

ALBANIA

NATURAL RESOURCES DEVELOPMENT PROJECT

PROJECT DOCUMENT

EUROPE AND CENTRAL ASIA

ECSSD

Date: April 18, 2005 Country Director: Orsalia Kalantzopoulos Sector Manager/Director: Marjory-Anne Bromhead Project ID: P082375 Lending Instrument: Specific Investment Loan		Team Leader: John W. Fraser Stewart Sectors: General agriculture, fishing and forestry sector (80%);Flood protection (20%) Themes: Land administration and management (P);Decentralization (S);Participation and civic engagement (S);Climate change (S);Biodiversity (S) Environmental screening category: Partial Assessment Safeguard screening category: Limited impact	
Global Supplemental ID: P089061 Lending Instrument: Specific Investment Loan Focal Area: M-Multi-focal area Supplement Fully Blended?: Yes		Team Leader: John W. Fraser Stewart Sectors: General agriculture, fishing and forestry sector (80%);Flood protection (20%) Themes: Land administration and management (P);Environmental policies and institutions (S);Participation and	
Project Financing Data			
<input type="checkbox"/> Loan <input checked="" type="checkbox"/> Credit <input checked="" type="checkbox"/> Grant <input type="checkbox"/> Guarantee <input type="checkbox"/> Other:			
For Loans/Credits/Others: Total Bank financing (US\$m.): 7.00 Proposed terms:			
Financing Plan (US\$m)			
Source	Local	Foreign	Total
BORROWER/RECIPIENT	2.03	0.18	2.20
INTERNATIONAL DEVELOPMENT ASSOCIATION	6.75	0.26	7.00
GLOBAL ENVIRONMENT FACILITY	4.66	0.34	5.00
SWEDEN: SWEDISH INTL. DEV. COOPERATION AGENCY (SIDA)	4.60	0.61	5.20
Total:	18.03	1.38	19.40
Borrower:			
Albania			
Albania			

Responsible Agency:

Ministry of Agriculture and Food

Tirana

Albania

Estimated disbursements (Bank FY/US\$m)

FY	2006	2007	2008	2009	2010	2011	0	0	0
Annual	1.18	1.78	1.66	1.23	0.94	0.21	0.00	0.00	0.00
Cumulative	1.18	2.96	4.62	5.85	6.79	7.00	7.00	7.00	7.00

GEF Estimated disbursements (Bank FY/US\$m)

FY	2006	2007	2008	2009	2010	2011	0	0	0
Annual	0.53	1.33	1.53	1.12	0.43	0.06	0.00	0.00	0.00
Cumulative	0.53	1.86	3.39	4.51	4.94	5.00	5.00	5.00	5.00

Project implementation period: Start March 1, 2005 End: May 1, 2010

Expected effectiveness date: October 1, 2005

Expected closing date: October 1, 2010

Does the project depart from the CAS in content or other significant respects? Yes No
Ref. PAD A.3

Does the project require any exceptions from Bank policies? Yes No
Ref. PAD D.7

Have these been approved by Bank management? Yes No

Is approval for any policy exception sought from the Board? Yes No

Does the project include any critical risks rated "substantial" or "high"? Yes No
Ref. PAD C.5

Does the project meet the Regional criteria for readiness for implementation? Yes No
Ref. PAD D.7

Project development objective Ref. PAD B.2, Technical Annex 3

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. This will lead to enhanced productivity and incomes derived from sustainable resource management, reduced soil degradation, improved water management, conservation of biodiversity, and strengthened public sector management of these resources.

Global Environment objective Ref. PAD B.2, Technical Annex 3

The project global environmental objective is to reverse severe degradation of upland and mountainous erosion-prone lands, and sediment runoff to the Adriatic Sea, through rehabilitating and sustainably managing natural resources, including globally significant biodiversity.

Project description [one-sentence summary of each component] Ref. PAD B.3.a, Technical Annex 4

The first component will (i) strengthen participatory communal forest and pasture management in communes that were supported under the AFP, (ii) introduce participatory communal forest and pasture management in additional communes that were not supported under the AFP, and (iii) implement capacity-building measures and priority actions to improve the governance of forest and pasture resources.

Based on successful Bank experiences in other countries, the second component will pilot in 30 communes an integrated and multi-sectoral approach to planning and management of natural resources at the level of micro-catchments (MCs) in three of Albania's seven watersheds. This will include the integration of forest and pasture management with crop and livestock production, as well as soil and water conservation, in a mutually reinforcing manner. This component will also build the capacity of Government, Drainage Boards and commune staff, at district, regional and national levels in the context of MC management. Last, it will inform ongoing legal developments regarding land administration and tenure.

The third component will support project management and monitoring.

Which safeguard policies are triggered, if any? **Ref. PAD D.6, Technical Annex 10**
Environmental Assessment (OP/BP/GP 4.01)
Forests (OP/BP 4.36)

Significant, non-standard conditions, **if any**, for:

Ref. PAD C.7

Board presentation:

Loan/credit effectiveness:

The GEF Grant and IDA Credit Agreements include a standard cross-effectiveness condition.

Covenants applicable to project implementation:

Dated covenants:

- Not later than January 31, 2006, the PIOC, the PTC, the PMT and the RWSTs shall be operational and adequately staffed, and thereafter maintained, under terms of reference acceptable to the Bank.

Other covenants:

- Prepare and submit to the Bank an annual review of the DGFP budget;
- Prepare and submit a report of the results of the monitoring and evaluation activities at mid-term;
- Take all measures necessary to ensure that the Project is implemented in full compliance with the provisions of the Environmental Management Framework and the Project Implementation Manual in a timely manner.