

PD-ABT-221
108282



FINAL REPORT – FOOD/NON-FOOD DISTRIBUTION, SHELTER AND HEALTH IN ALBANIA

I. Executive Summary

Organization: **Catholic Relief Services/Albania** Date: March 8, 2001

Mailing Address: **in Baltimore**

Marian Wang, MENA Analyst

209 West Fayette Street

Baltimore, MD 21201

Telephone: (1) 410-626-2220

Fax: (1) 410-234-2995

Email: mwang@catholicrelief.org

in Albania

Jim Mc Laughlin

Country Representative

Rruga Mustafa Matohiti nr. 4

Telephone: 355-4-234699

Fax: 355-4-240144

Email: jmclaughlin@crs.icc-al.org

Program Title: **Food/Non-Food Distribution, Shelter and Health in Albania**

Cooperative Agreement/Grant No. **AOT-G-00-99-00112-00**

Country(ies)/Region(s) **Albania**

Disaster/Hazard: **Disrepair of Public Services Including Water and Sanitation**

Time Period of Covered by This Report: **May 13, 1999 - September 30, 2000**

Report Contents

	Page
I. Introduction	3
II. Background	4
A. The State Albanian Water and Sanitation Services	4
B. Operation and Maintenance: Cost Recovery	4
C. The Politics of Water	5
III. Program Objectives	6
A. Technical Standards and Materials:	6
1. Pipes	6
2. Pumps	6
3. Water Treatment	7
4. Challenges	7
B. Social and Economic (Sustainability)	8
1. Community Participation Strategy	8
2. Activities	8
3. Workshop	9
4. Challenges	9
IV. Project Selection	10
A. Coordination with other NGOs	10
B. Coordination with Government of Albania	10
V. Project Profiles	11
A. Fushe Kruje Water Supply Project	11
B. Margellic Water Supply Project	13
C. Bregas Water Supply Project	16
D. Mucaj Water Supply Project	18
E. Bishqem Water Supply Project	20
F. Fatish Water Supply Project	23
G. Caushaj Water Distribution Project	25
H. Krasta Vogel Project (Sanitation and Well/Pipeline Projects)	27
I. Selita Village Water Supply Project	30
J. Mother Teresa Hospital Pump Project	32
VI. Lessons Learned	34
VII. Lists of Appendices	36
VIII. Budget	37
IX. Appendices	

- 1 -

Acknowledgments

The success of the CRS Water and Sanitation Program is credited to the commitment, creativity, and patience of the CRS national engineers and community officers. Theirs was a difficult challenge that went far beyond what any of us had considered at the outset.

Special recognition is given to Marika Shtembari, the engineering coordinator of the program and its main administrator. She waded through thick layers of bureaucracy to make possible everything that was accomplished in the field. Her contribution was seen by few of the beneficiaries, but was critical to the success of these projects.

I. Introduction

This grant was signed in May 1999 during the height of the Kosovo refugee crisis. Its original objectives were to provide emergency food and non-food items to Kosovar refugees in Albania. Food items (fruits, water, crackers etc.) were primarily distributed to refugees at the Kukes/Kosovo border. Most had walked or rode on tractors for several days and many were dehydrated and in need of food. Non-food items (cots, blankets, mattresses, water bottles, cooking and eating sets, shoes, clothes) were primarily provided to refugees in camps (and some private accommodations) in Durres, Tirana, Elbasan, and Fier where CRS set up sub-offices. At the height of the crisis, CRS was assisting 100,000 refugees daily.

Previous progress reports have detailed accomplishments during this phase of the grant. Following the rapid return of the refugees to Kosovo, a no-cost modification was approved and an additional objective was added to the project: provision of drinking water to Albanian communities. This document details accomplishments during this phase of the project.

As tens of thousands of Kosovar refugees were housed in camps or host families throughout most prefectures in Albania, it became evident that public services such as water and sanitation were in disrepair and complicated international efforts to support such large numbers of refugees. The proposal to redirect funds toward water and sanitation in Albania served two purposes:

1. To help improve services in Albania in order to improve refugee-impacted areas
2. To improve local services in return for the country's generosity in hosting the Kosovars

Project Accomplishments

The CRS Water and Sanitation Program built eight (8) water supply projects in towns and villages, one (1) hospital project that improved water supply to one ward, and one (1) sanitation and well project that improved the water quality in an urban water supply system.

Project Summary:

Project Name	Impact of Project	Number of Beneficiaries
Fushe Kruje Water Supply Project	Improved water supply (quality and quantity) meters and improved distribution system.	Approx 20,000
Selita Water Supply	New water supply to mountain village	200
Bishqem Water Supply	New water supply to rural communities	2250
Fatish Water Supply	New water supply to rural village	825
Caushaj Water Supply	Expansion of existing system to a village	250
Margellic Water Supply	Improved/New supply to several villages	3160
Bregas Water Supply	New water supply to rural communities	3600
Mucaj Water Supply	New water supply to rural village	600
M. Teresa Hospital Pump Installation	Improved water supply to one ward (building) in Tirana Urban Hospital	Variable 150 Beds
Krasta Vogel Sanitation and Well Projects	Improved water quality for urban system in the Municipality of Elbasan	8% of Supply to 100,000

Totals:

38885 +

II. Background.

Problems with Water in Albania

(See Appendix for GOA Sector Policy for the Development of the Water and Wastewater Sector)

The State Albanian Water and Sanitation Services

Water and sanitation services in most Albanian communities are mostly inadequate. In cities and towns, water systems are old and in disrepair, and much of the pipe networks are leaking and corroded. Due to lack of funding and inefficient management, most resources are directed only toward supplying water and little attention is given to water quality, and genuine improvement of the systems. Repair of large systems is generally beyond the capacity of the Albanian government and locally available financial resources are minimal.

