

STATUS OF PROJECTS IN EXECUTION – FY05
SOPE
REGION: EUROPE AND CENTRAL ASIA
COUNTRY: ALBANIA

Operations Policy and Country Services
SEPTEMBER 23, 2005



Report on the Status of Projects in Execution - FY05
Region: Europe and Central Asia
Country: Albania

Introduction

The Status of Projects in Execution (SOPE) Report for FY05 provides information on all IBRD/IDA projects that were active on and beyond June 30, 2005. Thus it bridges the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. Now, in accordance with the Bank's revised disclosure policy, the SOPE Report is also available to the public. By publishing this improved report, we have addressed one of the main concerns we heard from the public during disclosure consultations – that the public has very little access to information on projects while they are being implemented. Readers familiar with past reports will note that projects that closed during the fiscal year are no longer included in the SOPE, since their Implementation Completion Reports are now also disclosed.

The FY05 SOPE introduces a new element: in order to disclose project-by-project comparisons of disbursement estimates and actual disbursements, the SOPE report contains a line chart¹ showing the original estimated disbursement schedule, the latest approved revised schedule (if any) and actual disbursements for investment operations and a table showing the loan/credit/grant amount and disbursements to date.

¹ Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.

Country: Albania

Project Name (ID): Agriculture Services (P054736)

Country: Albania

Board Approval Date: 06/14/2001

Midterm Review Date: 09/24/2004

Closing Date: 12/31/2007

Loan/Credit/Grant Number: IDA-35220, IDA-Q1870, JPN-25402

Sector(s): Agricultural marketing and trade (46%), Central government administration (34%), Agricultural extension and research (20%)

Theme(s): Rural markets (P), Regulation and competition policy (P), Rural services and infrastructure (S)

Project Development Objectives:

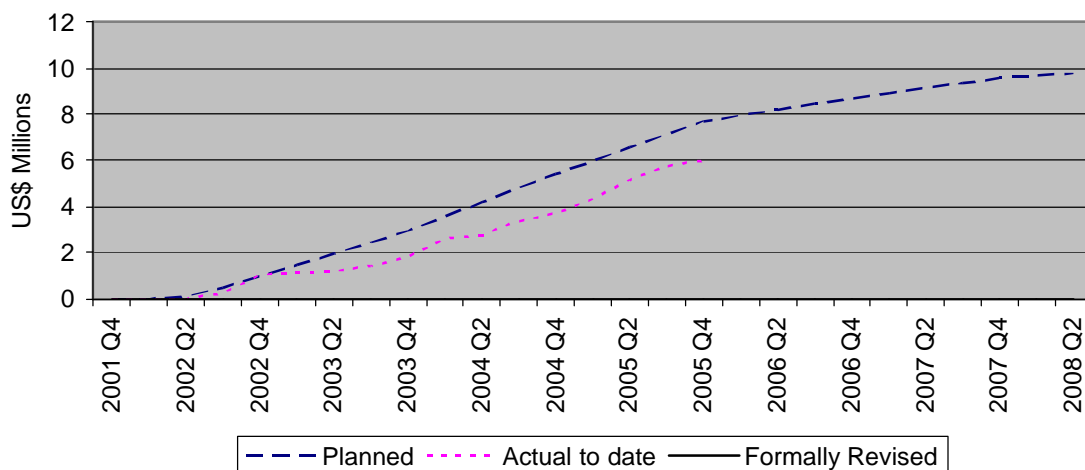
Creation of an environment conducive to rural income growth and poverty reduction by addressing key constraints in production, trade, and land markets.

Progress toward achieving development objective(s):

Two fruit and vegetable wholesale markets are operating and providing new trading opportunities for farmers and two more are under construction. The research and extension system is being improved and Albania is ready to join the Union for Protection of New Varieties of Plants. Eighty-seven innovation grants have been awarded to small farmers to demonstrate new production and processing technologies. However, land markets are developing more slowly than anticipated.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-35220	Effective	11.45	5.98	5.31	0.00
IDA-Q1870	Closed	0.55	0.00	0.00	0.55
JPN-25402	Closed	0.11	0.11	0.00	0.00



Project Name (ID): Social Services Delivery (P055383)

Country: Albania

Board Approval Date: 06/07/2001

Midterm Review Date: 05/20/2005

Closing Date: 03/31/2008

Loan/Credit/Grant Number: DFID-50181, DFID-50200, IDA-35130, ITAL-23784, JPN-25792

Sector(s): Other social services (57%), Central government administration (20%), Sub-national government administration (19%), General public administration (3%), Compulsory pension and unemployment insurance (1%)

Theme(s): Other social protection and risk management (P), Participation and civic engagement (P), Social analysis and monitoring (P), Poverty strategy, analysis, and monitoring (P), Social risk mitigation (S)

Project Development Objectives:

