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RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING
OF
TRANSPORT PROJECT
LOAN 4850-ALB/CREDIT 4262- ALB

September 2, 2010

TO

ALBANIA

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ABBREVIATIONS AND ACRONYMS

ARA	Albanian Roads Authority
CAS	Country Assistance Strategy
CEM	Country Economic Memorandum
FY	Fiscal Year
GDP	Gross Domestic Product
GoA	Government of Albania
GRD	General Road Directorate
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
ISDS	Integrated Safeguards Data Sheet
MoF	Ministry of Finance
MPWTT	Ministry of Public Works, Transport and Telecommunications
PIT	Project Implementation Team
PIU	Project Implementation Unit
WBG	The World Bank Group

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ALBANIA
TRANSPORT PROJECT

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**INSERT
DATA SHEET
HERE**

THE DATA SHEET SHOULD BE INSERTED IN THIS SECTION

MANUALLY IN HARD COPY

BEFORE SENDING A FINAL RP TO THE PRINT SHOP.

**DO NOT INCLUDE THIS INSTRUCTION PAGE IN THE RP SENT TO THE
PRINT SHOP.**

NOTE: The Data Sheet can be found in the “Data Sheet” tab of the RP section of the Operations Portal. Information in it is updated whenever such information is manually changed in the “Data Sheet” tab at any stage during project restructuring. Prior to sending the final RP to the Print Shop, it is best practice to confirm the information in the data sheet before printing it out and inserting it here.

**ANNEX 1:
Proposed Changes:**

- a. What are the proposed changes, as applicable, in the project’s development objectives, outcomes, design, and/or scope?

There are no changes to the project’s development objectives, outcomes, design, and/or scope. The proposed change, requested by the Government of the Republic of Albania in a letter signed by the Minister of Finance, dated May 31, 2010, is a reallocation of funds across the following categories in the Financing Agreement (IDA 4262-ALB).

- i. Category of Consultancy V (part III and IV of the project and training) to be increased by SDR 280,000; and
- ii. Category of Goods I to be reduced by SDR 280, 000.

The proposed reallocation of funds will result in the following change by Categories in the table in Schedule 2, Section V, A.2. of the Financing Agreement. The change will be effected by the Association’s outgoing notification letter to the Recipient:

Category	Before reallocation SDR	After reallocation SDR
1. Goods	330,000	50,000
2. Civil Works for Part I of the project	664,000	664,000
3. Civil Works for Part II of the project	80,000	80,000
4. Consultancy services for part I and II of the project	390,000	390,000
5. Consulting services for the part III and IV of the project and training	1,540,000	1,820,000
6. Accumulated operational expenses	396,000	396,000
Total	3,400,000	3,400,000

The requested reallocation is required to pay for an extension to the road safety technical assistance to allow the consultant to achieve the following:

- i) to support the actual implementation of the National Road Safety Strategy and Action Plan, both developed earlier under the project;
- ii) to prepare a plan for the immediate establishment of the Secretariat under the Inter-ministerial Road safety Council and support the implementation of the plan; and
- iii) to identify a priority list of accident blackspots on the road network and prepare the detailed designs for interventions to address the identified blackspots.

The funds are available for reallocation as certain goods and consulting services in the original procurement plan are not now needed, or have been procured from other sources.

The items that will not now be procured through the project are traffic counters/classifiers, the vehicles for the project implementation team, and the road condition measuring equipment. The collection of data for the former and the latter are envisaged, under the ongoing reform of the General Roads Directorate and its successor, the Albania Roads Authority, to be outsourced to the private sector. The project implementation team received vehicles from another source.

b. What are the other complementary changes, as applicable:

Institutional arrangements Yes No
If, yes, please explain:

Financing mechanism/Conduit Yes No
If, yes, please explain:

Outputs Yes No
If, yes, please explain:

The traffic counters/classifiers were defined as Intermediate Outcome Indicators, and included in the original Results Framework and the Supplemental Letters. They have now been deleted from the former, and the Supplemental Letters relating to the indicators will be amended via a separate letter to the Recipient, requesting countersignature to confirm acceptance.

Project Costs and financing plan (include summary tables) Yes No
If, yes, please explain:

There is no change to the total project costs. However, if approved, the thresholds on the different categories will change as above.

Financial management Yes No
If, yes, please explain:

Disbursement arrangements Yes No
If, yes, please explain:

Procurement Yes No
If, yes, please explain:

As mentioned above, some items will be dropped from the original procurement plan, and if approved, an updated procurement plan will be forwarded to the Bank for formal review.

Closing date Yes No

If, yes, please explain:

Implementation schedule
If, yes, please explain:

Yes No

ANNEX 2:
Appraisal Summary Update

Do the proposed changes result in significant change of impact (from original Appraisal Summary of the PAD) in the following:

Economic and financial analysis Yes No
If, yes, please explain:

Technical Yes No
If, yes, please explain:

Social Yes No
If, yes, please explain:

Environment Yes No
If, yes, please explain:

Exceptions to Bank Policy Yes No
If, yes, please explain:

**ANNEX 3:
Updated Critical Risk Framework**

Not applicable

**New Risks Identified During Implementation/Restructuring That Might Jeopardize
Achievement of the Restructured Project DOs or Outcome Targets:**

Risks	Risk Rating	Risk Mitigation Measures

ANNEX 4:
Results Framework and Monitoring
ALBANIA: TRANSPORT PROJECT
Results Framework

PDO		Project Outcome Indicators		Use of Project Outcome Information	
Current	Proposed	Current	Proposed	Current	Proposed
Intermediate Outcomes		Intermediate Outcome Indicators		Use of Intermediate Outcome Monitoring	
Current	Proposed	Current	Proposed	Current	Proposed
Component Four: Technical Assistance, Goods, and Services	Component Four: Technical Assistance, Goods, and Services	Component Four: Traffic counters/classifiers procured and established Establishment of Maritime Administration	Component Four: Establishment of Maritime Administration		

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