

**Process Framework for the Lake Shkoder Integrated Ecosystems
Management Project**

Albania

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I. Introduction

1. The Albania-Montenegro Lake Shkoder Integrated Ecosystems Management Project (LSIEMP) aims to support and extend existing mechanisms for effective transboundary cooperation, at the local, regional, and national levels, for the preservation, management, and sustainable economic development of the Shkoder Lake region. The project has four components: A. Coordinating Lake Management; B. Monitoring and Research; C. Protected Area and Natural Resources Management; and D. Urgent Environmental Investments. Submitted for Global Environment Facility financing under the International Waters focal area, the project will attempt to build on the increasing attention Shkoder Lake and its rich biodiversity have been receiving in recent years, coordinating to the extent possible with other donor initiatives that are focused on environmental protection and economic development in the larger Lake watershed.
2. The results of applied studies and consultations conducted at different points during project preparation indicate that the project will not be able to achieve its environmental management and conservation aims without changing the way Lake-related natural resources are accessed and used. International good practice in the integrated management and/or protection of natural resources in critical ecosystems has shown that such changes have the greatest chance of being sustainable when the primary users of those resources are given a stake in the design and implementation of the proposed management practices. This document, known as a Process Framework, outlines the strategy for building community-level awareness of and support for the new resource regulatory regime developed under the LSIEMP for the Albanian side of the Lake. It describes provisions for the direct participation of adversely affected resource users in the targeted livelihood restoration and larger economic development activities foreseen under the GEF and related projects. In doing so, it refers to the goals and principles established for public engagement and participation in the LSIEMP as a whole. It also provides information on conflict-resolution and participatory monitoring mechanisms to be established in connection with the expected livelihood enhancement activities.

II. Restriction of Access Issues

3. Component C. of the project, Protected Area and Natural Resources Management, foresees the implementation of a number of concrete actions oriented to the more effective, sustainable management of resources connected to the Shkoder Lake basin. For example, under this component, zoning and management plans will be prepared for both the Shkoder

Lake Managed Natural Reserve (SLMNR) in Albania, and the Skadar Lake National Park (SLNP) in Montenegro. Equipment, training, and technical assistance will be provided to authorities in the two protected areas (PAs), putting them in a better position to enforce legal limits on the economic exploitation of Lake resources. A number of pilot habitat restoration actions will also be financed. These and similar activities will take place in the context of the strengthened transboundary institutional and legal structure for coordinating the management of the Lake's resources provided for in Component A., Coordinating Lake Management. Assuming they are implemented successfully, the activities are likely to result in the restriction of access of various individuals or groups to natural resources (such as freshwater fish stocks) on which they currently use and depend. In the absence of any countermeasures, those people who are dependent on such resources for income or food would see their standards of living suffer. This, in turn, could put the social sustainability of the LSIEMP at risk and, eventually, undermine its environmental sustainability as well.

4. The results of social analysis conducted for the project in Albania were summed up in two separate documents: i) a Social Assessment (SA) report dated March 2006, and; ii) a Social Action Plan dated May 2006.¹ A thorough review of these documents has been conducted, with an emphasis on their findings on the nature and extent of the dependency on the Lake's resources by different social groups, especially the poorest and most vulnerable among them. Other documents containing details relating to anticipated changes in spatial planning or resource restrictions, such as the Albanian Strategic Action Plan (SAP) and the Transboundary Diagnostic Analysis (TDA), were also reviewed. These various reviews have confirmed the initial impression that the project is likely to involve restriction of community access to and use of Lake area resources, and that adverse impacts stemming from such restriction are also likely. Some relevant data still needs to be collected as part of appraisal, and during the first year of project implementation; until it is, the full extent of the restrictions and the resulting impacts on local livelihoods will not be known. Yet the SA report and Social Action Plan were sufficiently detailed to allow project officials to make the following determinations regarding resource use and restriction in Albania:

5. Fishing

Fishing in Shkoder Lake includes fishing for household use, with residual amounts sold in an informal way in local markets, commercial fishing, and sports fishing. The SA report stated that although fishing has declined as main source of livelihood, it continues to exist as a primary activity for some men, especially in the lakeside villages of Shiroke and Zogaj. An in-depth socioeconomic survey (SES) will be conducted as part of a comprehensive baseline data collection process that will start during project appraisal and extend through the initial phase of project implementation. This will help determine the extent of likely negative impacts should restrictions on fishing be necessary to achieve sustainable management and preservation of Lake ecosystems.