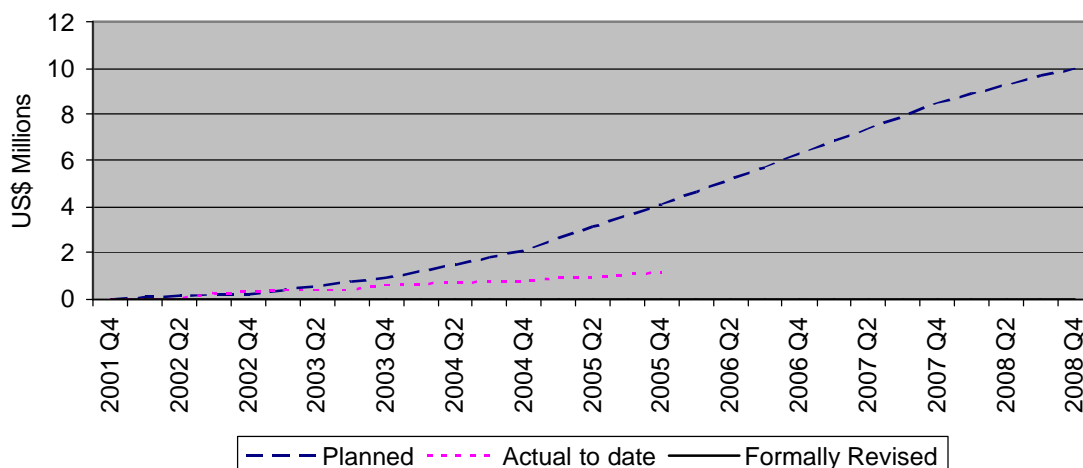
The objective is to improve standards of living of poor and vulnerable population groups; develop, monitor and evaluate more effective social policy; and improve capacity for planning, managing and delivering social care services with increased involvement of local governments, communities, and civil society.

Progress toward achieving development objective(s):

Good progress was made in most areas of the project. In April 2005 Parliament approved the new law on the policy framework and the National Strategy on Social Assistance and Services, which have been adopted. Standards to measure the national quality of social services have been developed and are being tested. Eighteen sub-projects have been signed and service delivery has started in ten of those projects. Issues remain unaddressed in other areas, however, wherein implementation of some activities that should have been completed already has been delayed.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
DFID-50181	Effective	3.15	0.88	2.22	0.00
DFID-50200	Effective	1.14	0.54	0.51	0.00
IDA-35130	Effective	11.53	1.15	10.32	0.00
ITAL-23784	Closed	1.00	0.96	0.00	0.04
JPN-25792	Closed	0.39	0.36	0.00	0.03



Project Name (ID): Legal and Judicial Reform (P057182)

Country: Albania

Board Approval Date: 03/21/2000

Midterm Review Date: 06/07/2003

Closing Date: 09/30/2005

Loan/Credit/Grant Number: IDA-33270

Sector(s): Law and justice (82%), Tertiary education (18%)

Theme(s): Law reform (P), Judicial and other dispute resolution mechanisms (P), Legal services (P)

Project Development Objectives:

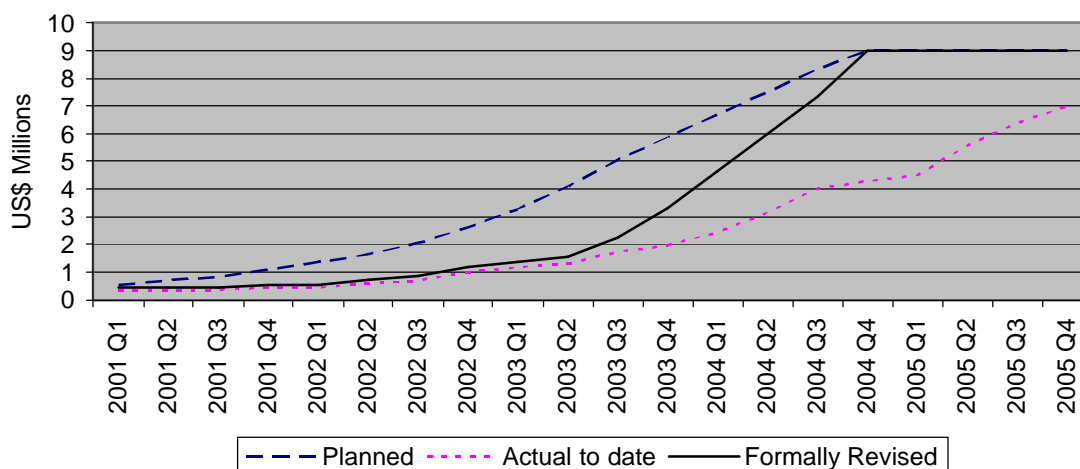
The objective is to strengthening key legal and judicial institutions in Albania, specifically by introducing alternative dispute resolution in commercial cases, and by improving legal education, judicial training and inspection, enforcement of court decisions, case management and public dissemination of legal information.