Most village water supply systems were built under the communist system and are often over-designed, and economically unsustainable. The systems that are still operating are usually running below capacity; operation and maintenance involves keeping pumps running only a few hours per day, as they are too expensive to run continually, or are too unreliable.

Sanitation networks in Albania are also poorly managed and maintained. Typically, they are only serviced when there are problems, such as excessive sewage overflow in cities and town. There are currently no sewage treatment plants in the country. Villages typically use latrines, or open, earthen drainage channels. Most sewage in all Albanian communities runs untreated into rivers, lakes, and the sea.

Operation and Maintenance: Cost Recovery

The underlying problem in most water and sanitation systems in the country is related to cost recovery. Typical cost recovery rates are reported to be 20-40% in most towns and cities. Villages almost never collect money for water supply other than to pay for rare electric costs or emergency repairs. Few areas of the country are metered, so the cost recovery is based on flat monthly user fees collected house to house.

According to Water Enterprise officials in rural areas of Tirana, the city of Elbasan, and communes in Fier, most people refuse to pay water fees based on the fact that households usually receive intermittent supply of low-pressure water. Without cost-recovery, the water companies have little resources to improve the supply problems.

Most funding for the operation and maintenance for water and sanitation systems is currently distributed through the national government and given directly to municipal or communal authorities, but resources are very limited. Due to the scarcity of resources, most funds are directed to cities rather than rural areas. Funding for infrastructure improvement usually comes through the Albanian Development Fund, or sometimes through international donors such as the European Community Humanitarian Organization (ECHO). Increasingly, non-governmental organizations (NGOs) such as CRS, PLAN International, OXFAM, IRC, and MSF have been

working in villages, towns, and semi-urban areas to improve services for the poorest communities.

During the past year, international governments and companies have increasingly initiated management concessions or other arrangements, often with the support of the World Bank, in the form of phase-out subsidy strategies.

The Politics of Water

The laws regarding water resource ownership are in transition with major changes planned in 2001. In the past, the national government has owned and controlled all water resources in the country under the Ministry of Public Works (MPW). Under the law, the MPW controls water resources and the assets associated with water supply, such as pumps, pipes, and water tanks. The MPW operates and maintains these resources through municipalities and communes with the local water enterprises. Most funding is distributed through the MPW.

This year, the parliament is implementing a new law that will hand over water resources and assets to the municipalities and communes that choose to accept the assets. Given the current problems within the water sector, this new arrangement puts considerable pressure on the local authorities. The strategy behind the new law is to make the local authorities more responsible in maintaining the systems and collecting user fees in order to finance operation and maintenance costs.

III. Project Objectives

The objective of the CRS Water and Sanitation Program was to support water sector projects that addressed emergency needs in the country. The projects were planned to be economically and socially sustainable and used internationally acceptable design and material standards.

A) Technical Standards and Materials

CRS employed four international engineers and nine local engineers to design and supervise the construction of the projects in this program. A strong emphasis was placed on following design standards in line with western European specifications as well as Albanian design codes. Recognizing that Albania will eventually integrate with the rest of Europe, CRS made a decision to use materials based on western standards. All hydraulic designs were worked by hand and reviewed with computer assisted design software packages made available through UNDP, and with other programs made available through our material suppliers.

Polyethylene Pipe (See Appendix)

Polyethylene (PE) pipe was used in all projects wherever possible. This material meets western standards and has been used in Albania, to a limited degree, in urban water supply improvement projects in recent years. In comparison to steel pipe (the Albanian standard), PE pipe is a far superior material in terms of longevity and reliability. Neither our contractors nor our local engineers had had experience with PE pipe prior to this program. CRS conducted a training workshop for our engineers in January 2000 to introduce the particular changes in design characteristics related to PE pipe. Our original pipe supplier provided a specialist to facilitate this two-day training. Another training was organized in March 2000 with all of our contractors to introduce the use of PE pipe, including setting and welding of pipe. The company that supplied the PE welding equipment sent a specialist to assist in the training.

CRS paid for the English to Albanian translation, printing, and production of a CD detailing UK design specifications for PE Pipe. Copies of this document and the CD were given to CRS engineers, to the MPW and to other NGOs in Albania.

CRS worked closely with the MPW in order to gain approval for the use of PE pipe in our projects. Reportedly, the Ministry is now encouraging all organizations to use this pipe.

Although PE pipe is available in Albania on a limited basis and is used in rural areas for irrigation, the quality of pipe is often poor. CRS purchased all pipe externally, then supplied it directly to its contractors and the communities to ensure quality and uniformity in our projects, and to minimize costs.

Pumps (See Appendix)

CRS selected Grundfos Pumps for most of the projects. Grundfos has a representative and technical specialist in Albania and has an international reputation for quality and service.

All pumps were supplied through Grundfos/Austria with one-year warranties. CRS also contracted the Albanian Grundfos supplier (COALB Sh.P.K.) to install all pumps and electric control panels, and obtained a one-year guarantee for all works. The guarantee includes three (3) site visits per annum to each pump. CRS has these warranties on file and has provided copies to the water committees and respective communes/ municipalities.