6. There is an indication that populations of some fish (particularly commercially valuable migratory species) are declining, and that this might be due in part to i) an increase in the number of active fishermen on the lake, and ii) the methods they are using to increase catch sizes. There have been reports of a sixfold increase in the number of fishermen on the

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Albania side since 1990. As many as half of the estimated 1,000 fishermen currently on the Lake are unlicensed by the government. In order to gain a clearer idea of the ratio of licensed to unlicensed fishermen, a fishing practices study has been organized during project preparation. This study will also help to determine the extent of use of illegal and unsustainable fishing methods (such as dynamite or electric shock), and who is using them. The results will be correlated with the results of a fish resources assessment (designed to quantify variations in fish stock sizes and species composition) conducted during the first year of the project.

7. Other Types of Resource Use

There are examples of other uses of animal, plant, or mineral resources in the Lake area, but the preliminary indication is that restricting access to or the use of these resources is not likely to have an adverse impact on local livelihoods in Albania. The reasons are that either i) the resource is exploited for sporting purposes, and not subsistence (as in the case of waterfowl hunting); or ii) the resource is exploited so informally or in such small quantities that it does not make up a significant part of villagers' livelihood strategies (as in the case of the collection of sage and other medicinal herbs). There may be cases in which the exploitation of a resource by licensed commercial interests is restricted, creating impacts that have to be addressed through some kind of countermeasure. This and similar possibilities will be explored through the SES conducted in the first year of the project.

III. Process Framework

8. In light of the discussion of artisanal fishing above, the World Bank's policy on involuntary resettlement, OP/BP 4.12, is triggered. Paragraph 3.(b) of OP 4.12 makes it clear that the policy applies when restriction of access to legally designated protected areas has the potential to result in adverse impacts on the livelihoods of the affected persons. It goes on to clarify that restriction of access covers restrictions on the use of resources imposed on people living outside a PA, or on those who continue living inside the PA during and after project implementation (OP 4.12, footnote 9). The required response is the preparation of a Process Framework, as a specialized instrument describing the processes and procedures to be followed specifically in such cases.
9. As per OP 4.12, this Process Framework describes the participatory process by which i) specific components of the LSIEMP will be prepared and implemented; ii) the criteria for eligibility of affected persons will be determined; iii) measures to assist the affected persons in their efforts to improve or restore, in real terms, their livelihoods to pre-displacement levels while maintaining the environmental sustainability of the Shkoder Lake Managed Natural Reserve will be identified, and; iv) potential conflicts involving affected persons will be resolved.² It also describes the arrangements for implementing the measures, spelled out in a "Plan of Action" to be prepared during implementation, and for monitoring their effectiveness. Each of these points is described in the sections that follow.

IV. Participatory Approach

² Another Process Framework that addresses the particular situation with restriction of access to and use of natural resources by people living in the northern part of the Lake basin has been developed for application in Montenegro.

10. Because of the multifaceted management needs of the Lake, and the large number of people making use of it in some way, the LSIEMP will pursue an integrated approach to land and water management issues. This will involve promoting cross-sectoral, multi-stakeholder cooperation for improved environmental quality in the binational Shkoder Lake region. Such an approach to environmental conservation or PAs management is relatively new in both countries undertaking the project. Sustaining multi-stakeholder participation will be challenging in Albania, but some recent precedents exist.
11. Two ongoing projects supported by the World Bank in the country, the Integrated Coastal Zone Management and Clean-Up project and the Fishery Development project, have helped put in place mechanisms for involving ordinary citizens and concerned stakeholders (such as local NGOs) in decisions over resource allocation and use. The second project, in particular, has worked to organize and capitalize fishermen in Shiroke and Zogaj. Another actor that has been very active in the project area both Albania and Montenegro from the public engagement point of view is the NGO Regional Environmental Centre for Eastern and Central Europe (REC), working on the development of public communications strategies and media education and engagement campaigns.
12. Preparation of the LSIEMP itself has been deliberately paced, providing multiple entry points for public participation, mainly through consecutive consultation processes. Meetings and discussions feeding into the development of the SA, Social Action Plan, SAP, and this Process Framework all created opportunities through which the users of Lake resources (including potentially affected people) have been able to make their views, ideas, and concerns known. This type of engagement is expected to be continued and deepened during the preparation and discussion of the environmental management framework prior to project appraisal, and the development of spatial zoning and PA management plans during implementation.
13. Standing Albanian legislation provides a basis for both the public engagement efforts that have been carried out so far and the ones that are planned, including those foreseen under this Process Framework. The 2003 law on Environmental Impact Assessment (no. 8990), and the subsequent regulation entitled “On Public Participation in the EIA Process,” spell out provisions for public consultation via public hearings and access to information. The 2002 law on Protected Areas provides for the more active participation of civil society organizations and local authorities in the establishment and management of PAs. Where standards and procedures specified in the existing Albanian legislation are not sufficient to meet the participation requirements of OP/BP 4.12, the project will seek to apply enhanced procedures and mechanisms. For example, in developing the first management plan for the newly decreed SLMNR, Albanian authorities will have to consult a broad range of stakeholders, consultations for which national legislation may well be sufficient. But at the same time, the LSIEMP will recognize resource-dependent people whose livelihoods suffer as a result of resource restrictions under the project as a special case. This means it will endeavor not simply to consult with them, but to engage them as partners in decision-making, with respect to the determination of eligibility criteria, the design and implementation of targeted livelihood restoration measures, and the monitoring of relevant activities.