Progress toward achieving development objective(s):

As it approaches the revised closing date, the project has already achieved most of its development objectives. Competitive examinations govern entry into the Faculty of Law and new teaching methodologies have been introduced. The Magistrates' School has expanded its courses for judges and developed a new curricula for court chancellors and clerks. The new Commercial Arbitration and Mediation Center, lauded as an international model, is undertaking its first series of arbitrations and business contracts are beginning to include standard arbitration clauses. The Ministry of Justice Enforcement Service continues to show marked efficiency improvements. Supreme court decisions and Albanian laws and legal acts are now available on the internet. A new automated case management system is operational in 3 pilot courts with plans to continue the expansion to additional courts.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-33270	Effective	9.63	6.96	2.51	0.00



Project Name (ID): Municipal Water and Wastewater (P041442)

Country: Albania

Board Approval Date: 01/28/2003

Closing Date: 12/31/2009

Loan/Credit/Grant Number: IDA-37300, IDA-P9550, JPN-25533, JPN-29485, NETH-51814

Sector(s): Water supply (80%), Sanitation (20%)

Theme(s): Infrastructure services for private sector development (P), Access to urban services and housing (P), Other human development (S)

Project Development Objectives:

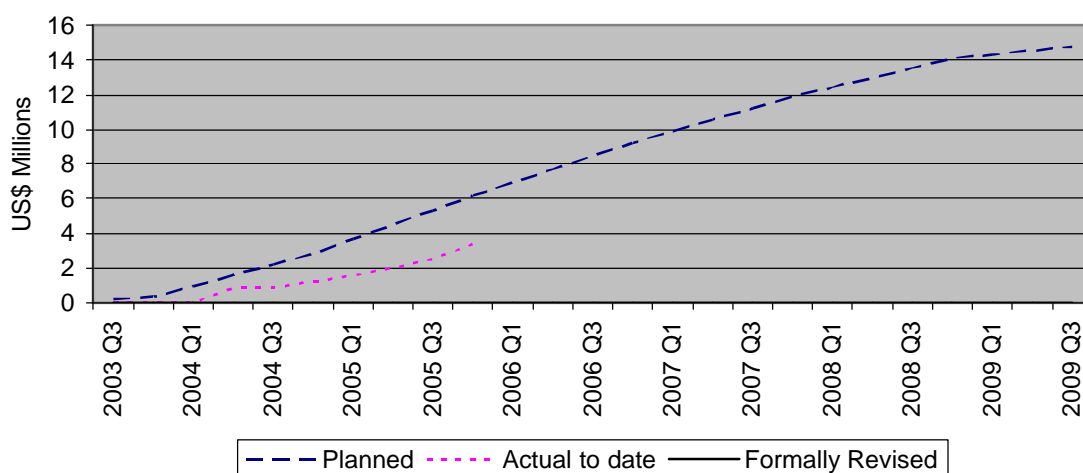
The overall objective is to improve water supply and sanitation services in four participating cities and achieve financial viability in their water utilities.

Progress toward achieving development objective(s):

The project is making substantial progress in meeting its development objectives. The first year of operation of the management contract has produced results: one city is rated excellent in minimum water supply services; two cities are rated excellent and two rated very good in water quality compliance; four cities are rated excellent in collection of billed amounts; and four cities are rated excellent in financial viability (working ratio).

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37300	Effective	16.63	3.38	13.28	0.00
IDA-P9550	Closed	0.50	0.00	0.00	0.50
JPN-25533	Closed	0.50	0.50	0.00	0.00
JPN-29485	Closed	0.60	0.60	0.00	0.00
NETH-51814	Effective	1.47	0.18	1.29	0.00



Project Name (ID): Road Maintenance (P066260)

Country: Albania

Board Approval Date: 06/27/2002

Midterm Review Date: 11/22/2004

Closing Date: 06/30/2007

Loan/Credit/Grant Number: IDA-36830, IDA-36831

Sector(s): Roads and highways (89%), Central government administration (11%)

Theme(s): Rural services and infrastructure (P), Other social protection and risk management (P)

Project Development Objectives:

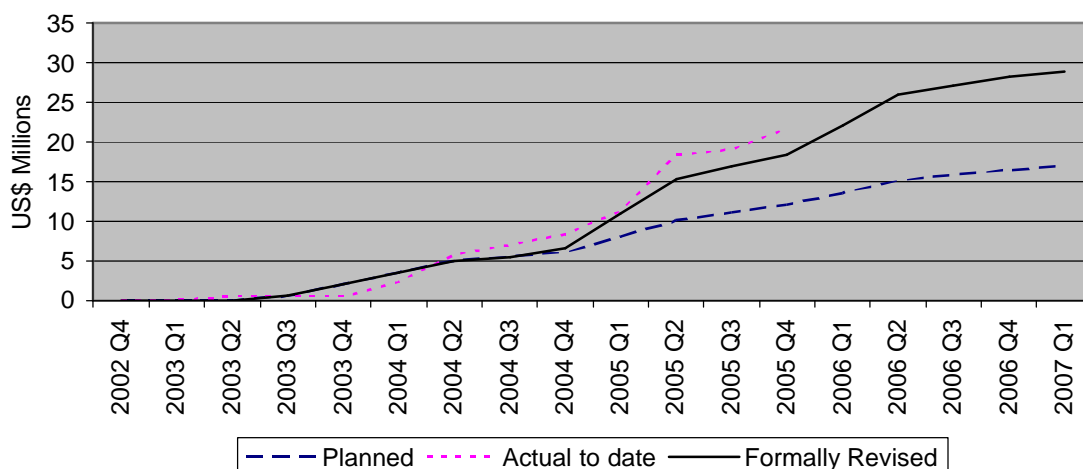
The project development objective is to reduce both transport costs on priority sections of the main road network, and accident rates more widely, and provide better accessibility to rural areas and to essential social services.

Progress toward achieving development objective(s):

The project is making progress towards meeting its development objectives. The pilot areas access to essential social services improved for 70% of the population. Traffic surveys demonstrated 19% reduction in travel time on national roads, and 26% on rural roads. National accident records indicate 2% decrease in fatalities per 1000 vehicles.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36830	Effective	19.70	15.30	4.38	0.00
IDA-36831	Effective	13.86	6.33	7.74	0.00



Project Name (ID): Pilot Fishery Development (P069479)

Country: Albania

Board Approval Date: 02/28/2002

Midterm Review Date: 12/21/2004

Closing Date: 09/30/2007

Loan/Credit/Grant Number: IDA-36070, IDA-Q2840, JPN-26253

Sector(s): Central government administration (45%), Animal production (29%), Ports, waterways, and shipping (26%)

Theme(s): Rural policies and institutions (P), Rural non-farm income generation (P), Participation and civic engagement (P), Water resources management (S), Pollution management and environmental health (S)

Project Development Objectives:

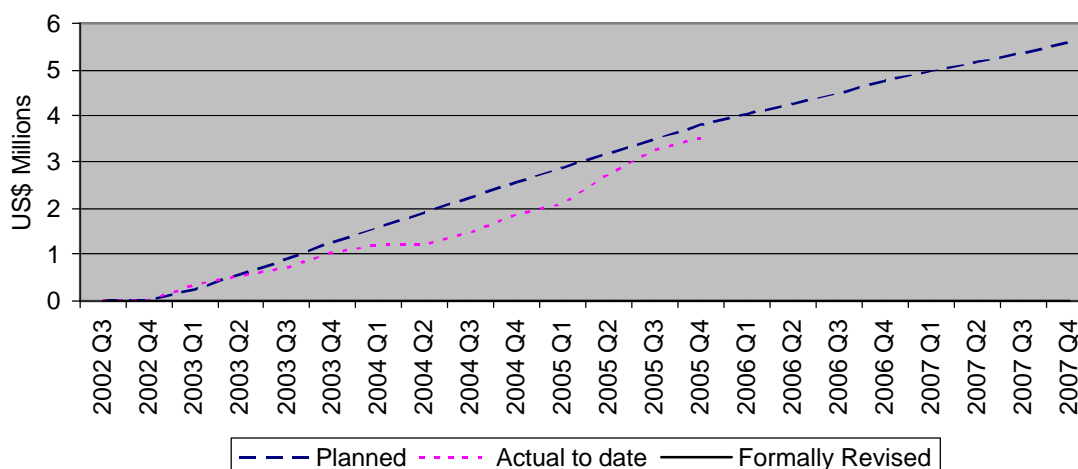
The objectives are to: (a) improve the operation and management of fishing ports; (b) introduce an effective institutional framework for community-driven co-management of marine fisheries resources ; and (c) restore the country's previous capacity in aquaculture, and explore the potential for further development of aquaculture, particularly for high value species.

Progress toward achieving development objective(s):

Progress has been made toward the development objectives. Eleven fishery management organizations (FMOs) have been established in various parts of the country, which will contribute to the longer-term effort to protect fish stocks. Successful efforts have been made in restoring the country's capacity in the aquaculture of certain species (i.e., carp and Lake Ohrid trout). Finally, the rehabilitation of fishing ports is expected to help families engaged in fisheries.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36070	Effective	6.42	3.55	2.84	0.00
IDA-Q2840	Closed	0.14	0.00	0.00	0.14
JPN-26253	Closed	0.25	0.24	0.00	0.01



Project Name (ID): Public Administration Reform (P069939)

Country: Albania

Board Approval Date: 03/21/2000

Midterm Review Date: 12/27/2002

Closing Date: 06/30/2006

Loan/Credit/Grant Number: IDA-33280

Sector(s): Central government administration (100%)

Theme(s): Administrative and civil service reform (P), Public expenditure, financial management, and procurement (P), Conflict prevention and post-conflict reconstruction (P), Economic statistics, modeling, and forecasting (S), Law reform (S)

Project Development Objectives:

The objectives are to improve policy and budget formulation and execution and human resource management in Albania and to achieve more attractive employment conditions within civil service and a more meritocratic & depoliticized civil service.

