

## **SCALING-UP COMMUNITY-DRIVEN DEVELOPMENT: A STRATEGY FOR ALBANIA**

1. The fundamental objective of community driven development (CDD) is to make economic development and poverty reduction efforts more effective, inclusive, sustainable, and cost effective. CDD gives communities and their organizations responsibility for and control over decisions and resources. The CDD approach entails a process by which community groups organize and take action to achieve their common goals. This should be done in the context of an enabling policy environment and with support from responsive institutions including private suppliers, local government, and national agencies.
2. The importance of community participation in project work is not new in Bank projects, but is now receiving added attention, as an approach that complements the current attempts at decentralization and should improve the effectiveness and responsiveness of local governments. In the ECA region, it is hoped that the CDD approach can play an important role by:
  - supporting the incipient efforts of client governments in their shift from centralized decision-making to decentralized participatory decision-making;
  - aiding governments to move away from systems of patronage and corruption to transparency and rights-based governance;
  - strengthening the capacity of communities to become involved in planning and implementation of development activities and to transform their condition of vulnerability to one of security and co-operation; and
  - rebuilding institutions based on positive social capital and, where feasible, local traditions.
3. In response to this recognition, four ECA countries have been identified in ECA to serve as pilot countries for scaling up CDD. Albania is one of them. The purpose of this note is to outline an approach for scaling up a community-driven approach to development.

### **Background: The Social Context of Albania**

4. Enver Hoxha, who ruled the country between 1944 through 1985, shaped Albanian communism. His rule sought to mold a communist identity by imposing isolation and a totalitarian ideology. The result was serious economic deprivation. In the early 1990s, Albania remained predominantly rural, with about 65 percent of the population living in villages or the countryside. Rural-to-urban migration was contained as a result of the regime's aggressive programs, initiated during the Third Five-Year Plan (1961-65), to restrict urban growth, build up agriculture, and accelerate rural development.
5. Since the overthrow of the communist regime in 1991, Albania has experienced great economic and political instability. Post-communist Albania has seen two collapses in central authority, in 1991 and again in 1997. The first, which coincided with the end of central planning, saw a fall in real GDP of about 40 percent over three years (according to the World Development Indicators Database). The following years saw significant recovery, but this was interrupted by the collapse of a series of pyramid-

investment frauds. This precipitated severe economic disruption, security problems, and civil disorder, resulting in fragmentation of the fragile Albanian society. GDP is estimated to have declined by 7 percent in 1997, while inflation reached over 40 percent, and the exchange rate depreciated by 20 percent (CAS FY99-01). The crisis exposed Albania's extremely weak state and public institutions, which were unable or unwilling to enforce Albania's own laws and regulations and had allowed the pyramid schemes to mushroom to huge proportions.

6. A new Government, elected to power in June 1997, quickly re-established macroeconomic control aided by the IMF's Post-Conflict Emergency Assistance Policy. On the structural front, important measures were taken to wind down the pyramid schemes and to reform the banking system, supported by IDA and other major donors. Economic recovery has begun but has been uneven, with the north lagging behind the central and southern zones.<sup>1</sup> On the internal security front, the Government has had difficulty reasserting control over the entire country. Criminal elements, which had burgeoned during the crisis, dominate many small communities around the country and are becoming more prominent in urban life.

7. Subsequent to the overthrow of communism (where the State dominated all patterns of socioeconomic relationships), the Albanian society has seen a revolution in the institutional arrangements within its communities. On the one hand, the State has become less dominant; on the other, community institutions (ranging from kin connections to village organizations to social relations and beyond) have re-appeared and a new market economy is emerging. The changing importance of the institutional arenas (State, community, and market) has dramatically altered the ways in which households seek to construct their livelihoods (Lawson and Saltmarshe, 2000). For example, the changing role of the State (manifested in its relative inability to guarantee border security and combat growth in smuggling) is a major positive influence on capital accumulation for some households. For others, the weakening of the State, as reflected in the collapse of State employment, the erosion of the welfare safety net, and the growing need to bribe officials to access healthcare and social benefits, has had a disproportionately negative effect. Therefore, social networks and structures increasingly play a critical role in the welfare of the individual since many institutions of a developed market economy (such as financial intermediaries and contract law) are lacking while the State's former economic roles, such as guaranteed state employment, have collapsed.

8. The FY99-01 CAS for Albania recognized that a strong State and effective public institutions are essential for sustaining long-term development, and therefore had a central, cross-sectoral emphasis on governance and institution building. Governance and institution building issues were to be addressed by supporting reforms in the public administration and the judiciary; combating corruption; building the capacities of public institutions at the appropriate level (central, municipal, or communal); and supporting the devolution of responsibilities for service delivery to the local level. The FY00 CAS Progress Report maintains this approach, putting a particular emphasis on supporting

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<sup>1</sup> Given the dearth of alternative economic-generating activities, Northern Albania has witnessed high unemployment with the closure of most of the state enterprises. Northern mountain areas also lost the subsidies they received during communist times, which allowed an unsustainable number of people to live in the mountains.

“community-based activities that build institutions and social cohesion from the bottom up” and “building institutions rooted in local culture, enjoying the full trust and ownership of the community.” Moreover, since strengthening governance and building institutions are long-term processes requiring the engagement of citizens, the Bank now relies on a more participatory approach in the formulation, design and implementation of IDA programs.

9. In this respect, the changing role of local government provides the context for Bank efforts to intensify engagement with communities through CDD. The draft Albanian National Strategy for Decentralization and Local Autonomy outlines new roles and responsibilities for local governments.<sup>2</sup> Under the new policy, local governments will gradually gain increasing authority over the administrative, service, investment, and regulatory aspects of the following sectors: (i) public infrastructure and related services such as water supply and sewerage, the road network, waste management, public lighting, public transport, urban planning, land management, and parks and public places; (ii) local economic development including small and medium business development, agriculture and agro-industry, and natural resource management; and (iii) human and social development functions including education, public health, culture and tradition, civil society development, and human rights.

### **The Concept of Community and its Practice in Albania**

10. The term community is used in the social science literature in many ways. It may have a physical boundary, as does a village or neighborhood, or it may be a group of people who share some type of social bond, whose boundaries may be determined by, e.g., ethnicity, occupation, religion, or ideology. Development theorists and practitioners pay attention to communities because they constitute the first level of structured social organization beyond the family; they constitute the primary vehicle through which people aggregate interests, mobilize resources, and manifest concrete examples of loyalty, charity, support, and competition. For the purpose of this discussion, “community” may be defined as a potential or actual collectivity of people with shared interests and concerns.<sup>3</sup>

11. Customary Albanian society before, during, and even after the Ottoman Empire<sup>4</sup> was largely rural and based on the extended family. The basis of social organization in traditional Albania was patrilineal descent groups or clans, called *fis*. These *fis*, consisting of extended families living together and occupying clearly defined territories (Vokopola 1968, Whitaker 1976), provided a network of mutual social and economic support. Membership in the *fis* was defined by male blood relations and determined location and allegiance within a village.