Water Treatment (See Appendix)

All projects are equipped with chlorine treatment facilities. In Fushe Kruje and Margellic Projects, chlorine is put into holding tanks at the pumping stations. All other water supply projects (with the exception of Selita) are equipped with chlorine dosing pumps, which inject chlorine with a high pressure downstream of the submersible pumps. These are suitable for either powdered chlorine or liquid chlorine. Although it is recommended that chlorination be a standard practice, in reality chlorine will likely only be used periodically, or when necessary depending on environmental conditions. The chlorine dosing equipment and the chlorine stations in Fushe Kruje and Margellic are more sophisticated than World Health Organization (WHO) recommendations. CRS debated installing simpler chlorinators, such as drip boxes at the top of reservoirs. However, these do not meet western standards, in terms of chlorine contact time and proper mixing.

Challenges with Materials Supplies:

Problems associated with the supply of pipes delayed project construction by as much as three months in several projects.

Through a competitive price comparison, Petzatakis / Macedonian Plastics, a manufacturer based in Greece, was selected in February 2000 to supply all pipes and fittings. The first shipment of pipes arrived in March, but the quality of the pipes did not meet a number of international certification standards that the company had guaranteed. CRS shipped back all pipes to Petzatakis after verifying that at least 20% of the pipe was below industry standards. After re-ordering a limited shipment from Petzatakis, CRS initiated another international “Request for Offer” in order to select a new supplier. Capper Plastics from the UK was selected based on price and reputation and CRS made nearly all of the remaining pipe orders through this company.

The Capper materials proved to be of excellent quality, but the shipments arrived later than expected. Many of the accessories required to connect pipes and complete the pipelines did not arrive until late July and August and the final shipments did not arrive until early September.

B. Social and Economic Sustainability

CRS conducted an initial review of the state of the water and sanitation sector in Albania when the project was initiated. As documented above, many existing projects in the country were technically and economically unsustainable.

From a socio-economic perspective, some Albanian communities have not shown sufficient initiative in maintaining or protecting existing water supply systems.

For example, during the riots of 1997, people destroyed many water systems and other State property, which, to them, symbolized a despised government. In some communities, people dug pipes out of the ground or purloined pumps in order to sell them or to use them for private purposes.

CRS Community Participation Strategy

With this in mind, CRS, at the outset of the program, established a community participation plan designed to elicit a high degree of community support and contribution to the projects. It was our assumption that the more the members of each community sacrificed to build the project, the more likely they would cooperate in the maintenance and protection of project assets. The CRS Water Project Manual in the appendix of this report details the plan.

The major themes of the plan were:

1. Community financial contribution at the outset of the project through a one-time household donation of 3,000 to 4,000 Leke.
2. Volunteer community labor throughout the construction of the project.
3. Formation of a water committee responsible for collecting tariffs, organizing community labor, and serving as a liaison between the community, CRS, and the contractor. CRS trained the members of the water committee to assume operation and maintenance responsibilities.
4. Signed commitments from each beneficiary/user to pay monthly water tariffs once the project is complete.

In each field office, CRS employed and trained community liaison officers (CLOs) whose primary responsibilities involved selecting, training, and guiding the members of the water committees. The CLOs worked with water councils in seven communities to drive the projects forward by assisting the water committees in carrying out their responsibilities.

Activities

In every water supply project, CRS collected (through the water committees), between 3,000 and 4,000 Leke (20-30 USD) from each household. This money was deposited in bank accounts with CRS as a co-signer. These funds, for the most part, have been set aside for post-project maintenance activities.

In seven out of eight water supply projects, villagers contributed up to 50 percent of the labor by digging trenches, setting pipe, and connecting their households to the distribution network. The length of the trenches ranged from 3 kilometers in the smallest project to more than 18 kilometers in the largest.

The water councils, which were established through the project, directed the work in seven communities. Currently CRS is working with these councils and with local government authorities to establish maintenance agreements whereby members of the water committee would participate with the communes or the water companies to operate and maintain the projects.

Water Committee Workshop

In August 2000, CRS invited a water specialist from CRS/Bolivia to organize a water committee workshop that addressed the following points:

- Operation and maintenance of water projects,
- Setting monthly water tariff rates and the importance of regular maintenance.
- The role of water committees in operating the systems after the new water laws take effect in Albania.

Challenges related to Community Participation:

The task of initiating community labor proved to be even more challenging than we had assumed. In most communities, people refused to begin working on the projects until they saw water flowing into the reservoirs. Given the delays with importing pipe, our contractors were not able to test their pumps and run water up to the reservoirs until mid to late September. This meant that most of the community works in several projects did not begin in earnest until early August 2000.

In September, political activities related to the October 1 local government elections distracted local community leaders from the projects. In some cases, politicians made the water projects a political issue, making it very difficult to mobilize groups of different political parties to work together.

In the rural projects, much of the young men who the communities rely on for manual labor emigrated to Greece to work as seasonal laborers for the spring and summer. As a result, young women completed much of the work in the rural communities.

In the Margellian Water Supply Project, one village refused to work and eventually prevented the contractor from working in the pump station because the village leaders did not agree with the project design. Eventually CRS compromised on the design and work resumed.

By the end of October 2000, 90% of the community labor had been completed in all of the projects and water was running in most households.

All commune leaders in our rural water projects have been replaced as result of the October elections. In November 2000, the CLOs and water committees began working with the new commune leadership to establish maintenance agreements for each of the projects.

IV. Project Selection

Coordination with NGOs and GOA

In September 1999, many of the NGOs operating in Albania during the refugee crisis also re-directed their funding toward infrastructure projects, specifically water and sanitation.

In an effort to coordinate with other NGOs and Donors, CRS participated in the water and sanitation sector meetings. Through the Emergency Management Group (EMG), OFDA, ECHO, and local government authorities, a priority list of projects was established. For the most part, CRS used this list to identify and assess potential projects.