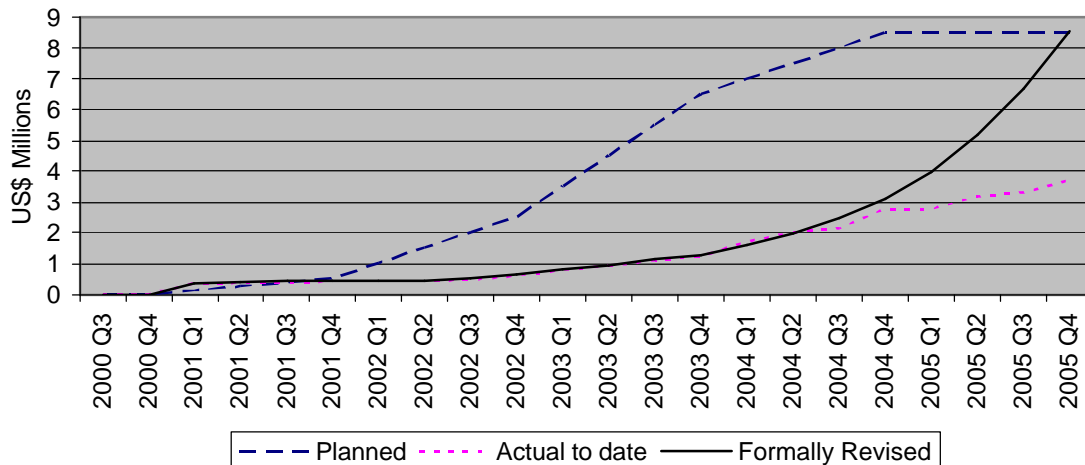
Progress toward achieving development objective(s):

The project continues to make progress toward achieving the development objectives. The Government undertook the latest cycle of the Medium Term Budget Process in which the improved budget formulation process has been fully institutionalized. The quality of budget execution has improved as evidence by increasing predictability/reliability of revenue and expenditure projections. Preparation for the modernization of the Treasury system began during the year and is expected to proceed quickly.

An improved legislative framework for public procurement is now in place and transparency has also been improved with the regular publication of the Public Procurement Bulletin and the launch of a public procurement website. However, continued efforts are being made to monitor the impact on contract awards. The wage bill and public employment has stabilized after key reductions since 2001, while increases in salary levels have significantly enhanced the attractiveness of employment within the civil service, the teaching profession and health care professions. These appears to be leading to larger numbers of qualified of applicants for civil service positions.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-33280	Effective	9.23	3.68	5.43	0.00



Project Name (ID): Power Sector Rehabilitation and Restructuring (P074905)

Country: Albania

Board Approval Date: 06/20/2002

Midterm Review Date: 02/22/2005

Closing Date: 03/31/2006

Loan/Credit/Grant Number: IDA-36710

Sector(s): Power (100%)

Theme(s): State enterprise/bank restructuring and privatization (P), Regulation and competition policy (P), Infrastructure services for private sector development (P), Pollution management and environmental health (S)

Project Development Objectives:

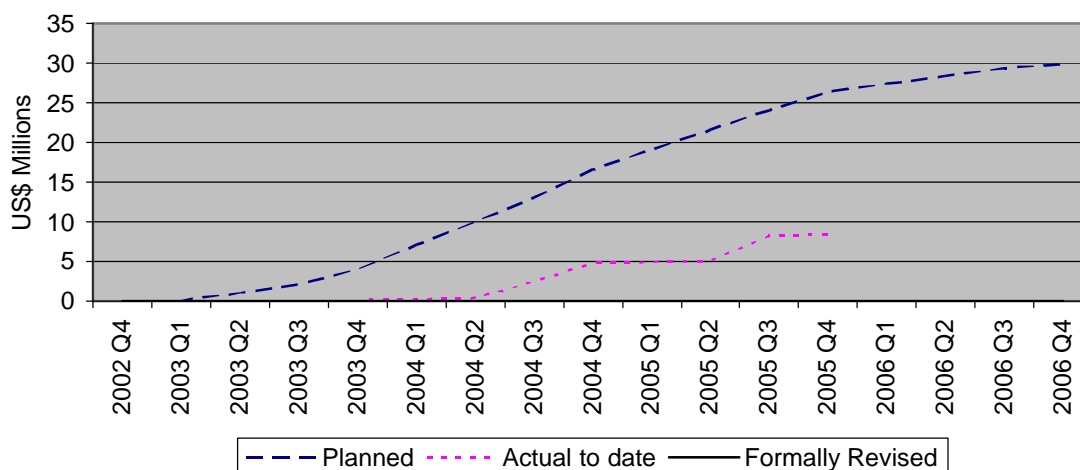
The objective is the achievement of significant improvement in the operational effectiveness of the power sector through: (a) implementation of electricity loss reduction measures; (b) enforcement of billing, collection and disconnection policies; (c) introduction of electricity price rationalization measures; (d) priority investments to improve system supply and reliability; and (e) regulatory strengthening and sector restructuring to improve sector efficiency and establish the preconditions for competition and privatization.