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<sup>2</sup> The current status of local governments is characterized by (i) the overlapping of responsibilities between the national and local governments and (ii) mismatch between responsibilities and authority to act.

<sup>3</sup> It is interesting to note that there is no direct translation of the word community in Albanian.

<sup>4</sup> The Ottoman Empire occupied and ruled that part of the southeastern Europe, which was peopled by Albanian ethnic tribes, for close to 500 years. The country of Albania came into existence in 1912 when the Ottoman Empire finally collapsed.

12. Case studies have illustrated both the existing strength of the *fis* and the ways in which it is changing (Lawson, McGregor, Saltmarshe 2000). Some households have developed reputations for honoring *fis* obligations as they have built up wealth, as a means of increasing the cultural resources of their households. Indeed the *fis* often represent the basis for small work gangs in the construction industry and for joint enterprises. Others have shown ambivalence towards *fis* relationships in the emerging market economy. For example, employing *fis* members in a business may mean paying more or requiring special dispensations when not working effectively. Increasingly, the development of market relations is causing the *fis* to diminish in economic importance. More and more, co-operative arrangements with neighbors are seen as being important to, e.g., security, assistance in house construction, and issues of provision of water. Neighbors are becoming a common source of short and long-term loans as well (World Bank 1997).

13. Albanian society was traditionally governed by oral customary codes, called *kanun*. The *kanun* differed slightly from one region to another but all shared common values, norms, rules, and practices. The *kanun* regulated behavior and specified rights with regards to both movable and immovable property within the nuclear family, the extended family, within the *fis* and with other *fis*. When discussing prevalent tradition and customary practices, modern Albanians often continue to refer to these *kanun* (Lastarria-Cornhiel 1995). Given an ineffective and corrupt legal system, which does little to enforce civil or criminal law, in some places (particularly in the north) the *kanun* has re-emerged, interpreted by councils of elders. While providing a solid basis for the resurrection of social capital, such customary law may also conflict with formal law and with “modern” values. For example, the *kanun* may be used to support the persistence of traditional land rights in opposition to land reform and may contribute to the exclusion of women.

14. The evolution of modern Albanian society is leading to diversification of its social structure. While in parts of the north one can observe a resurrection of the traditional features of society described above, in the south Albanian society is organized rather differently. The *fis* is relatively weaker and in many places the traditional authority of the *kanun* has eroded. In the last decade emigration combined with rural to urban migration have had a profound impact. The close-knit family structure evident in the north is giving way to smaller and nuclear units that appear to be better adapted to mobility and the prevailing economic environment. Among poorer families across Albania, access to remittances from emigration is becoming crucial to economic well-being and therefore has become an important factor in the diversification of Albanian society. Furthermore, the politico-economic climate affects different ethnic groups differently. For example, while Roma communities tend to be economically impoverished and socially excluded; on the other hand, the Aromanian (or Vlach) communities appear to be gaining in economic strength.

15. The rapid shift from a predominantly rural to a predominantly urban population affects the texture of communities. Many old towns are experiencing out-migration and economic and social decline; while the coastal cities are witnessing massive and uncontrolled in-migration, creating extensive peri-urban settlements cities in the south. Metropolitan Tirana, Korca, and Shkodra, in particular, are gaining population and

experiencing serious shortages of housing, infrastructure, health, and education facilities. Often times, the new peri-urban settlements maintain the same alliances and conflicts of their villages; traditional cultural patterns in such settlements sometimes impede their integration with the modern urban populations (La Cava & Nanetti 2000). Many immigrants to the cities also start their new lives in dire poverty; their communities are characterized by self-help, including building informal housing and cultivating small plots of land.

16. At a formal level, villages continue to be integrated into local government administration through their elected village councils. Villages are composed of *mehallas* (wards) containing approximately 50 houses and each *mehalla* elects a representative to the village council. Some village councils are elected by vote while others are informally chosen. The leaders of these councils negotiate on behalf of the village with the next tier of government, the Commune, for goods and services. The communes have an important role in obtaining allocations to the region from the central exchequer; and have responsibility for infrastructure maintenance, particularly the supply of irrigation and drinking water, electricity, roads, and the provision of health services and education.<sup>5</sup> However, the commune is often perceived as a conduit for corruption of office holders and lacks credibility. This reflects the larger problem of Albanian citizens of not knowing what institutions they can trust on their behalf. While the relationships invoked by interest group, party, and business are gradually becoming more important in the new market economy, there is little institutional capacity other than the state, ascriptive relations, and religious organizations.

17. Since many formerly state services are no longer provided either by the central authorities or by the commune, in many cases communities assume these functions. For example, Saltmarshe (2000) describes cases of villagers undertaking the maintenance of irrigation systems and of networks of neighborly alliances ensuring that houses have sufficient drinking water. Often times villagers pool labor and raise funds to repair old transformers to solve problems related to electricity shortages. Similarly, often councils of elders negotiate the settlement of property disputes and the traditional blood feuds that remain a significant phenomenon in some rural areas. Thus informal institutions seek to ensure economic and physical security in many villages.

18. The larger inference that one can make is that the skills, capabilities, ingenuity, and cooperative capacity exist at the grass roots of the Albanian society. Therefore a CDD approach should help to clarify and revivify the role of village councils (the lowest level of elected governments) and increase the efficiency and accountability of commune administrations. This should provide the means through which structural issues, such as economic and social development, can be realized. However, for this to happen attention needs to be paid to both the nexus composed of citizens and the institutions of government closest to them as well as the policy environment created at the national level.

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<sup>5</sup> Under the National Strategy for Decentralization and Local Autonomy these functions are expected to expand.

### **Examples of Community Involvement in the Albania Portfolio**

The Community Works Project (FY99) aims at alleviating small infrastructure bottlenecks by rehabilitating small and sustainable infrastructure identified as priorities by communities and building the capacity of local communities to promote local economic development. Community participation is actualized in terms of its involvement in prioritizing needs for infrastructure development and making financial contributions to the project.

The Microcredit Project (FY99) seeks to develop a sustainable savings and credit association network, based on the existing system of “village credit funds” The rural microcredit system is highly participatory: villagers contributed to the original village credit fund design, under which an elected village credit committee is responsible for credit decisions and loan follow up. Community involvement will be further strengthened by transforming village credit funds to savings and credit associations, which will have even greater responsibilities and stronger democratic processes.

The Urban Land Management Project (FY98) seeks to provide essential urban infrastructure to un-serviced areas in the Municipality of Tirana and the District of Tirana (Greater Tirana) and strengthen institutions responsible for the delivery of urban services at national and local levels. Beneficiaries are involved in decision-making (prioritizing servicing, planning, and financing the project as part of the project’s cost recovery method) through user associations.