V. Process to be Followed

14. The process for engaging project-affected people is described mainly in reference to the case of artisanal fishermen, since this is the one group that has been identified as likely to suffer from adverse impacts resulting from restrictions of access to and use of fish resources in Shkoder Lake. However, the process shall be flexible enough that other affected resource user groups identified in the SES can be incorporated into the project implementation framework and given a chance to voice their concerns and preferences regarding project impacts and possible mitigation actions. The SES will be conducted as part of Component B., Objective 5., “Monitoring of socio-economic conditions in the Lake area.”
15. The means for the regular and effective participation of fishermen (and of any other groups of affected people) will be resource user committees organized at the level of village or municipality/commune. Each committee will elect one or two of its members to represent it in a single umbrella body or organization that will coordinate with the appropriate institutions, such as the Fishing Inspectorate and the soon-to-be established Administration for SLMNR, on the following actions: i) acknowledging the range of adverse impacts confirmed through the SES; ii) assessing the significance of those impacts; iii) determining the most appropriate types of income restoration measures to be pursued; iv) determining who is to benefit from which types of measures; and v) providing feedback to ensure effective implementation and, eventually, proper evaluation of the outcomes of the measures. The initial organization of both the resource user committees and the umbrella body will be the responsibility of the national LSIEMP Coordinator in conjunction with appropriate staff in the Ministry of Environment. Their functioning will be provided for as part of Component C., Objective 2., Activity 2.4, “Facilitate creation of resource user committees for organizing fishermen within and across villages.”
16. Because unlicensed fishermen who depend on fishing for their livelihoods stand to lose as much as others from the effective enforcement of fishing restrictions, they too will be allowed to join the village-based resource user committees. The aim is to reduce unregulated fishing as much as possible by giving unlicensed fishermen the chance to either legitimize their practices or transition into other livelihood activities, as described below.
17. The project will attempt to facilitate the strengthening and/or enforcement of laws and regulations pertaining to the natural resource use in and around the Lake, using a combination of incentives and disincentives that will be determined during project implementation with inputs from the appropriate resource user umbrella organization(s). For example, LSIEMP will make funds available for improvements in the regulated fishing trade (such as by creating fish markets in Shkoder where only licensed fishermen can sell their catches), while also funding the application of stronger, fairer controls (such as by training and motivating rangers to enforce restrictions on illegal fishing methods across the Lake). If affected fishermen so agree, and if the results of the fish resources assessment indicate that the Lake can bear it, unlicensed fishermen will also have an opportunity to participate in activities oriented toward strengthening the regulated fishing trade. Under this scenario, they will be issued licenses and brought within the legal fishing regime. The development of

fisheries and regulated fishing are provided for as part of Component C., Objective 2., Activity 2.3, “Identify, support, and invest in incentives to legal fishing.”

