPROVAL**

Task Team Leader(s):	Raimund Mair
ADM Environmental Specialist:	Erion Istrefi
ADM Social Specialist:	Bekim Imeri

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