Progress toward achieving development objective(s):

Progress towards the achievement of the development objective has been good. Quarterly targets for reduction of electricity losses and improvement in collection of electricity bills have been met; tariff rationalization measures have been implemented; and implementation of sector reforms is underway.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36710	Effective	35.02	8.35	26.82	0.00



Project Name (ID): Integrated Water and Ecosystems Management (P075156)

Country: Albania

Board Approval Date: 03/25/2004

Closing Date: 12/31/2009

Loan/Credit/Grant Number: MULT-52981, WBTF-50334

Sector(s): Sewerage (82%), Central government administration (10%), General water, sanitation and flood protection (8%)

Theme(s): Pollution management and environmental health (P), Biodiversity (P), Access to urban services and housing (P), Environmental policies and institutions (S)

Project Development Objectives:

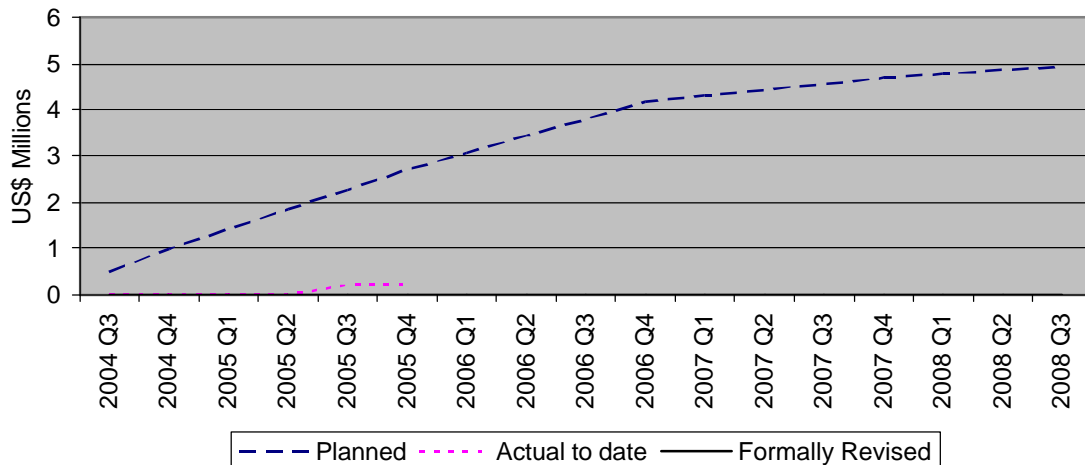
The development objective is to improve the municipal wastewater services in the coastal cities of Durres, Lezha and Saranda. The global environmental objective is to improve the health and habitat conditions of globally significant marine and coastal ecosystems along the coastline of Albania in an integrated manner.

Progress toward achieving development objective(s):

In its first year of project implementation the project is moving forward towards achieving its development objectives, albeit with some delays.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-52981	Effective	4.87	0.20	4.67	0.00
WBTF-50334	Closed	0.35	0.35	0.00	0.00



Project Name (ID): Second Community Works (P077297)

Country: Albania

Board Approval Date: 06/24/2003

Closing Date: 09/30/2008

Loan/Credit/Grant Number: IDA-38050, IDA-Q3540, ITAL-52491

Sector(s): Roads and highways (40%), Other social services (20%), Sub-national government administration (20%), General water, sanitation and flood protection (20%)

Theme(s): Participation and civic engagement (P), Rural services and infrastructure (S), Other social development (S), Decentralization (S)

Project Development Objectives:

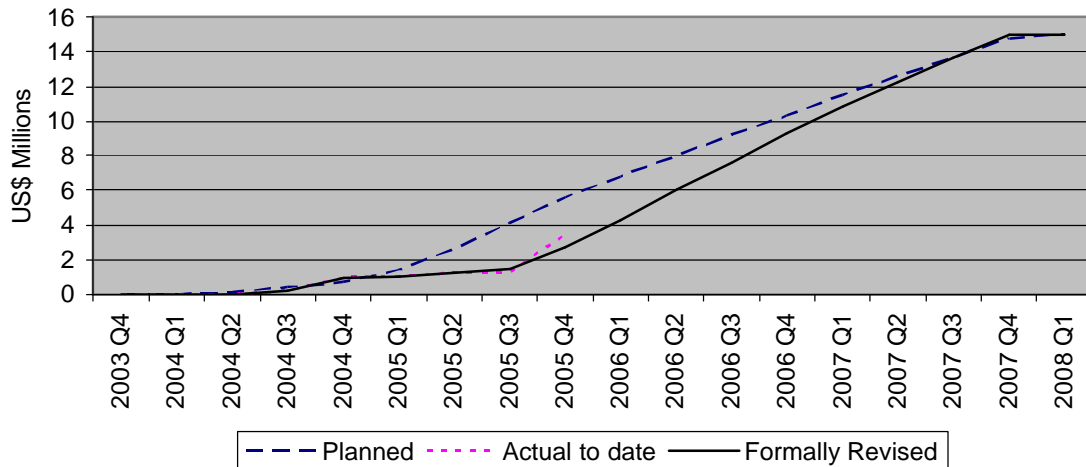
The objective is to alleviate local bottlenecks hindering development through processes of participatory local development.

Progress toward achieving development objective(s):

Good progress has been made toward the development objective. On the investment side, implementation of the first work program was almost done by June 2005. There is clear indication that access to quality social and economic infrastructure will be improved. On the institutional development side, the Albanian Development Fund (ADF) and local governments are making impressive progress toward community participation. About 2500 villages and urban neighborhoods have identified priority sub-projects through participatory methods. ADF is also restructuring its way of doing business so as to adapt to a decentralization context.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38050	Effective	15.90	3.46	12.50	0.00
IDA-Q3540	Closed	0.50	0.00	0.00	0.50
ITAL-52491	Effective	2.46	0.28	2.18	0.00



Project Name (ID): Power Sector Generation and Restructuring (P077526)

Country: Albania

Board Approval Date: 03/16/2004

Closing Date: 01/31/2008

Loan/Credit/Grant Number: IDA-38720

Sector(s): Power (100%)

Theme(s): State enterprise/bank restructuring and privatization (P), Infrastructure services for private sector development (S), Regulation and competition policy (S)

Project Development Objectives:

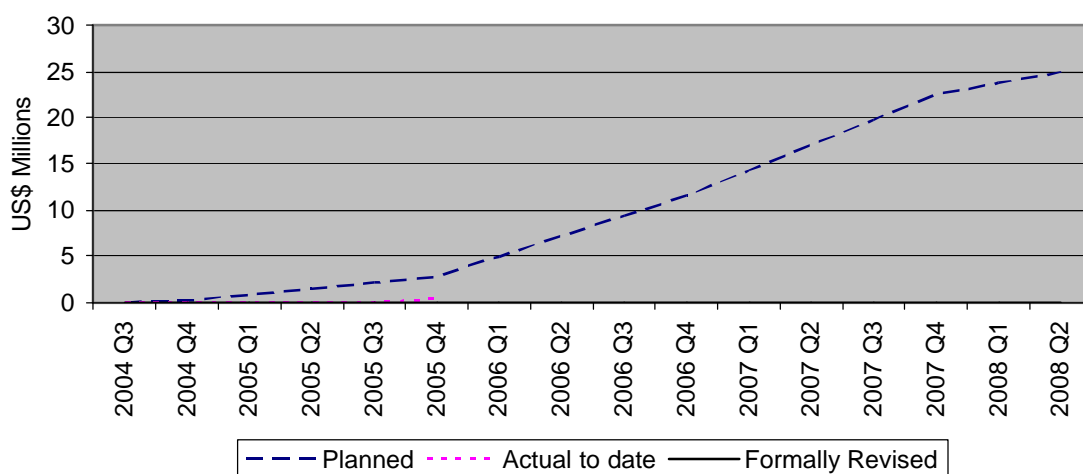
The development objective of the project is to achieve significant improvement in power system performance through (i) priority investments to increase domestic thermal generation, and (ii) measures to implement sector reforms and institutional strengthening.

Progress toward achieving development objective(s):

The project became effective in the latter part of the reporting period and was still in too early a stage for meaningful progress reporting.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38720	Effective	24.66	0.32	24.34	0.00



Project Name (ID): Water Resource Management (P082128)

Country: Albania

Board Approval Date: 06/03/2004

Closing Date: 06/30/2009

Loan/Credit/Grant Number: IDA-39140, IDA-Q3780, JPN-52419

Sector(s): Irrigation and drainage (60%), Flood protection (20%), Central government administration (10%), Agricultural extension and research (5%), Vocational training (5%)

Theme(s): Other rural development (P), Water resources management (P), Rural services and infrastructure (S), Rural policies and institutions (S), Infrastructure services for private sector development (S)

Project Development Objectives:

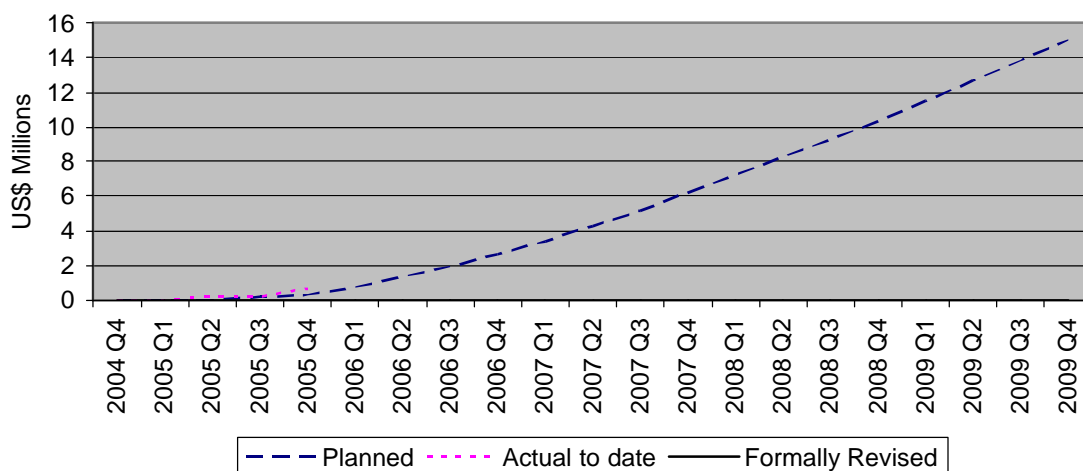
The primary objectives of the project are to: (a) increase agricultural production through the provision of reliable irrigation services, (b) increase the financial viability of irrigation and drainage schemes through institutional strengthening, and (c) reduce the risk of dam failures and floods through infrastructure repairs.

Progress toward achieving development objective(s):

The project became effective in late FY 2004. Civil works for rehabilitating five irrigation schemes have been started.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39140	Effective	14.88	0.66	14.24	0.00
IDA-Q3780	Closed	0.32	0.00	0.00	0.32
JPN-52419	Closed	0.43	0.43	0.00	0.00



Project Name (ID): Natural Resources Development (P082375)

Country: Albania

Board Approval Date: 06/09/2005

Closing Date: 11/01/2010

Loan/Credit/Grant Number: IDA-40740, JPN-53121, JPN-53325

Sector(s): Forestry (49%), General agriculture, fishing, and forestry (23%), Central government administration (18%), Flood protection (8%), Sub-national government administration (2%)

Theme(s): Land administration and management (P), Participation and civic engagement (P), Decentralization (S), Climate change (S), Water resources management (S)

Project Development Objectives:

The project development objective is to establish or maintain sustainable, community-based natural resource management in about 218 communes in upland and mountainous erosion-prone lands.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40740	Not Effective	6.71	0.00	6.71	0.00
JPN-53121	Effective	0.50	0.36	0.14	0.00
JPN-53325	Effective	0.58	0.16	0.42	0.00

Project Name (ID): Integrated Coastal Zone Management and Clean-Up APL (P086807)

Country: Albania

Board Approval Date: 06/21/2005

Closing Date: 03/31/2010

Loan/Credit/Grant Number: IDA-40830, IDA-Q4410, JPN-50511

Sector(s): General water, sanitation and flood protection (30%), Solid waste management (30%), General public administration (15%), Ports, waterways, and shipping (15%), Other social services (10%)

Theme(s): Land administration and management (P), Pollution management and environmental health (P), Other environment and natural resources management (S), Municipal governance and institution building (S), Environmental policies and institutions (S)

Project Development Objectives:

The development objective is to set-up and initiate an integrated coastal zone management approach to reduce coastal degradation. The project's global objective is to assist Albania in meeting its international commitments to protect the Butrint National Park under the Ramsar Convention on protection of wetlands.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40830	Not Effective	17.07	0.00	17.07	0.00
IDA-Q4410	Effective	1.50	0.15	1.35	0.00
JPN-50511	Closed	0.25	0.20	0.05	0.00

Project Name (ID): Energy Community of Southeast Europe APL 2 (P090656)

Country: Albania

Board Approval Date: 06/28/2005

Closing Date: 07/31/2009

Loan/Credit/Grant Number: IDA-40870

Sector(s): Power (100%)

Theme(s): Regulation and competition policy (P), Regional integration (P)

Project Development Objectives:

The objective of the investment component is to extend the lifetime and improve the quality, reliability, safety and efficiency of the bulk power transmission system by replacing aging existing facilities with new ones. The objective of the technical assistance component is to facilitate project implementation, strengthen the Transmission System Operator (TSO) and improve both the tariff structure and the procurement procedures applicable to electricity imports.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40870	Not Effective	25.83	0.00	25.83	0.00