

Implementation Status & Results
Albania
Integrated Coastal Zone Management & Clean-Up Project (APL #1) (P086807)

Operation Name: Integrated Coastal Zone Management & Clean-Up Project (APL #1) (P086807) Project Stage: Implementation Seq.No: 16 Status: ARCHIVED Archive Date: 28-Dec-2013

Country: Albania Approval FY: 2005
 Product Line: IBRD/IDA Region: EUROPE AND CENTRAL ASIA Lending Instrument: Adaptable Program Loan
 Implementing Agency(ies):

Key Dates

Board Approval Date	21-Jun-2005	Original Closing Date	31-Mar-2010	Planned Mid Term Review Date	15-Oct-2012	Last Archived ISR Date	08-Jun-2013
Effectiveness Date	29-Nov-2005	Revised Closing Date	30-Jun-2014	Actual Mid Term Review Date	13-Nov-2012		

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is to assist the Government of Albania in developing, on a sustainable basis, tourism in the South Albania coast by improving critical public environmental infrastructure and municipal services, remediating and containing pollution hazards from a former chemical plant in Porto Romano near Durres, improving community infrastructure and enhancing architectural and cultural resources.

Has the Project Development Objective been changed since Board Approval of the Project?

Yes No

Component(s)

Component Name	Component Cost
Porto Romano Hot Spot Clean-up	4.28
PROJECT MANAGEMENT, MONITORING AND COORDINATION	2.10
Protected Areas Management Strengthening (formerly named Integrated Coastal Zone Management)	1.95
Coastal Management Infrastructure and Rehabilitation	26.74

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Moderately Unsatisfactory	Moderately Unsatisfactory
Overall Implementation Progress (IP)	Moderately Unsatisfactory	Moderately Satisfactory
Overall Risk Rating	Substantial	Substantial

Implementation Status Overview

The new Government of Albania sworn in September 2013 transferred the project from the Ministry of Infrastructure and Transport (MoIT) (former Ministry of Public Works and

Transport) to the Ministry of Urban Development and Tourism (MUDT). A new Project Authorizing Official was appointed in October 2013. Following the Bank mission in April 2013, the Project made progress by launching the construction works for majority of the infrastructure investments. Since April 2013, 19 works contracts were signed. Most of the agreed actions in April 2013 were completed. Despite the recent progress, concerns remain about the completion of ongoing construction contracts within the remaining seven months and before the closing date on June 30, 2014. Disbursements remain low, and were affected by (a) the transfer of the project from MOIT to MUDT, and (ii) time lapse for completion of administrative procedures, including issuance of the letter of authorized signature and specimen for withdrawal applications. Compared to the previous period disbursements picked up insignificantly. IDA credit disbursements reached 55 percent; Japan PHRD grant - 68.5 percent and the Austrian Development Grant – 25 percent. Several issues require immediate attention by the Government of Albania. The most urgent one is to execute the compensation payments for land expropriation for the Palavli-Bajkaj Landfill which are overdue since July 2013. The recent decision of Himara Municipality to change the site of the Solid Waste Transfer Station prevented the contractor to enter the site. This is a major concerns which if not resolved will prevent the Government to fully archive the objective of solid waste management component of the project. Another issue concerns the completion of remaining works for the Gateway of Saranda and rehabilitation of passenger terminal. Project investments, where progress was reported include: (i) 30 percent of the works on the Sanitary Landfill construction and access road are completed; (ii) investments in the Saranda water supply and sewerage system are progressing with about 25 percent completion rate. Construction of the pressure line from the Waste Water Treatment Plant to Cuka Channel and the Navarica main transmission line are progressing according to schedule; (iii) 8 village road rehabilitation projects and 5 village water supply investments (total of US\$ 3.05 million) under the Coastal Village Conservation Development (CVCD) program, phase two, are under construction with an average completion rate of 35 percent. Roof and Facades rehabilitation program has picked up momentum with 9 houses completed and 11 nearly completed. Overall, the project continues to experience serious implementation challenges which requires intense oversight and support from all Government agencies in order to complete the agreed action, and complete ongoing works during the remaining months before project closure.