CRS focused on the prefectures of Tirana, Durres, Fier, and Elbasan to identify projects because CRS field offices were already established in each of these municipalities. The potential projects were assessed according to the following criteria:

1. Current level of water supply (or severity of the problem)
2. The total cost of the project
3. Cost per capita
4. Political feasibility
5. Technical feasibility, including time for implementation
6. Potential for community cooperation
7. Opportunity to integrate the projects with on-going CRS activities.

A selection criteria list is attached as an Appendix.

Coordination with Government of Albania

Once projects were selected, CRS signed a memorandum of understanding (MOU) with the Ministry of Public Works (MPW) on 17 November 1999. (See attached Appendix). Since the signing of the MOU, CRS has met regularly with the MPW and the Department of Water and Sanitation to keep them abreast of the status of projects. The MPW accompanied CRS on site visits to the Fushe Kruje Water Supply Project and the Margellic Water Supply Project.

VAT

Part of the MOU signed between the Ministry of Public Works and CRS stipulates the CRS will receive tax reimbursement for VAT. The VAT system in Albania is complex as the tax is initially paid into the Ministry of Finance and then reimbursed by the relevant Ministry (the MPW, in this case). Ideally, NGOs should make requests for reimbursement based on projected expenses prior to the fiscal year in which they plan to work, in order for the relevant ministries to include reimbursement costs in their annual budget. CRS did not request these funds since the budget was already passed by the time we received confirmation of our funding. Nevertheless, CRS has worked extensively with the MPW to reclaim as much VAT as possible. To date, we have guaranteed reimbursement for all VAT related to material purchases but continue to work with the Ministry to reclaim VAT on the construction contracts.

PROJECT PROFILES

PROJECT PROFILE

A. Fushe Kruje

Water Supply Project Profile

Background:

Fushe Kruje is located about 15 kilometers north of Tirana in the municipality of Kruje. It is large town with a relatively high growth rate as a result of immigration from northern parts of Albania. The total population is about 28,000 and the beneficiaries in this project are about 20,000.

Before CRS intervention, the water supply for the town was intermittent due to low supply, illegal connections, and losses to leaks and irresponsible use. Within the past eight years a large distribution reservoir was built to help improve distribution in the town. However, all the water supplied from the pump station was being used before it reached the reservoir.

The Fushe Kruje Water Enterprise requested CRS support in implementing part of a rehabilitation project that had been designed earlier by a local engineering firm (El Consulting, represented by Fitim Ballo). The project included increasing the volume of water supplied through the pump station by replacing the existing pumps, rebuilding the main supply line to the reservoir, rehabilitating the existing 2000 m³ reservoir, and improving parts of the distribution network. These works are part of a comprehensive reconstruction plan to modernize the Fushe Kruje water system.

CRS hired a local engineering firm to change the design in order to include the use of PE pipe and CRS engineers made additional design changes to improve the project.

The construction of the main supply line was funded through DFID, a British Government donor.

Project Elements:

Pump Station

1. Installation of four new water pumps
2. Rehabilitation of the chlorine treatment station
3. Complete rehabilitation of the electrical system
4. Installation of state of the art electric control system
5. Installation of bulk flow meters and control valves in the supply line
6. General improvement of the pump station area

Supply Line

7. Construction of a 2.5 kilometer 250 mm supply line from the pump station to the reservoir
8. Installation of bulk flow meter at the reservoir intake
9. Reconstruction of outlet pipe in the reservoir

Distribution Network

10. Installation of control valves in the distribution network
11. Supply of 1500 flow meters for household connections in the distribution network
12. Construction of new distribution line in the Magaze section of Fushe Kruje town
13. Supply of household connections to 1500 households in Magaze.

Contractors:

- 1) El Consulting was hired to design and supervise the implementation of the project. (As the original project designer, this firm had rights to the project through the MPW.)
- 2) RODA was hired for works related to the pump station and the work in Magaze.
- 3) Pira Sh.P.K. installed all pipes, valves, and meters.
- 4) COALB supervised the installation of all Grundfos pumps and electrical control equipment.

Counterpart

CRS worked closely with the Fushe Kruje Water Enterprise to coordinate the construction of this project. The Water Enterprise will assume ownership of the project, including operation and maintenance. The Water Enterprise is in the initial stages of becoming a semi-private autonomous company under Albanian law.

Problems Encountered:

Pipe Supply

As discussed earlier in this report, the pipes originally supplied for this project in March 2000 were of poor quality and were returned to the supplier in Greece. New pipe did not arrive until May and June, and some accessories did not arrive until August, delaying the project nearly three months.

Pump Performance

The pumps that were purchased and installed for the project are not performing as specified by the supplier, Grundfos, and are currently operating at 80% capacity. CRS has been working closely with the Grundfos representative in Albania, Grundfos / Austria, and the Fushe Kruje Water Enterprise to determine the problem. CRS has concluded that the problem lies with the manufacturer and is requesting that Grundfos modify or replace all or part of the pumps that have been installed.

PROJECT PROFILE

B. Margellic

Water Supply Project

The Margellic Water Supply Project provides water to several rural communities in the Commune of Patos, located about 15 kilometers south of Fier.

Before the CRS intervention, the system used an antiquated pump originally used for pumping oil. The pump was run by a 75 kW electric motor that was turned on twice each day for approximately 20 minutes. The pump station is located at the bottom of a valley surrounded by a number of rural villages. Households fortunate enough to have direct connections to the main supply lines filled household tanks and buckets as reserves for one or more days depending on the reliability of the pump. The distribution network was old, leaked excessively as a result of abuse and unauthorized connections.