The Irrigation and Drainage Rehabilitation Project (FY99) seeks to achieve sustainable and equitable use of water for agricultural production. The project has clear institutional arrangements between stakeholders (Government’s line ministries, water enterprises, and farmers); it establishes the participation of water users associations (WUAs). WUAs decide on rehabilitation works and assume responsibility for the operation and maintenance of the on-farm system, as well as cost recovery.

The Social Service Delivery Project (FY01) aims at increasing access of the poor to social care services; community involvement is envisaged in decentralizing the provision of social services to the community level, in integrating vulnerable groups in the project, and in heightening the participation of communities in service management and delivery.

### **Bank Experience with CDD Initiatives in Albania**

19. The World Bank has been supporting community-based and community-driven activities in Albania for some time through its lending portfolio. More recently it has expanded this approach to the national level through the Interim Poverty Reduction Strategy Paper and then Growth and Poverty Reduction Strategy processes.

20. As illustrated in the text box, many Bank projects in Albania involve communities.<sup>6</sup> A more detailed presentation may be found in the matrix in the Annex I. This matrix provides an overview of the Albania portfolio as well as projects in the pipeline, describing project objectives, community involvement in the project, and suggesting possibilities for strengthening the latter. It is drawn from project documents and (where

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<sup>6</sup> Note that we are taking a broader view here; not all cases of community involvement actually give responsibility to communities as in CDD.

possible) discussions with Task Managers. For ease of analysis, a summary table, sorted by department, is included in Annex II.

21. An examination of the tables in annex suggests several conclusions. First, community participation is not a new phenomenon. Community participation goes back to the very first projects in Albania. The 1993 Rural Poverty Alleviation Pilot Project – the second project to be approved for Albania – was the first community participation project. In the tables one can see that one of the three on-going FY96 projects involves communities, as do two of the five FY97 projects. Second, the emphasis is largely on community involvement of various types. There is less emphasis on activities at the national level to create an enabling environment for community involvement. One exception is the second Irrigation and Drainage Rehabilitation Project, which focuses on the institutional arrangements between line ministries, water enterprises, and farmers. Another is the Microcredit Project, which addresses the legal framework for Savings and Credit Associations. While CDD projects have shown excellent results in their sectoral objectives, they have generally not yet reached beyond the sectoral context to influence and strengthen public institutions and local governments. There is not much link between the CDD projects and formal institutions (such as local governments) in ways that use CDD to strengthen governance and build more inclusive institutions. And third, there are important variations in the degree of community involvement by sector and department. All six projects managed by ECSSD involve community participation. In contrast, none of four ECSPF projects and only two of the nine ECSIE projects involve such participation. Other departments fall in between. In part this is a function of the nature of the sectors. For example, large-scale works or privatization activities are most probably not conducive to community-based approaches. Nonetheless, the matrix in annex suggests that there are projects in the portfolio that most likely could have benefited from a more participatory approach. And even where a conscious effort has been made to support community involvement (as in the Community Works Project) the full potential of community-driven approaches has not always been realized.

22. The Bank's support to the Growth and Poverty Reduction Strategy (GPRS) is another avenue for promoting increased civil society participation in public policy making, including greater participation and transparency of the budget process. The GPRS is Albania's first comprehensive economic development strategy. It focuses on reducing poverty and achieving sustainable growth that benefits all Albanians, and will also provide a common framework for all donors to increase the impact of their assistance to Albania. The GPRS covers a three-year time period, and will include: an assessment of the situation; growth and poverty reduction goals; and plans for obtaining the goals – policy changes, institutional reforms, programs, and projects. The strategy is being prepared through a participatory process involving central and local government, civil society (including non-governmental organizations, businesses, trade unions, professional associations, religious bodies, and other citizens groups), and donors. The government has established a GPRS working group consisting of representatives from various ministries. The GPRS working group is supported by sector working groups in each ministry.

## **Scaling-Up CDD: A Framework for Action**

23. The ECA Region's Strategy for "Scaling Up Community-Driven Development in Europe and Central Asia" suggests an approach at the country level based on two pillars: (a) scaling up existing CDD activities and developing new sectoral operations using CDD to increase project effectiveness; and (b) integrating CDD in institutional reform of the State and the strategy for decentralization.<sup>7</sup> These two pillars may provide the general framework for scaling up CDD in the Bank's program in Albania, approaching the issue both from the bottom up and from the top down.

### ***From the Bottom Up: Empowering Communities in Project Activities.***

24. As we have seen above, the Bank's involvement with community-based and community-driven development in Albania has been largely focused on sectoral operations. The material in annex suggests that more can be done in this area, both by extending community-driven approaches to new areas and, in some cases, by moving from community-based to community-driven approaches.

25. Consistent with the current thinking on CDD approaches elsewhere in the Bank, the goal in scaling-up CDD at the community level is for communities to move beyond simple consultation and participation in Bank operations to taking control over investment decisions in partnership with or with support from other institutions. This is distinct from community development more broadly defined, where support agencies rather than communities have often led activities. Empowering communities to exert greater control over decisions and resources, in turn, will depend on several factors. First, the Bank must make a greater institutional commitment to treat CDD as a legitimate way of doing business in many sectors and settings. Second, good CDD requires inclusion of marginal groups in projects and processes. And finally, successful implementation of CDD will depend on country-level reforms to establish policies and institutions responsive to community initiative (since CDD, after all, signifies more than strengthening and providing financial support to community groups), which leads us to the second approach to scaling up CDD in Albania.

### ***From the Top Down: Creating an Enabling Environment for CDD and Using CDD to Strengthen Governance.***

26. The Bank's involvement in the GPRS process, coupled with the implementation of the Albanian Government's Strategy for Decentralization, suggests that this would be an opportune time to give greater attention to integrating CDD in the institutional reform of the State in Albania. The real challenge of scaling up CDD in our Albania program will be that of integrating the CDD concept in State reform and decentralization, i.e., of institutionalizing CDD. It will therefore be critical that this issue receive sustained attention in our country dialogue and the activities (such as the Poverty Reduction Support Credit) that support it.

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<sup>7</sup> Actually there is also a third pillar, but this is more relevant for the Region as a whole than at the country level. This is to "organize mechanisms in the region to learn more effectively from the experience of CDD and to provide expertise and support to country teams."