Locations

Country	First Administrative Division	Location	Planned	Actual
Albania	Vlorë	Xarrë	✓	
Albania	Not Entered	Sarande District		
Albania	Vlorë	Lukovë	✓	✓
Albania	Not Entered	Ksamil		
Albania	Not Entered	Vuno		
Albania	Not Entered	Vlore District		
Albania	Not Entered	Qeparo		
Albania	Not Entered	Porto-Romano		
Albania	Not Entered	Piqeras		
Albania	Not Entered	Palase		
Albania	Not Entered	Orikum Municipality		
Albania	Not Entered	Himare		
Albania	Not Entered	Dhermi		
Albania	Vlorë	Qarku i Vlorës	✓	✓

Country	First Administrative Division	Location	Planned	Actual
Albania	Qarku i Vlores	Qarku i Vlores	✓	
Albania	Not Entered	Butrint National Park		

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Increased % of population served by newly built landfill site and transfer station	<input type="checkbox"/>	Metric ton	Value	0.00	0.00	25000.00
			Date	24-Feb-2005	20-Nov-2013	30-Jun-2014
			Comments	There is no safe disposal of solid waste at the South Coast at the time of appraisal (2005) and restructuring (2010)	Construction of sanitary landfill is ongoing according to schedule with completion rate of 30%.	25,000 cub m /year of household waste properly disposed in sanitary landfill.
Improvement of the water supply and sewerage system in Saranda	<input type="checkbox"/>	Text	Value	Existing WS system ineffective to meet the waters supply and sanitation needs of Saranda	30% completion rate.	Reconstruction of sewer networks (2.1 km of new sewer lines) and extension of water supply (2.5 km). Construction of wastewater outlet from the WWTP in Saranda to the Chuka Channel (2.8 km). [12.5 km] Navarica Trunk main replaced.
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments	Prior to and at project restructuring	Works for Saranda water supply and sewage investments are ongoing according schedule with 30% completion rate.	
Increased access for international tourists and access of cruise liners to the Southern Coast	<input type="checkbox"/>	Text	Value	Existing Passenger Port Terminal of Saranda inadequate to provide access of cruise liners which a constant to increase number of international tourists.	Around 95% of physical works are completed.	A new 180 m berth front with 9 meter water depth, paving, drainage, fencing and utilities constructed.
			Date	25-Apr-2005	20-Nov-2013	30-Jun-2014

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			Comments	Prior to and at project restructuring	Due to unresolved legal issues between the contractor and sub-contractor the MUDT launched preparation for competitive selection of a contractor to complete the remaining 5% of port rehabilitation works in the spring of 2014.	
Remediation of contaminated sites through removal and containment of hazardous materials in Porto Romano to reduce human health hazards	<input type="checkbox"/>	Text	Value	Contaminated materials from the site removed and safely stored (baseline at restructuring); Containment of on-site contamination not addressed	Cleanup is 100% completed.	Safe landfill facility for encapsulation of 45,000 m3 of hazardous waste on one of the hazardous sites constructed.
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments	At project restructuring in 2010	Porto Romano cleanup is completed. Site monitoring is carried by the Regional Environmental Agency on bi-annual basis.	Encapsulation of contaminated material and safe disposal is completed. Target is fully met.
Community-based investments in coastal villages have improved environmental infrastructure enabling sustainable tourism development in the Southern Coast	<input type="checkbox"/>	Text	Value	There are no specific investments targeting village infrastructure in the coastal villages supporting sustainable tourism activities.	30% completion rate of physical works.	Round two of community based infrastructure investments including Roof and Facades Rehabilitation and B&B window implemented.
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments		CVCD-2 village investments include access roads rehabilitation in Dhermi, Ilias, Nivice, Piqeras, Ksamil, Aliko, Xarre, Bajkaj and Palavli and water supply schemes in Qeparo, Ilias, Palase, Lukove, Bakaj and Palavli. 4000 permanent residents will benefit from the roads rehabilitation program, and 4500 residents from improved water supply. Physical investments are ongoing for	

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					the water supply schemes and roads rehabilitation according to schedule.	
Protection and promotion of vernacular architecture of the South Coast	<input type="checkbox"/>	Text	Value	none	The rehabilitation works in 20 house are either completed or nearly completed. Financial Agreements for the remaining houses with designs are to be signed by end December.	Up 62 houses included in the R&F program.
			Date		20-Nov-2013	30-Jun-2014
			Comments	n/a	The target has been reduced to 62 houses due to a number of drop outs as a result of the financial crisis that affected the ability of homeowners to pay their contributions.	