CRS re-designed the supply and distribution system to improve the volume and consistency of supply and the efficiency of distribution. The works completed are detailed below:

Project Elements:

Pump Station and Electric Works:

1. Installation of three submersible pumps installed in three artesian wells near the pump station
2. Construction of new pump house
3. Construction of electrical booth and improvement of power lines
4. Construction of chlorinating house
5. Rehabilitation and improvement of 100 m³ sunken holding tank
6. Construction of toilet
7. Installation of two 25 Bar 10 l/s Grundfos surface pumps
8. General improvement of pump station environment, including garden and protection fence

Margellic Works

9. Construction of 200m³ reservoir
10. Construction of main supply line: 1,800 Meters; 140 to 125 mm PE Pipe, including control valves and boxes

Manekaj Works

11. Construction of reservoirs (30 m³), Manekaj
12. Construction of supply line; 600 meters; 50 mm PE Pipe, including control valves and boxes

Rusinje Works

13. Improvement of Rusinje distribution line; 219 mm steel pipeline

Community Volunteer Labor

14. Trenching and installation of all distribution network for all communities (10 Kilometers)

Contractor

- 1) CRS contracted AlbStar Sh.P.K. through a competitive tender process to complete most of the works in this project.
- 2) CRS hired topographers and a draftsman to produce topographic maps and drawings.
- 3) COALB was hired to supervise the installation of Grundfos pumps and panels.

Counterparts:

CRS worked with the Municipality of Patos and the Patos Water Enterprise in the design phase of the project and collaborated with them during the construction phase. It is expected that the municipality through the Water Enterprise will manage this project in the future. Currently, CRS CLOs are working with the new mayor of Patos, the Water Enterprise, and the Margellian water committee to arrange an operation and management plan that will include the water committee.

Problems Encountered:

Pipes:

The supply problems with pipes delayed this project for three months. Per the contract, CRS was obliged to compensate the contractor a percentage of the contract value for the delay in pipe delivery.

The delay in obtaining pipes created problems for our contractor and our CLOs in maintaining the trust of the community. The villagers had dug a significant portion of the trenches in the distribution network three months before they had all the materials necessary to complete the works. The open trenches and delays created friction in the community.

Manekaj

The village of Manekaj is located very near the pump station and benefited a great deal from the previous system, receiving enough water for domestic use and irrigation. From the outset, this community was suspicious of the CRS project. Most of the community refused to pay the initial contribution required and did not participate in the community meetings organized by CRS. In order for the whole project to succeed the old Manekaj supply line would have to be cut-off and replaced by a smaller line plus a 30m³ community reservoir.

The original CRS design called for a 32 mm (external diameter – 25 mm internal) pipeline to supply the Manekaj reservoir. The existing steel pipeline that runs to the community is about 3” (75 mm). After arguing with our contractor and engineer about the size of the pipe, several Manekaj community members took over the pump station and prevented the contractor from continuing work for nearly three weeks. Eventually, CRS made some design changes and compromised with a 50 mm pipeline plus an in-house designed pressure reducer. Work in the pump station resumed thereafter.

Emboldened by their success in changing the size of the pipeline, the Manekaj community refused to continue work in their distribution network until October 2000 because they felt the pipes were too small. Work in Manekaj began when the system, which provided 24 hours of pressurized flow, went on-line in other villages.

Operation/Maintenance and Control of the System:

There are concerns within the community of Margellic that the Patos Water Enterprise would want to use the new water supply system to supply Old Patos, a town adjacent to Margellic Village. The Margellic water supply system is superior to the existing Old Patos system and is designed for a projected future population, so the general perception is that there is plenty of surplus water and power to extend the project to Old Patos.

The CRS CLOs are working with the Water Enterprise, the leaders of Margellic (including the water committee) and the local authorities to establish clear limits of the system and agreements for system control. By law, the Water Enterprise will own the assets of the project. But, in practice, it is likely that the communities benefiting from the project will fund the system's operation and maintenance.

PROJECT PROFILE

C. Bregas

Water Supply Project

The Bregas Water Supply Project provides water to several *lajges* (neighborhoods) within the Bregas Commune. The project provides water to nearly 3600 beneficiaries over several square kilometers.

Prior to CRS' intervention, the community fetched water from small springs and creeks located throughout the village using buckets, donkeys, and carts. The summer months were especially difficult for much of the village since springs and creeks dried-up.

Ten years previously, the Albanian government built a water system for the entire Bregas Commune that served both the petroleum drilling activities and the community. The system was poorly designed and half the commune never actually received water when the system operated. Finally, the part of the commune closest to the source cut and closed the supply line to avoid losses.

CRS designed this project, which provided a new source of water for the Bregas water system, and reconstructed the old pipe system, in cooperation with the Fier Water Enterprise and the head of the Bregas commune.

The CRS project included the following elements:

- 1) Drilling two deep boreholes at the base of a valley
- 2) Installing a pump station, including:
 - a) Two submersible pumps; Grundfos SP 30-23
 - b) Electric Lines; 1 km 6 kv cable
 - c) Transformer (50 kW) and electric booth
 - d) Grundfos control panels (CU3 Protection Units)
- 3) Constructing a 125 mm supply line 1200 meters to an existing reservoir
- 4) Constructing a pump station in to boost water to a separate reservoir in Ligovin Quarter;
- 5) Installing two surface pumps
- 6) Constructing a supply line to Ligovin Quarter (2100 meters)

Contractors:

1. Romeo Eftimi was hired to conduct an assessment of the groundwater potential in the area suggested for well drilling and to design the wells.
2. The wells were drilled by Semani Company (Gjirokaster).
3. CRS selected Arberia Company (Fier) to construct the project through a competitive tender process.