27. Effective institutionalization of CDD requires attention to the incentive structure underlying decentralization. This needs to be addressed on at least three levels. At the national level, there must be willingness to devolve decision-making and resource allocation authority to the local level. Giving communes and municipalities responsibility for service delivery without means of financing these functions does not make for effective decentralization. At the level of local government, communes and municipalities must also be willing to trust community groups to take decisions and allocate resources, otherwise community involvement will remain, at best, consultation and not empowerment. At the level of community groups, there must be a willingness to act responsibly, include the vulnerable, and to make demands on local governments, otherwise development will not be equitable and communes and municipalities will have no reason to be responsive to their constituents. This willingness, at all three levels, will be a function of the incentive structure provided by the combination of formal and informal institutions, i.e., both the formal rule structure and the informal practices that govern how resources, decisions, and information actually flow. Where institutions provide the wrong incentives, institutional change will need to be envisaged. A key element of the incentive structure, critical in ensuring that informal institutions do not undermine formal intentions, is transparency and the free flow of information.

### ***Concrete Steps to Facilitate Scaling Up CDD***

28. Several modest steps can be proposed to strengthen the Albania country team's efforts to mainstream CDD approaches. At the macro level, the first steps in scaling up CDD are to ensure a *consistent* strategic direction, and increase co-ordination among donors active in Albania. On a more micro-level, CDD should build in mechanisms to make local governments more accountable to their constituents, systematically incorporate institutional analyses in projects, and finally, methodically incorporate participatory community monitoring and evaluation of projects.

29. **Ensuring Compatibility Between CDD, PRSP, and Sectoral Development Strategies.** An important activity in the scaling up process involves synchronizing CDD with other existing and forthcoming development strategies, especially at the macro levels. Efforts are currently underway to finalize a rural development strategy for Albania. The rural strategy paper acknowledges that CDD adds value, commits to incorporating it. *There is potential for CDD to play a central role in key rural sector policies in agriculture, environment and natural resources, decentralization of development programs, and private sector development.* Moreover, the scaled up CDD approach can be built into strategies and projects dealing with most of the issues that the Rural Development Strategy identifies as instrumental to rural poverty reduction, including land consolidation and reform, water resource management, livestock and range land management, rural finance, rural infrastructure services, irrigation and drainage, agro-processing and marketing, rural health and education, and gender.

30. Integrating CDD into the GPRS (Growth and Poverty Reduction Strategy) and the CAS will make external financial and technical assistance more effective. The GPRS, as mentioned above, is a country-owned development strategy formulated with the participation of civil society and other partners, with a long-term vision and a focus on results. One of the basic principles underlying the GPRS approach is the recognition that

civil society participation is integral to development and that such participation will ultimately strengthen accountability of government institutions. In the GPRS process, civil society becomes involved in documenting and analyzing country-specific determinants of poverty, defining the medium and long term outcome-oriented targets for a national poverty reduction strategy, implementing the designed development interventions, and monitoring their implementation.

31. **Improving Coordination Between Donors.** The traditional *fis*-based social structure of Albania, coupled with the totalitarian experience of Albanian communism, has produced a society with relatively undeveloped civic associations. Some indigenous NGOs active in health, education, youth, women, and environment sectors have nevertheless begun to take root in Albania. International NGOs, donors, and bilaterals (UN agencies, USAID, CIDA, Soros, Eurasia) are also active in the country. Yet while these organizations each provide/support important services, they act independently from one another, and often with little interface with the government.

32. The GPRS has already begun a process of bringing together such stakeholders as the World Bank, the IMF, UNDP, UNICEF, etc. to join forces in poverty reduction. Many donors, bilaterals, and NGOs have CDD elements in their operations. Systematic collaboration is necessary to ensure that valuable lessons are shared and individual efforts are not duplicated. *One way to support collaboration could through maintaining an Internet-accessible database of program activities and a monthly newsletter to the donor and NGO community updating them on donor activities in the country.* This activity could be supported through a co-financing arrangement. Given the current focus on the GPRS, this information could allow donors to focus on identifying several priority activities, and ways in which to orchestrate their relationships and share distribute tasks.

33. **Establishing Mechanisms for Greater Accountability of Local Government Institutions.** Given the emphasis on reforming the enabling environment in Albania towards policies and institutions that are responsive to community initiatives, it is clear that greatest attention needs to be paid to the nexus composed of citizens and the government institutions closest to them. Social and poverty assessments in Albania reveal that Albanians consider corruption, theft of public resources, and mismanagement to be major reasons for the troubling decline in public services. Scaling up CDD should therefore include a focus on factors such as transparency and accountability that are key to the success of decentralization.

34. *Bank and donor interventions can contribute to accountability by ensuring full disclosure and active dissemination of project-related information within communities.* For example, this could include full information on local government budgets, including allocations and expenditures, as well as procurement procedures and records.

35. *Another exercise that could help strengthen local government accountability consists of designing implementing citizen report cards<sup>8</sup> that provide feedback on public*

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<sup>8</sup> Inspired by the private sector practice of conducting client satisfaction surveys, a small group of people in Bangalore (India), concerned about the city's deteriorating standards of public services, initiated an exercise in 1993 to collect feedback from users. User perceptions on the quality, efficiency, and adequacy of the various services were aggregated to create a 'report card' that rated the performance of all major service providers in the city. The findings

*services and constitute community/citizen monitoring of service delivery – this effort would go a long way in helping citizens exercise pressure for better performance on local service providers.*

36. Further, public expenditure tracking in key social services in Albania could usefully contribute to sector reforms, to the GPRS process, as well as to the anti-corruption efforts in which the GOA has expressed interest. *The Public Administration Reform project (1999) is already underway. It supports measures for reforming public administration including tax administration through ongoing operations.* The tracking exercise should ideally be accompanied by promotion of greater transparency, through public disclosure of budgets. *For example, at local levels, tracking would demand that school administrations carefully record and make public the source and amount of contributions from parents, private sponsors, NGOs, and international donors, as well as from government.*

37. **Incorporating Institutional Analyses.** To scale-up CDD in Albania, we need a deeper understanding about Albania's poverty profile, its communities, and how they function in order to identify important opportunities and constraints. The Government is putting in place a system of poverty monitoring, starting with a first Living Standards Measurement Survey (LSMS) in Spring 2002. As part of its poverty monitoring and policy evaluation system, the Government is also interested in pursuing a full-fledged poverty mapping exercise, based on a methodology that combines census and LSMS information to produce finely disaggregated maps. As a first step towards the production of thematic maps, support is being provided to assess the availability and quality of the administrative information of relevant line ministries and local government, and to recommend ways to improve the flow and use of administrative data for policy purposes. A Qualitative Poverty Assessment for Albania is also underway. This is an important "building block" of the GPRS, both by deepening knowledge of poverty (especially given weaknesses in existing qualitative data) and by involving the poor themselves in discussions of poverty. Socio-economic household surveys, focus group interviews, and open-ended individual and expert interviews have already been carried out in ten sites. However, while these will provide valuable information on poverty, expectations, and popular concerns, they won't go very far in addressing institutional issues.