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Reconstruction of the water supply and sewer networks in Saranda.	<input type="checkbox"/>	Text	Value	Inadequate WSS system in place.	The contract was signed and construction works are underway with completion rate of 30%.	Execution of water supply and sanitation works completed including wastewater outlet, 12.5 km main trunk and reservoir rehabilitation to improve storage capacity.
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments	n/a	Civil works are ongoing.	
Service contract signed with participating municipalities and communes for waste disposal.	<input type="checkbox"/>	Text	Value	No provisions for commercial operation of the landfill facility (prior to and at restructuring).	A Memorandum of Understanding signed with participating municipalities.	(1) Service contract signed with participating communities (2) Contract signed with landfill operator
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments	No prior experience in Albania with commercial operation of landfills.	Actions related to development of tariff system and confirmation of the tipping fee (cost per ton), nomination of IMC Board members and signing of the Service Level Agreement by communities have not made progress due to recent change of	

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					government. Meeting chaired by PAO was held with representative of municipalities on Nov 19, 2013 in Tirana to agree on actions and timeline for their completion.	
Coastal communities and Local Government Units participate in Coastal Village Conservation Development (CVCD) Program identification	<input type="checkbox"/>	Text	Value	Communities actively participated in round one of the CVCD program	Dhermi, Ilias, Nivice, Piqeras, Ksamil, Aliko, Xarre, Bajkaj and Palavli participate in road rehabilitation projects; and Qeparo, Ilias, Palase, Lukove, Bakaj and Palavli in water supply projects. Communes have paid 50 % of their contributions. Roof and Facades projects are ongoing albeit several drop outs were recorded due to financial insolvency of home owners.	1) Village infrastructure rehabilitation program completed 2) Roof and facade rehabilitation projects implemented in up to 75 houses 3) Up to 20 homeowners involved in B&B services program
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments	Prior to 2010 project restructuring majority of village project investments under CVCD-1 were successfully completed.	Communes are actively engaged through the entire project cycle. 20 houses under the R&F program are nearly completed.	
Technical assistance for operation and maintenance of community waste supply systems and roads and Roof & Facade (R&F) and small scale tourism provided to participating villages	<input type="checkbox"/>	Text	Value	No TA in place prior to project restructuring.	Training carried out.	a) TA for O&M of village water supply system and road maintenance provided to village participation in Round two of CVCD Program b) TA provided for the design of R&F and B&B investments
			Date	22-Mar-2010	20-Nov-2013	30-Jun-2014
			Comments	TA is planned for CVCD round two.	Training for Bed and Breakfast carried out in coastal communities.	
Risk assessment undertaken for the Porto Romano hot-spot.	<input type="checkbox"/>	Text	Value	N/A	No further monitoring of this action is needed.	RA completed prior to design of encapsulation and containment of contaminated site in Porto Romano

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Rehabilitation of Port of Saranda facilities to facilitate tourism access to the Southern Coast.	<input type="checkbox"/>	Text	Date	24-Apr-2005	20-Nov-2013	31-Dec-2012
			Comments	n/a	Completed.	Completed.
			Value	N/A Saranda's old passenger port facilities in operation	Around 95% of port rehabilitation works are completed.	Completion of passenger port rehabilitation infrastructure as per the design parameters; Port facilities operational
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
Resettlement of the families on the former site completed in accordance with the agreed Resettlement Action Plan and legal titles provided.	<input type="checkbox"/>	Text	Comments	Same at project restructuring.	Quality of works is satisfactory. Completion of port works is however delayed due to legal dispute between the contractor and sub-contractor. Competitive selection of contractor for the remaining about 5% of physical works is being launched aiming to commission the port terminal during the spring of 2014 .	
			Value	Resettlement Action Plan for Porto Romano completed prior to appraisal	Apartment titles are being processed by IPRO Durres.	Titles granted to four families
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
Landfilling and encapsulation of 45,000 m3 of hazardous waste on one of the sites.	<input type="checkbox"/>	Text	Comments	Actions pending during restructuring. New deadline established by amendment of DCA.	The action is substantially completed.	
			Value	No hazardous waste landfilled and encapsulated in Porto Romano.	100% of the planned cleanup works are completed, CDF commisioned and site is monitored by the Regional Environmental Agency.	a) Execution of remediation works completed by December 2010 b) Site after-care program designed and agreed with Durres municipalityand MOEFW A c) Site monitoring infrastructure in place
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments		Target met.	Target fully met.