Problems Encountered

The Bregas project covered a large geographic area and several separate communities.

The engineering challenge of supplying water up to such high levels across so many kilometers was difficult in itself.

The community volunteer labor demanded a considerable amount of inputs. The delay in pipes definitely broke the work rhythm in the community, making successive attempts to organize work groups all the more difficult.

There were a number of political difficulties, some beyond our knowledge at the time, which made the work difficult. Unfortunately, most members of the water committee lacked the skills and the will to push the project forward as they had done in most other projects.

Finally, the elections had an especially big impact on the Bregas Community. The divisions between members of different political parties made work especially difficult.

Despite these problems, we have worked toward handing over most the project to the commune, hiring key, responsible members of the water committee and other supporters of the project as employees.

PROJECT PROFILE

D. Mucaj

Water Supply Project

The Mucaj Water Supply Project is located in Mucaj village, about ten kilometers from Fier, in Dermenas Commune. The project supplies potable water to about 600 beneficiaries.

Prior to CRS' intervention, the village did not have an existing water system. Villagers obtained their water through shallow hand-dug wells of poor quality water, or traveled to another village to bring back containers of water.

The project consists of a deep-water well that supplies an elevated reservoir built within the village. This is the only project where CRS designed an elevated reservoir.

The specifics of this project follow:

Pump Station

1. Construction a deep water well, 160 meters deep
2. Construction of high tension electrical line (20 meters)
3. Installation of a 20 kW transformer
4. Installation of pump (supplied by Batir in Tirana)
5. Construction of pump house containing electrical panels and a chlorinator

Supply Line

6. Construction of 700 meter supply line; 63 mm diameter

Reservoir

7. Construction of 18 meter elevated 30 m³ water reservoir

Community Volunteer Labor

8. Trench digging and installation of distribution network and household connections (1800 m)

Contracts

- 1) CRS selected Arberia Company to build the pump station, electrical works, supply line, and the reservoir. Arberia won the project through a competitive tender.
- 2) Semani (Gjirokaster) was hired to drill the well.
- 3) Romeo Eftimi of El Consult was hired to do the hydro-geologic study, to design the well, and to supervise the drilling of the well.
- 4) For this project alone, BATIR (Tirana) was selected to supply the pump and panel.

Counterparts

CRS formed a local water committee and worked with the local commune leader to obtain permits for this project. It is expected that the water committee will manage this project without assistance from the commune.

Problems Encountered

In many respects, this was the smoothest project from beginning to end. The village was very cooperative and hard working. The contractor already had experience with building the Bregas Project, so the contract work progressed very quickly. As this project began later than most others, the experience of our staff also contributed to the special success of this project.

The Village of Mucaj already participates in an Irrigation Water Association that depends on user fees and coordination among its members. We believe this contributed to the organizational success of the project.

PROJECT PROFILE

E. Bishqem

Water Supply Project

The Bishqem Water Supply project supplies water to a geographic area called Bishqem, which is composed of 7 semi-isolated rural *lajges* in the Commune of Pajove located about 20 km west of Elbasan. The project supplies water to approximately 3000 beneficiaries. Prior to CRS' intervention, Bishqem did not have a water supply system. Villagers depended on shallow hand-dug wells of unreliable water quality and mountain springs.

The project is actually divided into two, distinct projects almost identical in design. The two projects have been referred as to Bishqem A and Bishqem B.

Each project consists of a well, a pump station, a supply line, a reservoir, and a distribution network.

Project Elements:

Bishqem A:

Pump Station

- 1) Construction of pump station consisting of the following:
 - a) Installation of high tension electric lines
 - b) Construction of pump house
 - c) Drilling of 25 meter large diameter well
 - d) Installation of Gundfos submersible pump; 16 Bar 7 l/s
- 2) Installation of a Dosapro chlorine dosing pump with pressure injection

Supply line

- 3) Construction of 2630 m 110 mm PE pipeline to reservoir including control valves and boxes

Reservoir

- 4) Construction of 100 m³ reservoir

Distribution Lines

- 5) Construction of main distribution lines (2350 m); control valves and boxes

Liqit Quarter

- 6) Construction of supply line from reservoir to Liqit Quarter (2200 m)
- 7) Construction of a 20 m³ reservoir in Liqit Quarter
- 8) Construction of distribution mainlines in Liqit Quarter

Volunteer Community Labor

- 9) Installation of distribution network and household connections PE pipe (9 kilometers)

Bishqem B:

Pump Station

- 1) Construction of pump station consisting of the following:
 - a) Installation of high tension electric lines
 - b) Construction of pump house
 - c) Drilling of 25 meter large diameter well
 - d) Installation of Grundfos submersible pump, 16 Bar 5 l/s
- 2) Installation of a Dosapro high-pressure chlorine dosing pump for water treatment

VII. Supply line

- 3) Construction of 1100 meter 90 mm PE pipeline to reservoir including control valves and boxes

Reservoir

- 4) Construction of 100 m³ reservoir

Distribution Lines

- 5) Construction of main distribution lines, control valves and boxes (2800 meters)
- 6) Construction of break pressure tank and valve main box

Volunteer Community Labor

- 7) Installation of distribution network and household connections PE pipe (6 kilometers)

Contracts:

- 1) STEOLB Sh.P.K. (Elbasan) was selected to build the projected through a competitive tender process.
- 2) Romeo Eftimi of El Consult was hired to conduct hydrogeological studies of the area and to design the wells.
- 3) SOAL Sh.P.K. (Tirana) won the tender for drilling both wells.
- 4) COALB (Tirana) was contracted to supervise the installation of Grundfos pumps and panels.