38. As noted earlier, there has been a weakening of governance in Albania with a consequent rise in corruption, nepotism, and illegal activities. Among the issues that are of utmost concern are: illegal squatting on land due to unclear land and property legislation; the lack of registration for rural to urban migrants in order to access schools, health services, business permits and securities; widespread corruption in government administration visible in the sphere of employment, property allocation, procurement

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presented a quantitative measure of satisfaction and perceived levels of corruption, which, following coverage in the media, not only mobilized citizen and government support for reform, but also prompted the rated agencies themselves to respond positively to civic calls for improvement in services. This exercise was repeated in 1999, and has been replicated in at least five other Indian cities, as well as the State of Karnataka in the interim. By systematically gathering and disseminating public feedback, report cards may serve as a "surrogate for competition" for monopolies – usually government owned – that lack the incentive to be as responsive as the private enterprises to their clients' needs. They are a useful medium through which citizens can credibly and collectively 'signal' to agencies about their clients' performance and pressure for change.

procedures and financial management, construction activities etc. These are all problems that can be attributed to the failure or lack of institutions. Institutions can only be supported, or made effective, once they have been identified, their roles and functions examined, and their effects gauged in terms of development outcomes. Greater use of institutional analyses could help in furthering our understanding of the range and scope of these institutions in Albania; and help in sharper targeting of capacity building exercises, and in strengthening community-level mechanisms of accountability.

39. *Institutional analysis that provides a better understanding of local power structures, patterns of leadership, indigenous conflict-resolution mechanisms, and rules of participation and information sharing should be made an important part of every CDD activity.* When these institutional issues are clarified through Social Assessments, they should help in recognizing institutional patterns that govern sector and project specific situations, and in identifying where CDD has a better chance to be successful, and in aligning incentives in Bank projects to those that communities actually require.

40. *Similarly, institutional analysis will be critical to effectively supporting the reform of the State and decentralization.* A recent Regional note on decentralization (Wetzel 2001: 22) proposes the following approach to addressing institutional issues in the context of decentralization<sup>9</sup>:

First, overall objectives should be agreed upon. Second, the continued scope for government involvement should be evaluated. Third, should be a detailed evaluation of who actually does what both formally and informally and what that implies for the incentive to meet the stated objectives. Fourth should be consideration of realignment of responsibilities to make sure that responsibilities are matched with both decision-making authority and accountability. Responsibilities for regulating, financing and provisions should be clearly established. Efforts should also be made to develop systems of checks and balances, including alternative sources of service provision (both private sector and by NGOs) and in terms of beneficiary involvement.

41. **Experimenting with a LIL.** Plans for developing an innovative CDD project (LIL) in Albania have also been underway. The project could test methods to catalyze local initiative and improve governance in Albanian communities while responding to the pressing economic, social, and cultural needs of citizens. The project concept could be based on the premise that successful local initiatives (municipality level and lower) depend on improvements in the governance of local governments. Some of the participatory processes the project could introduce at the local level are: (i) participatory identification of the livelihood needs of the communities, (ii) participatory mapping of main issues and identification and planning of activities (through town hall meetings and externally facilitated review groups) to be carried out by the municipality or local groups, and (iii) introduction of a report card system to monitor delivery of basic services. The project could test community-based approaches not linked to specific sector activities; the pilot activities could be carried out in areas not strongly dependent on change in national policies in order to be successful. The process could be supported with training and

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<sup>9</sup> PREM Notes No. 55 also provides guidance on addressing these issues.

capacity building in planning, conducting meetings, prioritizing small investments, and carrying out economic and social evaluation of small projects. Efforts could be made to link the Government's implementation of the Poverty Reduction Strategy with the local planning exercise in order to identify areas of overlap between the PRS and the priority activities identified by pilot municipalities.

42. **Promoting Participatory Monitoring by Communities.** Monitoring and evaluation in Bank-financed projects, if not an afterthought, has tended to focus on obtaining external verification of project impacts. While valuable, this approach neglects the potential for M&E to serve, rather than simply as a measure, but also as a *tool* of development. Participatory M&E, when designed as parts of appropriate processes, can become a vehicle for the institutional learning necessary for stakeholders to change behavior and improve performance.

43. For monitoring and evaluation of projects to become a tool for improving performance and informing future decisions, *local monitoring by stakeholders should be on-going and built-into CDD activities to provide timely feedback, not just to project managers, but also to the beneficiaries themselves.* Stakeholders should monitor both their own performance and that of other stakeholders. In this way stakeholders can both improve their performance but also demand improvements in the performance of other stakeholders. This should have the effect of not only improving project performance, but also empowering communities, encouraging more innovation and responsibility.

44. *Communities should also be involved in defining the criteria for evaluating CDD projects after completion.* If they have defined their own criteria for success they are much more likely to work toward achieving the goals. In addition, stepping back to get a perspective on project impacts helps communities better understand what is happening and plan future activities.

45. *Based on the findings of these monitoring and evaluation exercises, disseminating findings to interested groups is also essential for the sustaining successful community driven activities.* Outreach and publicity are crucial to: (a) government officials, policy makers, and opinion leaders to gain support for project activities; (b) NGOs and other groups serving the target population to inform them of the roles they can play in assisting communities; and (c) beneficiary populations, so that they may make informed decisions and informed demands on officials and leaders. This information can potentially enable community members, CBOs, NGOs, stakeholders, and the Albanian government to pitch and regulate their involvement in CDD, identify their weaknesses and strengths, and assess the costs and benefits of CDD.

**COMMUNITY INVOLVEMENT IN IDA-FINANCED PROJECTS IN ALBANIA:  
DETAILED TABLE**

The following table presents the World Bank’s Albania portfolio as of the date of this report, as well as some of the more advanced projects in the Albania lending program. It is based on project documentation and, where possible, discussions with Task Managers. The column “Community Involvement in Practice” lists ways in which the projects involve (or, in the case of projects in the pipeline, are expected to involve) community participation. This is distinct from community-driven development in that it does not necessarily mean that responsibility is devolved to communities; in other words, it is a broader concept than CDD. The column “Potential for Strengthening CDD” contains an appraisal of how CDD approaches might be better mainstreamed within these projects. The intent is not necessarily to promote changes in these projects. After all, this would be rather pointless in projects that are soon to close. Nonetheless, it is hoped that inclusion could provoke some rethinking of project approaches in those cases where this might make sense.

