Albania Disaster Risk Mitigation and Adaptation Project





AT A GLANCE

Name Albania Disaster Risk Mitigation and Adaptation Project

Duration June 2008 – June 2013

Focus area Albania (country-wide)

Target group

Government institutions in Albania that manage hazard risks and respond to disasters.

Funds available

The project was jointly funded by the World Bank and the Republic of Albania for a total of US\$ 10.17 million.

The project is jointly implemented by ... Albania's Ministry of Interior

Overall aim of the project is ...

The objective of the Albania Disaster Risk Mitigation and Adaptation Project (AL-DRMAP) is to strengthen institutional capacities, to reduce Albania's vulnerability to natural and manmade hazards, and to limit human, economic, and financial losses due to disasters.





BACKGROUND

Albania is vulnerable to a number of natural disasters, such as floods, earthquakes, landslides, droughts and forest fires. Compounded with the lack of catastrophe insurance, these risks can have severe effects on Albania 's population, businesses, the economy and its growth prospects. Many buildings have not been built to construction standards and the impact of earthquakes is a major concern. Furthermore, weather forecasting is tricky, as precipitation is highly variable from week to week and season to season. This state is further aggravated by Albania 's limited capacity to weather forecasting due to the rundown of its hydrological and meteorological monitoring network and deficient telecoms capacity to collect inputs needed for daily forecasting. Significant disaster risk reduction could be achieved through an upgrade of capacity to deliver risk management services and improved coordination and cooperation with neighboring countries.

APPROACH

The project's development objective (PDO) was twofold: to strengthen institutional capacities to (a) reduce Albania's vulnerability to the natural and man-made hazards; and (b) limit human, economic, and financial losses due to these disasters.

According to the revised results framework, PDO was to be achieved mainly through newly produced hydro-meteorological products, revisions to building code to EU standards and ready for legal adoption, and making catastrophic risk insurance available to business, households and government. While further follow-up by the Government of Albania was required on operational aspects of hydro-meteorological network, the Project was able to meet most of the targets by its closure.

The project would reach its objective through five main components:

1. Disaster risk management and preparedness.

The component objective was to support capacity building for emergency response mechanism through provision of necessary equipment, and strengthening disaster risk mitigation planning.

2. Strengthening of hydro-meteorological services.

The component objective was that disaster risk managers (including households, farmers, and forest managers) receive more-timely, more accurate hydro-meteorological forecasts and services and consequently undertake more beneficial preparatory measures to limit weather risks.

- **3**. **Development of building codes**. The component objective was to reduced hazard risks through development of improved building codes and mechanisms for introduction of improved standards.
- 4. Catastrophe insurance. The main objective of this component was to make catastrophe insurance available to Albanian households and small and medium enterprises through the establishment of the South-East Europe Catastrophe risk Insurance Facility (CRIF), of which Albania became a shareholder and member.
- 5. Project management, contingency and other. This component financed some of the project management costs, such as procurement and financial management consultants, M&E activities, communication expenses, and reporting and audits.

As part of the response to the major flood events which occurred in January and December 2010 during the Project period, the World Bank/GFDRR agreed to fund the "Post-Disaster Comprehensive Flood Risk Assessment & Management Study" in order to assist the Government of Albania to prepare a comprehensive flood risk assessment and management plan for the Lower Drini-Buna Basin, including options for flood risk mitigation measures, and prepare designs for emergency repairs.

CHALLENGES

The main challenge for the implementation of the project was inadequate staffing and budget for weather-related services at IGEWE, low organizational and technical capability to respond effectively to emergencies, lack of a strategy and public investment plan to address its high vulnerabilities, and lack of catastrophe insurance.

OPPORTUNITIES

The largest achievement of DRMAP is arguably strengthening of several core institutions of GDCE (MoI) IGEWE (MOES), and the MoPWT. These are the key institutions responsible to coordinate disaster risk management and response in civil emergencies. The preparation the national strategy and investment plan/operational plan through an intensive consultation process (further supported by the WB/GFDRR after DRAMP closure) did create opportunities for the government to ask for further funding from other donors (EU delegation, GIZ) but also helped raise awareness on risk management, preparedness and response among all policy-makers.