Counterparts:

CRS worked with the commune head to initiate the project and later with the elected village water committee consisting of members from each of the *Lajges*. CRS has established management agreements with the newly elected head of commune to hire members of the committee to operate and maintain the water system.

Problems encountered:

Pipe supply delays set this project back by about two months. Unfortunately, one of the results of the delays was the erosion of the trust of the community.

Initially, there were doubts about the technical and social feasibility of the project. It covers a very large geographic area, and different parts of the area have not cooperated in the past. There

was a lot of debate on whether the people living in the lowlands would share water with the people from the hills. For these reasons, the project was split into two, distinct projects.

The community work in this project was especially difficult to mobilize. The extent of the work expected from the community was relatively large. Many of the young men from the village left in the spring for seasonal labor in Greece. Once water was flowing to each of the reservoirs, and pressure was put on the community to dig trenches or lose CRS' support, key members of the water committee and the CRS CLO successfully mobilized the community to complete all outstanding work in the month of October 2000.

PROJECT PROFILE

F. Fatish

Water Supply Project

Fatish Village is located about 35 kilometers west of Elbasan near the Municipality of Peqin, in Perparim Commune. The population of the village is roughly 900.

Prior to CRS' intervention, the village had no water supply system. Villagers relied on springs and unreliable hand-dug wells for their potable water supply. Many of the springs are located at the edge of a large creek that splits the river. In the winter months, these springs are covered over by the creek, creating water supply and health problems in the village. Reportedly, there were cases of cholera near the village within the last five years.

The CRS project consists of a shallow well and submersible pump, with a reservoir and distribution network. The specifics follow:

Pump Station

- 1) Construction of pump station consisting of the following:
 - a) Installation of high tension electric lines
 - b) Construction of pump house
 - c) Drilling of 15 meter large diameter well
 - d) Installation of Gundfos submersible pump, 16 Bar 6 l/s
- 2) Supply line
- 3) Construction of 2300 110 mm PE pipeline to reservoir including control valves and boxes
- 4) Installation of a Dosapro high pressure chlorine dosing pump

Reservoir

- 5) Construction of 100 m³ reservoir

Distribution Lines

- 6) Construction of Main distribution lines (3760 m), control valves and boxes

Volunteer Community Labor

- 7) Installation of distribution network and household connections PE pipe (6 kilometers)

Contractors:

- 1) The well was selected, designed, and built by the Albania Geologic Institute (AGI) (Tirana). (This was a unique well in that it required a Cable Tool Drilling Rig and AGI is the only organization in Albania that owns one.)
- 2) Ndertimi Montimi E Re (Elbasan) was selected through a competitive tender to complete the works construction works for this project.
- 3) COALB (Tirana) was hired to supervise the installation of Grundfos pumps and panels.

Counterparts:

CRS worked closely with the head of the commune of Perparim, to design and initiate this project.

CRS formed a Water Committee that coordinated the community elements of this project. CRS has established an agreement with the newly elected commune head to hire members of the water committee to operate the system and collect the monthly tariff.

Problems Encountered:

Pipe supply delays contributed to a two-month setback for this project. As with other projects, this delay hurt CRS' relationship with people in the community, making it difficult to mobilize them to complete the community work in the final weeks of the project. When water began filling the reservoir, the pace of community labor picked up and most household connections were installed by the end of October 2000.

PROJECT PROFILE

G. Caushaj

Water Distribution Project

Caushaj village is in the Perparim Commune, upstream from the main village of Perparim, about 30 km west of Elbasan. Approximately 250 residents will benefit from the project.

The Caushaj project is an extension of an existing system that supplies the village of Perparim and surrounding *lajges*. Before this project, villagers fetched water from springs. In the summer, most springs dried up forcing the villagers to travel more than two kilometers for water.

The project consists of a supply line connecting an existing large distribution reservoir to a new reservoir (20 m³) built in Caushaj. A main distribution mainline was installed supplying 25 community taps in the village.

The specifics are detailed below:

Reservoir:

1. Construction of 20 m³ reservoir

Supply line (Reservoir to Reservoir Link)

2. Construction of 2300 m 50 mm pipe line, control valves and valve boxes

Distribution Network:

3. Installation of main distribution line 500 meters 50 mm pipe

Community work:

4. Installation of secondary main lines and household connections (2 kilometers)

Contractor:

- 1) Ndertimi Montimi E Re built the project after winning the tender bid.

Counterpart:

The Commune of Perparim will assume control of this project, as it is part of the existing system in the area. As it is a small project, the commune will provide any maintenance that is necessary.

Problems Encountered:

This was a small project with no major implementation problems.

The commune does not collect sufficient funds to manage the project. CRS recognizes that this may affect the management of the Caushaj system. However, since this is a very simple project,

maintenance costs will be minimal. The community is cohesive and demonstrated a high level of cooperation in the construction of the project. We expect they will be ready to contribute money and labor to make any repairs if the need arises.

PROJECT PROFILE

H. Krasta Vogel

Sanitation Project And Well - Pipeline Project

Krasta Vogel is a community (pop 400) located on the fringes of the Municipality of Elbasan (pop. 100,000) two kilometers upstream of Elbasan on the Shkumbin River. A well field in Krasta Vogel that supplies 20-30% of Elbasan has been contaminated by wastewater from houses built illegally in the community over the past decade.

The Elbasan Water Enterprise requested that CRS implement an emergency sanitation project to improve the quality of the most contaminated well. A hydrogeological study conducted by CRS concluded that the project proposed by the Water Enterprise would not improve the quality of the water because of the dense housing near the well. CRS recommended that a new well be drilled away from the new houses, and that a sanitation project be implemented in order to reduce the threat of contamination of other wells in the well field.

