



W. 8211-AL

Supplemental Letter No. 2

ALBANIA

December 14, 2012

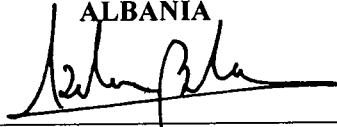
International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Loan No. 8211-AL
(Water Resources and Irrigation Project)
Performance Monitoring Indicators

Dear Sirs and Mesdames:

This refers to paragraph A.1 of Section II of Schedule 2 to the Loan Agreement of even date herewith between Albania (the Borrower) and the International Bank for Reconstruction and Development (the Bank). The Borrower hereby confirms to the Bank that the indicators set out in the attachment to this letter shall serve as a basis for it to monitor and evaluate the progress of the Project and the achievement of the objectives thereof.

Very truly yours,

ALBANIA

By _____
Authorized Representative

Attachment

Loan No. 8211-AL
(Water Resources and Irrigation Project)
Performance Monitoring Indicators

Project Development Objectives

The Project Development Objective (PDO) is to (i) establish the strategic framework to manage water resources at the national level and in the Drini-Buna and Semani river basins and (ii) improve, in a sustainable manner, the performance of irrigation systems in the project area.

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Baseline	Cumulative Target Values					Frequency	Data Source/ Methodology	Responsibility for Data Collection
				YR1	YR2	YR3	YR4	End Target			
Percentage compliance with agreed seasonal water distribution schedules		Percentage	0.00	0.00	0.00	10.00	30.00	75.00	Semi-annual	Semi-annual surveys	MAFCP
Increase in recovery of O&M costs as percentage of O&M charges invoiced		Percentage	0.00	0.00	0.00	20.00	50.00	70.00	semi-annual	WUO billing records	MAFCP
Preparation of an agreed IWRM policy and strategy		Yes/No	No	No	No	Yes	Yes	Yes	Annual	Consultant's report	MEFWA
Preparation of two agreed RBM plans for the Drin-Buna and Semani basins		Yes/No	No	No	No	No	Yes	Yes	annual	Consultant's report	MEFWA
Establishment of Water Resources Database		Yes/No	No	No	No	No	Yes	Yes	annual	Consultant's report	MEFWA

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure	Baseline	Cumulative Target Values					Frequency	Data Source/ Methodology	Responsibility for Data Collection
				YR1	YR2	YR3	YR4	End Target			
Number of dams rehabilitated in compliance with international dam safety standards		Number	0.00	6.00	14.00	14.00	14.00	14.00	semi-annual	final Dam Safety Panel report	MAFCP
Number of dams where emergency response plans have been prepared and disseminated to the population.		Number	0.00	12.00	14.00	14.00	14.00	14.00	semi-annual	LG records	MAFCP
Water users provided with new/improved irrigation and drainage services (number)	X	Number	0.00	0.00	10,000	20,000	30,000	35,000	semi-annual	WUOs billing records	MAFCP
Water users provided with irrigation and drainage services - female (number)	X	Number	0.00	0.00	30	70	90	4000	semi-annual	WUOs billing records	MAFCP
Area provided with irrigation and drainage services (ha)	X	Hectare(Ha)	0.00	0.00	10,000	20,000	30,000	35,000.00	annual	Contractor's certification report	MAFCP
Area provided with irrigation and drainage services - Improved (ha)	X	Hectare(Ha)	0.00	0.00	10,000	20,000	30,000	35,000.00	annual	Contractor's certification report	MAFCP
Irrigation transfer contract between MAFCP and LGs prepared		Yes/No	No	No	No	Yes	Yes	Yes	annual	Consultant's report	MAFCP

Number of farmers trained		Number	0.00	500	1,000	1,500	1,500	2,000	semi-annual	Consultant's report	MAFCP
Number of farmers trained - female		Number	0.00	25	50	75	100	500	semi-annual	Consultant's report	MAFCP
Number of I&D transfer agreements signed		Number	0.00	0.00	4.00	8.00	12.00	15.00	semi-annual	WUO and DB records	MAFCP
Number of Bulk Water Delivery contracts signed between DBs and WUOs		Number	0.00	0.00	4.00	8.00	12.00	15.00	semi-annual	registry of signed contracts in DBs	MAFCP
I&D strategy prepared		Yes/No	No	No	No	Yes	Yes	Yes	annual	Consultant's report	MAFCP
Operational water user associations created and/or strengthened	X	Number	0.00	0.00	15.00	15.00	15.00	15.00	semi-annual	Registry in MAFCP	MAFCP
Number of PPP contracts signed		Number	0.00	0.00	0.00	2.00	2.00	2.00	annual	DB/LG records	MAFCP
Number of staff trained in IWRM		Number	0.00	0.00	9.00	18.00	18.00	30.00	semi-annual	Consultant's report	MEFWA
Number of staff trained in IWRM - female		Number	0.00	0.00	5.00	5.00	5.00	10.00	semi-annual	Consultant's report	MEFWA
Percentage increase of budget allocation by MEFWA to GDWA		Percentage	0.00	0.00	20	50	80	100	annual	MEFWA annual budget	MEFWA
Percentage increase of budget allocation by GDWA to RBAs		Percentage	0.00	0.00	20.00	50.00	80.00	100	annual	MEFWA annual budget	MEFWA
Number of project monitoring reports based on the established MIS submitted on time		Number	0.00	2.00	4.00	6.00	8.00	10.00	Semi-annual	Project records	MAFCP, MEFWA

Number of site specific ESMPs prepared	Number	3.00	13.00	28.00	28.00	28.00	28.00	28.00	Semi-annual	Safeguards reports	MAFCP
Number of RAPs prepared	Number	0.00	13.00	28.00	28.00	28.00	28.00	28.00	Semi-annual	Safeguards reports	MAFCP