18. Regardless of the results of the fish resources assessment, all adversely affected fishermen will be encouraged to take advantage of alternative livelihood opportunities supported by the LSIEMP. Such opportunities fall into two categories. The first category consists of activities that build on the existing natural and human capital base in affected areas so as to improve the fishermen’s livelihood opportunities in economically viable, environmentally friendly ways. Possible activities would focus on investments in the processing and marketing of goods and services. This includes some activities that are already pursued in the area (e.g. handicrafts production, the production of certain medicinal plants, family-based aquaculture in localized fish ponds, etc.) or be essentially new (e.g. agro-industrial business development using updated technologies). The second category consists of an array of activities supported by the project to promote broad-based, sustainable economic growth in the Lake region. For example, in Albania the revival of domestic tourism along the lakeshore could provide employment alternatives for artisanal fishermen or other affected people, as the case may be. The implementation of productive activities are provided for as part of Component C., Objective 2., Activity 1.2, “Identify and promote pilots in commodity-chain development.” The implementation of activities linked to regional economic development is provided for as part of Component C., Objective 2., Activity 1.1, “Promotion of village economies based on ‘wise use’ of natural resources” and Component C., Objective 5., “Promotion of sustainable tourism based on natural and cultural values.”
19. Whatever alternative livelihood activities are finally decided on, affected people will be able to make the most of them through targeted training and/or organizational capacity building opportunities. These opportunities are provided for as part of Component C., Objective 1., Activity 5.4, “Develop and implement training programs for people adversely affected by restriction of access to resources.”.
20. The umbrella organization that represents the various resource user committees will play a key role in ensuring that affected people have a voice in the corresponding resource decision-making processes. For example, it will provide for the representation of artisanal fishermen in the working groups charged with preparing the Fisheries Management Plan that is to form part of the zoning and management plans for the Albania side. Beyond that, the umbrella organization will collaborate with the relevant authorities in the development of an “Action Plan” that not only outlines agreed restrictions on resource use but also specifies the livelihood measures to be implemented at the community level by the LSIEMP. As per OP/BP 4.12, this Action Plan needs to be submitted to the World Bank during project implementation but before the enforcement of any resource restrictions. Its preparation is provided for as part of Component C., Objective 2., “Development of viable and sustainable village economies.”
21. While the Action Plan will document the final agreements regarding implementation arrangements for the productive pilot activities, the implementation itself is likely to be undertaken by the SLMNR Administration, in coordination with the relevant public and

private entities (such as the Regional Council, Fishing Inspectorate, Municipality of Shkoder and other relevant municipalities).

VI. Conflict Resolution Mechanisms

22. Assuming the system of village-based resource user committees linked to a broadly representative umbrella body works as it should, separate mechanisms for mediating and resolving conflicts within or between affected communities should not be necessary. These first two levels of organization will take precedence as far as the airing of any grievances and resolution of any conflicts are concerned. However, should any conflicts arise that cannot be solved at this level, they will be referred to an ad-hoc body that will be created within the framework of the SLMNR Administration. This conflict-resolution group will be co-chaired by the SLMNR Director and the Chairperson of the umbrella organization, and will consist of an appropriate representative of the Administration's staff (ideally, a community relations specialist), a representative of the appropriate Inspectorate (e.g. the Fishing Inspector), and any resource user committee heads considered to be impartial with respect to the particular conflict or grievance under consideration. Together these group members will consider the nature of the conflict or grievance, hear any statements or supporting evidence presented by the parties to the conflict, gather additional evidence as appropriate, and recommend solutions that they have arrived at by consensus.
23. Should any conflicts arise that are cross-border in nature, they will be referred to an ad-hoc body created within the framework of an appropriate transboundary institution, such as the bilateral Working Group on Public Outreach and Education established under the LSIEMP. This body will include adequate representation from any umbrella organizations and/or resource user committees that are considered to be impartial in the matter. It will be convened in order to consider the conflict or grievance and to recommend solutions arrived at by consensus.

VII. Monitoring Arrangements

24. Under Component B. of the LSIEMP, a joint data management system will be established to monitor key elements of ecosystem health and socio-economic well being in relation to the project's objectives and activities. This system will provide for both the periodic collection of data and its storage and use through a database housed in the project Secretariat. The collection and management of data relating to livelihood activities for affected people will be provided for as part of Component B., Objective 5., "Monitoring of socio-economic conditions in the Lake area." Such monitoring can be further broken down into two distinct but interrelated activities: i) the study of patterns and trends in natural resource use by local populations, with an emphasis on subsistence and small-scale commercial practices; and ii) the study of patterns and trends in local-level well-being according to standard socio-economic indicators. While carrying out both types of monitoring will require inputs from local stakeholders, the second is more likely to involve direct, continuous engagement with affected groups, as it is more amenable to the use of participatory data collection methodologies and subjective indicators selected by affected people themselves.

25. The research program for the first year of the project will include a detailed socio-economic study that establishes a baseline for local-level well-being as measured by a series of standard indicators (e.g. income level, employment type, productivity level, etc.). This will serve as a first step toward the implementation of the Process Framework on the Albania side, as it will provide an indication of the resource user committees that need to be organized. It will also provide the various committees and the umbrella body, once they become functional, with disaggregated information they can use in helping to develop sensible eligibility criteria for assistance under the project, and to decide on the most appropriate livelihood measures to pursue in response to the likely increased restrictions on resource use. As implementation of the agreed income restoration measures proceeds, the committees will assume a vital role in the monitoring of project outputs and outcomes, by reporting their members' views on the differences in well-being that the measures have made.