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Forestry (P008271)</b> <b>US\$ 8 million</b> <b>Sector: Agriculture</b> <b>FY96 – to close 12/31/2002</b></p>	<p>(a) Restore degraded State-owned forest and pasture and promote sustainable use (institutional development). (b) Promote conservation of forest ecosystem (improved management). (c) Reforming forest sector towards market economy.</p>	<p>(a) The decentralization of forest management from national to the commune (district/ municipality) level.</p>	<p>(a) The decentralization of responsibilities to administer forest and forest resources from the national government authority to the community. (b) The involvement of the community to restore productive capacity of the forest (e.g., through controlled harvesting of timber, fuel-wood, and other resources; the legal use of resources; the regulation human and animal pressure of forests and pastures, etc). (c) Community leaders vested with the responsibility to monitor and implement forest laws along with local government administration (e.g., The Forest law 1992, The Pasture Law 1995, The Environment Protection Law 1993, etc.).</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Power Transmission &amp; Distribution (P034491)</b></p> <p><b>US\$ 29.5 million</b></p> <p><b>Sector: Electric Power &amp; Energy.</b></p> <p><b>FY96 – to close 09/30/2002</b></p>	<p>(a) Improve standard, reliability and efficiency of electric power supply. (b) Reduce unbilled consumption of electricity. (c) Privatization of power sector. (d) ensuring financial viability and institutional strength Albanian Electroenergetic Corporation. (e) Encourage energy conservation.</p>	<p>None.</p>	<p>(a) Community involvement in awareness building of various aspects of the power sector (billing system, legal issues, production rates, consumption rates, health and safety, conservation, efficiency, etc) and their role as consumers. (b) Community involvement in the local regulation of the use of electricity in times of crises. (c) Community participation in the monitoring and reporting of illegal use of electricity.</p>
<p><b>National Roads (P036060)</b></p> <p><b>US\$ 25 million</b></p> <p><b>Sector: Transportation</b></p> <p><b>FY96 – to close 06/30/2002</b></p>	<p>(a) Rehabilitating and constructing national roads (90 km). (b) Improve the maintenance and safety of national roads (set up road data bank, pavement management system, and bridge management system). (c) Development of local contracting and consulting industries (employment of consultants). (d) Train General Roads Directorate staff and develop cooperation between GRD staff and the University of Tirana.</p>	<p>None.</p>	<p>(a) Community leaders working with local administration in cost recovery. (b) Roads maintained, inspected and supervised by members of the communities who use it on an everyday basis to access agricultural areas and markets from their homes. (c) Community members helping in ensuring safety on their roads by setting and implementing speed limits and traffic regulations. (d) Community members advising GRD staff and consultants on various aspects of roads such as voicing their concerns on issues of local traffic, safety, wear and tear, and provide feedback on the impact of roads on their livelihood and their environment. (e) Community members employed as manpower for the construction of roads, thus, giving them a sense of responsibility for the upkeep of their roads.</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Durres Port (P040818)</b></p> <p><b>US\$ 16.98 million</b></p> <p><b>Sector: Transportation</b></p> <p><b>FY98 – to close 12/31/2003</b></p>	<p>(a) Increasing the commercial orientation of the Port of Durres through establishing an autonomous port, privatizing operations, improving Customs procedures, operations and safety. (b) Rehabilitating port infrastructure to accommodate anticipated traffic demand and attract transit traffic.</p>	<p>N/A: The technically specialized nature of the project demands external and non-local interventions in the project.</p>	<p>Not applicable</p>
<p><b>Urban Land Management (P040975)</b></p> <p><b>US\$ 10 million</b></p> <p><b>Sector: Urban Development</b></p> <p><b>FY98 – to close 01/31/2003</b></p>	<p>(a) Provide essential urban infrastructure to un-serviced areas in the Municipality of Tirana and the District of Tirana (Greater Tirana). (b) Strengthen institutions responsible for the delivery of urban services at national and local levels.</p>	<p>(a) Beneficiary participation in decision-making in the form of user associations. (b) Beneficiary participation in prioritizing servicing, planning and financing the project (as part of the project's cost recovery).</p>	<p>(a) Improving environmental living conditions by the involvement of the community in terms of supervision and maintenance work in drainage, waste collection, road works, street lighting, etc. (b) The routine monitoring of cost recovery by community leaders. (c) The stimulation of household investment in infrastructure and housing by the community leaders and local government officials. (d) Community policing of land, property and common resources, and the upholding of land and property laws (e.g., prohibition of illegal constructions and unlawful land takeovers). (e) The active involvement of condominium and water-user associations in the day-to-day management of the project.</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Municipal Water and Wastewater (P041442)</b></p> <p><b>US\$ 15 million</b></p> <p><b>Sector: Water Supply &amp; Sanitation</b></p> <p><b>FY03 – pipeline</b></p>	<p>(a) Improve the delivery of water and wastewater services in the rural areas by piloting the Demand Responsive Approach (DRA) in the rural Water and Sanitation sector.</p>	<p>(a) <u>Community</u> participation and empowerment through a demand responsive approach (DRA) at the village level. (b) Cost recovery &amp; sustainability through beneficiary cost sharing and user fees. (c) Enabling institutions that facilitate community driven approach to rural water supply by helping the govt. create an independent Rural Water and Sanitation Agency (RWSA) to facilitate capacity building at the local community level; channeling grant and credit funding to eligible communities; and encouraging the use of the private sector for delivery of goods and services.</p>	
<p><b>Irrigation and Drainage Rehabilitation II (P043178)</b></p> <p><b>US\$ 24 million</b></p> <p><b>Sector: Agriculture</b></p> <p><b>FY99 – to close 03/31/2005</b></p>	<p>(a) Achieve sustainable and equitable use of water for agricultural production. (b) Reduce the risk of flood.</p>	<p>(a) Participation of water users association in rehabilitation. (b) Financial contribution for rehabilitation by users. (c) Operational responsibility given to water users. (d) Clear institutional arrangements between stakeholders (Government’s line ministries, water enterprises and farmers).</p>	<p>(a) Involvement of water user association in project design. (b) Leadership by the water user association in project monitoring and maintenance. (c) Participation of socially disadvantaged groups such as women, physically disabled and the unemployed.</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Health System Recovery and Development (P045312)</b></p> <p><b>US\$ 17 million</b></p> <p><b>Sector: Health, Nutrition &amp; Population</b></p> <p><b>FY98 – to close 12/31/2003</b></p>	<p>(a) Establish/strengthen institutional and human resource capacities for an effective and sustainable health sector (e.g., civil works, services equipment, medical equipment, training, fellowships, etc.). (b) Improve the accessibility, quality and efficiency of health services (e.g., upgrade hospital and health network).</p>	<p>(a) The capacity building component is sensitive to needs of the community in terms of seeking the involvement of Local Health Advisory Committees.</p>	<p>(a) Pro-active involvement of community in health service planning and management through Local Health Advisory Committees. (b) The assistance of community leaders in educating all members of the community in disease prevention methods, in primary and community based health care, and emergency and first aid techniques. (c) The sponsoring of members of community by the community in nationwide capacity building programs e.g., medical training relevant to the community, computer training in medical software, training in medical equipment, fellowships for medical education, etc. (d) Community based maintenance of medical infrastructure such as hospital premises, monitoring of civil works and certain medical equipment.</p>
<p><b>Community Works (P051309 &amp; P066335)</b></p> <p><b>US\$ 9 million</b></p> <p><b>Sector: Social Protection</b></p> <p><b>FY99 – 03/31/2003</b></p>	<p>(a) Alleviate small infrastructure bottlenecks by rehabilitating small and sustainable infrastructure as per priorities of communities. (b) Build capacity of local communities to promote local economic development.</p>	<p>(a) Community participation in terms of financial contribution to project. (b) Community participation in prioritization of needs of infrastructure. (c) Short term employment of community members in project. (d) Strengthening of local institutions with the help of commune officials. (e) Community involvement in beneficiary assessment of project.</p>	<p>(a) Involvement of community leaders in project design, operation and management. (b) The sharing of project information with the community. (c) Pro-active involvement of community leaders along with ADF staff in project monitoring. (d) Involvement of community-based associations as “user associations” for the maintenance of infrastructure. (e) The integration of socially excluded groups in community based income generating activities and facilitating their access to markets.</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Microcredit (P051310)</b></p> <p><b>US\$ 12 million</b></p> <p><b>Sector: Microfinance</b></p> <p><b>FY99 – to close 06/30/2005</b></p>	<p>(a) Establish sustainable self-financing savings and credit association network to increase farm and off-farm investment and savings in rural areas.</p> <p>(b) Establish sustainable urban micro-credit institutions to develop self-employment and micro-enterprises in urban areas.</p>	<p>(a) Participation in the design of village credit funds by villagers.</p> <p>(b) An elected village committee is responsible for managing credit and savings activities, including credit decisions and loan follow up.</p>	
<p><b>Private Industry Recovery (P051602)</b></p> <p><b>US\$ 10.25 million</b></p> <p><b>Sector: Private Sector Development</b></p> <p><b>FY98 – to close 01/31/2003</b></p>	<p>(a) Recovery of the private manufacturing sector.</p>	<p>N/A: The project is aimed at the macro-level and the involvement of the community lies beyond its scope.</p>	<p>Not applicable</p>
<p><b>Recovery Program Technical Assistance (P054384)</b></p> <p><b>US\$ 5 million</b></p> <p><b>Sector: Economic Policy</b></p> <p><b>FY98 – to close 12/01/2001</b></p>	<p>(a) Provide assistance to the Government of Albania under the Economic Recovery Program.</p> <p>(b) Assistance to government in institution building and policy formulation.</p>	<p>N/A: The project is aimed at the macro-level and the involvement of the community lies beyond its scope.</p>	<p>Not applicable</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Agricultural Services (P054736)</b></p> <p>8</p> <p><b>Sector: Agriculture</b></p> <p><b>FY01 – to close 12/31/2007</b></p>	<p>(a) Increase agricultural productivity and rural income by selective interventions in land, seed, finance, technology, markets and fisheries. (b) Strengthen institutional and legal frameworks for agricultural market.</p>	<p>(a) Community involvement in the design and monitoring of project. (b) Participatory approaches in the management of fisheries, harvesting and marine resources. (c) Shared supervision of water facilities, sewerage and drainage systems thus providing the community members with a sense of “ownership” and “responsibility”. (d) Community responsibilities in the enforcement of environmental safeguards.</p>	
<p><b>Social Service Delivery (P055383)</b></p> <p>8</p> <p><b>Sector: Social Protection</b></p> <p><b>FY01 – to close 09/30/2007</b></p>	<p>(a) Increase access of the poor to social care services. (b) Assist government to develop capacity to plan, manage, monitor, deliver and evaluate social care policy.</p>	<p>(a) Decentralization of provision of social services to the community level. (b) Integration of socially excluded and vulnerable groups in the community through their participation in the project. (c) Participation of community in service management and delivery. (d) Public / community awareness of vulnerability issues and project objectives. (e) Examining and strengthening institutions.</p>	<p>(a) Many project components proposed, if successful, can potentially set examples and standards for best practices. (b) Participation of community leaders in macro-policy development. (c) More active community-based monitoring of the project.</p>
<p><b>Legal and Judicial Reform (P057182)</b></p> <p><b>US\$ 9 million</b></p> <p><b>Sector: Public Sector Mgmt.</b></p> <p><b>FY00 – to close 12/31/2004</b></p>	<p>(a) Provide resources for technical assistance, training, goods and works that are needed to implement government’s legal and judicial reform.</p>	<p>None.</p>	<p>(a) Community involvement in monitoring and ensuring of the “rule of law” following setting up of a democratically elected local outfit. (b) Community involvement in the dissemination of legal information and legislation.</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Bank Privatization SAC (P057818)</b></p> <p><b>Us\$ 30 Million</b></p> <p><b>Sector: Financial Sector Development</b></p> <p><b>FY02 - pipeline</b></p>	<p>(a) Continued reform of the banking sector. (b) Enhancement of the bankruptcy and debt resolution framework. (c) Reform of the non-bank financial sector.</p>	<p>N/A: The project appears aimed at the macro-level and the involvement of the community probably lies beyond its scope.</p>	
<p><b>Water Supply Urgent Rehabilitation (P066491)</b></p> <p><b>US\$ 10 million</b></p> <p><b>Sector: Water Supply &amp; Sanitation</b></p> <p><b>FY00 – to close 03/01/2003</b></p>	<p>(a) Improve service of water supply in the municipalities of Durres, Fier, Lezhe &amp; Saranda.</p>	<p>None.</p>	<p>(a) The facilitation of a water users association to monitor the quality of water, the effective supply of water, and the reduction in the illegal use of water. (b) The participation of the community in building awareness for the appropriate, safe, hygienic and legal use of water.</p>
<p><b>Road Maintenance (P066260)</b></p> <p><b>US\$ 30 million</b></p> <p><b>Sector: Transportation</b></p> <p><b>FY03 - pipeline</b></p>	<p>(a) Improving the efficiency of the management of the national and rural road network. (b) Improving road safety.</p>	<p>None other than consultation during project preparation.</p>	<p>(a) Inclusion of demand driven mechanisms for the selection of sub-project sites. (b) Involvement of communities in the maintenance of roads.</p>
<p><b>Emergency Road Repair (P068853)</b></p> <p><b>US\$ 13.65 million</b></p> <p><b>Sector: Transportation</b></p> <p><b>FY00 – to close 06/30/2003</b></p>	<p>(a) Assist the Government of Albania in restoring the serviceability of two roads.</p>	<p>(a) Community participation limited due to emergency nature of the project.</p>	<p>(a) Involvement of community leaders in project design, operation and management. (b) Involvement of community-based associations as road user association for the monitoring and maintenance of the roads as they use for accessing markets and services.</p>