OUTCOME

The overall objective did provide the logical links to the relevant policy, sectoral project context and constitutes the broad development impact, to which the project was designed to contribute in national and sectoral level. The project design focused on capacity building of various agencies responsible for DRM, with modest funding, as a prerequisite for bigger investment operations, which is regarded as the right approach.

Although a disaster risk mitigation strategy and investment program was developed under the project, the governmental institutional capabilities for mitigation planning and emergency management remain very low.

At project closure, 20 years of hydrological data and 10 years (2001–2011) of meteorological data have been digitized. The data was undergone quality analysis and has been published on the IGEWE website for user access. 40 hydrometeorological observing stations have been installed, and the real-time data from the majority of these stations are now flowing. 3-day and 7-day bulletins are published and posted on the website for user access. Forest Fires Warning Bulletin during the summer and a Meteorological Warning Bulletin during the wet seasons were issued.

New building codes were prepared, and a regulatory framework for catastrophic risk insurance was put into place. Furthermore, half of the existing private insurance companies in Albania are registered with Europa Re. Insurance policies have become available to the public since March 2014, and an awareness and education campaign has been developed and rolled out.

By the end of the project, the disaster risk mitigation strategy and investment plan was not approved by the government and adequate staffing and operational budget on a continuous basis for IGEWE's weather forecasts and disaster alerts had still to be secured.

LESSONS LEARNED

An important lesson learned was that although the project was relatively small in size with a focus on technical assistance, its design was very complex with four independent components that aimed to address the whole spectrum of disaster risk mitigation. Each component was implemented by a different institution, while procurement was centralized in the lead implementing agency. The required coordination proved to be too difficult at many times, contributing to procurement delays and dropping of some activities. While the project design involving multiple agencies was necessary to deal with multi-hazards, a more effective coordination mechanism should have been carefully thought through at project preparation and managed throughout project implementation.

Serious initial delays, as the government did not restructure adequately, failed to appoint an implementation team, and senior officials learning slower than anticipated about the new approach to risk and loss mitigation. Minor departures from the established bureaucratic procedures can cause major delays. Project readiness was not properly assessed during preparation because there was no, adequate staff hired as per the agreed implementation arrangements and no technical specifications and terms of reference for key consultancy services prepared at the time of Board approval. This would have enabled a smooth startup of implementation once the project was effective and avoid the implementation delays encountered during the first two years of the Project. Most of the project activities took place after midterm and were completed just before the final closing date.

The key lesson of the insurance component of the Albania DRMAP is that with a rather small investment in the regional insurance program, the government managed to create the framework for reducing its fiscal risk exposure to natural disasters and at the same time secured access to affordable and innovative catastrophe insurance products for the Albanian homeowners and SMEs. Despite a relatively long gestation period, the SEE-CRIF is an example of how a regional approach to disaster risk management can benefit all participating countries by enabling them to reach better quality outcomes at a much-reduced cost per country.



IMPRINT

Published by

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH **Registered Offices** Bonn and Eschborn

Friedrich-Ebert-Allee 36 + 40 53113 Bonn, Deutschland T +49 228 44 60-0 | **F** +49 228 44 60-17 66

Dag-Hammarskjöld-Weg 1 - 5 65760 Eschborn, Deutschland T +49 61 96 79-0 | F +49 61 96 79-11 15

DISCLAIMER

This publication has been prepared by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the Munich Climate Insurance Initiative (MCII) in the frame of the project "Promoting Integrated Mechanisms for Climate Risk Management and Transfer" funded by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU). The information in this publication is solely based on the project documentation provided by the project implementer(s).

CONTACT

Drite Dade

- E ddade@worldbank.org
- I www.worldbank.org

Foto credits

© World Bank (single credits to be checked with rgunasekera@worldbank.org)

May 2019