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Social & Vulnerability Assessment carried out in accordance with agreed Terms of Reference	<input type="checkbox"/>	Text	Value	No SVA available.	The action is completed as scheduled.	SVA completed in accordance with TORs
			Date	24-Apr-2005	20-Nov-2013	30-Jun-2014
			Comments		No further monitoring is required.	Action completed.
Improved waste disposal infrastructure for the Southern Coast built in Saranda with a capacity of 25,000 m3 per year and the accompanying transfer station in Himare.	<input type="checkbox"/>	Text	Value	No waste disposal infrastructure in place for the South Coast	Contrcats were signed for sanitary landfill and transfer station (TS). Works on landfill are ongoing according schedule. Works onTS significantly delayed.	Bajkaj landfill and Transfer Station in Himare operational
			Date	31-Dec-1969	20-Nov-2013	30-Jun-2014
			Comments	N/A	Works on the landfill are progressing with 30% completion rate. Risks remain concerning the commencement of works on the site of TSdue to new concerns raised by residents about the location of the TS. This is being monitored by the MUDT and agreement reached to inform the Bank of action taken by mid December 2013.	

Data on Financial Performance (as of 13-Dec-2013)

Financial Agreement(s) Key Dates

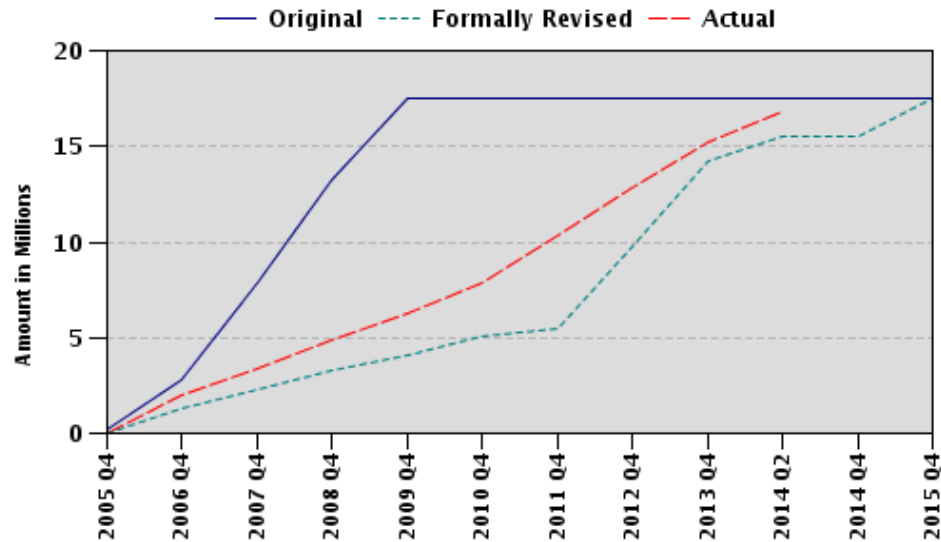
Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P086807	IDA-40830	Effective	21-Jun-2005	29-Jun-2005	29-Nov-2005	31-Mar-2010	30-Jun-2014
P086807	TF-54399	Closed	02-Jul-2005	02-Jul-2005	02-Jul-2005	30-Jun-2006	30-Jun-2008
P086807	TF-54400	Closed	29-Nov-2005	29-Nov-2005	29-Nov-2005	31-Dec-2008	30-May-2011
P086807	TF-55065	Effective	26-Aug-2005	26-Aug-2005	29-Nov-2005	31-Mar-2010	30-Jun-2014
P086807	TF-55922	Effective	17-May-2006	17-May-2006	17-May-2006	31-Mar-2010	30-Jun-2014
P086807	TF-55924	Closed	25-Nov-2005	25-Nov-2005	29-Nov-2005	31-Aug-2008	30-Jun-2009

Disbursements (in Millions)

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P086807	IDA-40830	Effective	USD	17.50	17.50	0.00	9.72	8.12	56.00

P086807	TF-54399	Closed	USD	0.55	0.54	0.01	0.54	0.00	100.00
P086807	TF-54400	Closed	USD	3.11	2.61	0.50	2.61	0.00	100.00
P086807	TF-55065	Effective	USD	2.23	2.23	0.00	1.51	0.72	68.00
P086807	TF-55922	Effective	USD	2.70	2.70	0.00	0.68	2.00	25.00
P086807	TF-55924	Closed	USD	5.87	1.97	3.90	1.76	0.00	89.00

Disbursement Graph



Key Decisions Regarding Implementation

The MUDT agreed on a plan of priority actions to follow up which will be monitored on a regular basis.

Restructuring History

Level one Approved on 22-Mar-2010, Level two Approved on 28-Jan-2011, Level two Approved on 21-Nov-2012

Related Projects

P085089-Albania Butrint Global Biodiversity and Heritage Conservation