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Financial Sector Institution Building Tech Asst. (P069079)</b></p> <p>US\$ 6.5 million</p> <p><b>Sector: Finance</b></p> <p><b>FY00 – to close 06/30/2005</b></p>	<p>(a) Complete bank privatization program. (b) Improve financial infrastructure. (c) Privatization of insurance sector.</p>	<p>N/A: The project is aimed at the macro-level and the involvement of the community lies beyond its scope.</p>	<p>Not applicable.</p>
<p><b>Education Reform (P069120)</b></p> <p>US\$ 12 million</p> <p><b>Sector: Education</b></p> <p><b>FY00 – to close 07/31/2004</b></p>	<p>(a) Assist Ministry of Education &amp; Sciences in planning and managing delivery of education services and strengthening its accountability to stakeholders.</p>	<p>None.</p>	<p>(a) The involvement of the community in raising the moral and ethical awareness among its members. (b) Community based education to raise the awareness of good values, fairness, justice and the value of good education in general. (c) The monitoring of children’s education by the community members. (d) The role of the community in providing local information to the Ministry of Education &amp; Sciences for macro policies.</p>
<p><b>Fishery Development (P069479)</b></p> <p>US\$ 6.5 million</p> <p><b>Sector: Agriculture</b></p> <p><b>FY02 – pipeline</b></p>	<p>(a) Development of regional and national fishermen’s associations. (b) Policy and institutional support. (c) Promotion of aqua culture development</p>	<p>(a) Fisherman’s associations to regulate fishing practices and the use of fishing technology. (b) The same associations to determine pricing in the local market place with a view to protect the interests of the fishing community. (c) The community can be involved in safeguarding their natural environment. (d) Fishing association to build capacity as a micro-finance institution to help the small fisherman. (e) Fishing association empowered to monitor the upkeep of standards for water quality, fishing stocks, health and hygiene.</p>	

Name of the Project	Main objectives	Community Involvement in Practice	Potential for Strengthening CDD
<p><b>Poverty Reduction Strategy Credit (P069935)</b></p> <p><b>US\$ 30 million</b></p> <p><b>Sector: Social Protection</b></p> <p><b>FY02 – pipeline</b></p>	<p>(a) Promote sustainable growth and private sector development. (b) Policy Development, monitoring and evaluation. (c) Improve service delivery and safety net effectiveness. (d) Increasing accountability and improving public expenditure management and intergovernmental fiscal relations</p>		<p>(a) Strengthening the environment for CDD. (b) Involving beneficiaries in monitoring and evaluation.</p>
<p><b>Public Administration Reform (P069939)</b></p> <p><b>US\$ 8.5 million</b></p> <p><b>Sector: Public Sector Management</b></p> <p><b>FY00 – to close 06/30/2004</b></p>	<p>(a) Provide resources for technical assistance, training, goods and incremental costs to implement Government’s Institutional and Public Administration Reform agenda.</p>	<p>(a) Citizen redress system or ombudsman for responding to concerns relating to public administration.</p>	<p>(a) The involvement of the local government and community leaders in the reform system. (b) The encouragement of democratic structures at the local level for redress relating to public administration, development administration and public policy. (c) Decentralization of decision-making and management of public administration to the grassroots level. (d) Enhancing trust between the State and the community through improved communication.</p>
<p><b>Trade &amp; Transport Facilitation in SEE (P070078)</b></p> <p><b>US\$ 10.6 million</b></p> <p><b>Sector: Transportation</b></p> <p><b>FY01 – to close 06/30/2004</b></p>	<p>(a) Modernize customs administration and border control.</p>	<p>None.</p>	<p>(a) Community based awareness building of the legal regulations regarding smuggling and informal activities. (b) Community leaders working with local government and taking the responsibility to monitor informal activities in their communities.</p>

**COMMUNITY INVOLVEMENT IN IDA-FINANCED PROJECTS IN ALBANIA:  
SUMMARY TABLE**

<b>ID</b>	<b>Project</b>	<b>FY</b>	<b>Sector</b>	<b>Department</b>	<b>CI*</b>
P045312	Health System Recovery & Dev	1998	Health, Nutrition & Population	ECSHD	Yes
P069120	Education Reform	2000	Education	ECSHD	No
P055383	Social Service Delivery	2001	Social Protection	ECSHD	Yes
P069935	Poverty Reduction Strategy Credit	2002	Social Protection	ECSHD	?
P034491	Power Transmission & Distribution	1996	Electric Power & Energy	ECSIE	No
P036060	National Roads	1996	Transportation	ECSIE	No
P040818	Durres Port	1998	Transportation	ECSIE	No
P040975	Urban Land Management	1998	Urban Development	ECSIE	Yes
P066491	Water Supply Urgent Rehabilitation	2000	Water Supply & Sanitation	ECSIE	No
P068853	Emergency Road Repair	2000	Transportation	ECSIE	No
P070078	Trade & Transport Facilitation in SEE	2001	Transportation	ECSIE	No
P041442	Municipal Water & Wastewater	2003	Water Supply & Sanitation	ECSIE	Yes
P066260	Road Maintenance	2003	Transportation	ECSIE	No
P057182	Legal & Judicial Reform	2000	Public Sector Management	ECSPE	No
P069939	Public Administration Reform	2000	Public Sector Management	ECSPE	Yes
P051602	Private Industry Recovery	1998	Private Sector Development	ECSPF	No
P054384	Recovery Program TA	1998	Economic Policy	ECSPF	No
P069079	Financial Sector Inst. Building TA	2000	Finance	ECSPF	No
P057818	Bank Privatization SAC	2002	Financial Sector Development	ECSPF	No
P008271	Forestry	1996	Agriculture	ECSSD	Yes
P043178	Irrigation & Drainage Rehab II	1999	Agriculture	ECSSD	Yes
P051309	Community Works	1999	Social Protection	ECSSD	Yes
P051310	Micro-credit	1999	Finance	ECSSD	Yes
P054736	Agricultural Services	2001	Agriculture	ECSSD	Yes
P069479	Fishery Development	2002	Agriculture	ECSSD	Yes

\* CI = Community Involvement, as determined in Annex I

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# **SCALING-UP COMMUNITY-DRIVEN DEVELOPMENT**

## **A STRATEGY FOR ALBANIA**

**Environmentally and Socially Sustainable Development  
Europe and Central Asia Region**

Draft: September 13, 2001

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- I. Community Involvement In Ida-Financed Projects In Albania: Detailed Table
- II. Community Involvement in IDA-Financed Projects in Albania: Summary Table
- III. Selected References

A team led by Mark Woodward (Senior Social Scientist, ECSSD) and composed of Ranjit Nayak (Young Professional, ECSSD) and Radhika Srinivasan (Consultant, ECSSD) prepared this note. Helpful comments were received from Alexandre Marc (Sector Manager, Social Development, ECSSD) and Kathryn Funk (Country Officer, Albania, ECC04).