CRS implemented the project as detailed below. The proposal of this project, which was submitted to the Prefect and the Water Enterprise is attached (see the appendix of this report).

Project Details

Channels and Drainage Pipes

1. The sanitation project is a combination of surface concrete channels and underground
 - sanitation pipes that divert run-off and sewage from the Krasta Vogel Community from the well field.
 - a) 792 Meters concrete channels
 - b) 223 meters concrete pipe (500 mm)
 - c) 1000 meters high density PVC drainage pipe (250 mm)
 - d) 355 meters PVC (110 mm)
 - e) 30 manholes

Water-main Re-Route

- 2) The project required re-routing of two main water supply lines (400 mm steel pipe) that intersect parts of the sanitation project at three locations.

Well – Pipeline Project:

- 3) A new well was constructed approximately 200 meters east of the pump station (357 mm Diameter / 25 meters deep). The well was designed to provide up to 100 liters per second flow.
- 4) A 350 mm steel pipeline was installed to connect the new well to the pump station.

Contractors:

- 1) Romeo Eftimi was hired to conduct the initial hydrogeologic study. He also designed the well and consulted CRS on several points regarding the project.
- 2) Tareboshi Carcani carried out the topographic works.
- 3) SOAL Sh.P.K (Tirana) was hired to drill and build the well.
- 4) Elb-Progress (Elbasan) constructed the sanitation project and the pipeline project.

Counterparts:

CRS worked closely but with much difficulty with the Elbasan Water Enterprise in carrying out this project. Fortunately, the Prefect of Elbasan was personally involved in the project and facilitated the project's implementation.

The Water Enterprise will assume responsibility for the sanitation project and the well.

Problems Encountered:

The design of the sanitation project went through many revisions. The Water Enterprise had originally designed the project, but it was not feasible given the terrain in the village. The Water Enterprise was not cooperative with CRS during the design phase because of our required design changes. This lack of cooperation continued throughout the life of the project, but CRS's good relationship with the prefect helped the work progress.

The Water Enterprise will assume responsibility for this project. In October 2000, the Municipality of Elbasan and the GOA signed a 30-year concession agreement with the Berlin Water Company of Germany. Although the specifics of this agreement are not known, it is hoped that the role of the Germans in Elbasan will improve the quality of the services and management of the water and wastewater facilities.

The House

The destruction of one house in the village proved to be one of the most difficult elements of the project. Originally, CRS had made the removal of the house a condition for implementing the project, giving the responsibility to the community and the local government. But this created a dangerous tension in the community. In defense of his home, the homeowner assaulted the community leaders with a shotgun when they tried to suggest that he re-construct his house in another part of the village. In an effort to resolve the issue peacefully, CRS assumed most of the responsibility for the house.

When the homeowner ultimately agreed to reconstruct the house with financial assistance from CRS, the community, and land given by the Office of the Prefect, he balked because he didn't like the land and asked for cash instead of the house. After nearly six weeks of negotiating, the homeowner accepted approximately 1,200,000 Leke (\$8391).

PROJECT PROFILE

I. Selita e Madhe

Village Water Supply Project

Selita is a small, remote village in the Dajti Mountain range in Zalbistar Commune. The village is about a 45-minute walk from the nearest road. The total number of beneficiaries is approximately 200.

Prior to this project, the people of Selita collected water from mountain springs that ran very low during the driest months of the year. Ten years ago, the Albanian government initiated a spring-fed water system for Selita but the project ended when the government collapsed. The Commune of Zalbistar requested CRS to complete this project.

The project consists of a spring and a small reservoir located about 2 kilometers from the village. The reservoir drains into a main distribution line that supplies approximately 25 household connections.

Project elements:

Spring Rehabilitation:

- CRS rehabilitated an existing spring catchment adding a new spring box, including valves and washouts.

Reservoir

- The existing reservoir was rehabilitated and improved.

Distribution Line

- The distribution line, which was built in part by the community, used both PE and steel pipe. It includes a break pressure tank at the top of the village.

Household connections

- The community was responsible for the household connections.

Contractors:

- 1) REAN 95 oversaw the construction of the spring box, reservoir, break pressure tank, and distribution line. The owner of the firm had originally designed the project when the government began the work ten years earlier.
- 2) Romeo Eftimi did the hydrogeologic study for the spring box and made suggestion for its rehabilitation.

Counterparts:

Originally, the director of the Department of Social Assistance introduced CRS to the commune leader in Zalbistar. CRS organized a water committee in the village that helped coordinate the activities in the village.

The commune will assume legal control over the project. The community will likely maintain the system given its size and simplicity and the remoteness of the village from the Commune.

Problems encountered:

The project was undertaken without difficulty. The size and cohesiveness of the community, the simplicity of the project and the experience of the contractor all contributed to project's success.

PROJECT PROFILE

L. Mother Teresa Hospital

Pump and Water Supply Project / Six-Floor Pathological Building

The Mother Teresa University Hospital Center of Tirana is the major health care facility in Tirana. The hospital is composed of several buildings and facilities, most of which were in very bad condition. However, it has received a lot of assistance from NGOs during the past 12 months and many of its buildings are currently being rehabilitated.

The Pathological Building of the hospital is six stories high, with an occupancy capacity of 315 beds. The upper floors of this building were suffering from a lack of water pressure. CRS proposed to improve the water supply to this building through the replacement of the existing pumps and the installation of pressure tanks. The project consisted of the removal of derelict boilers and rehabilitation of the boiler room where one centrifugal pump, one membrane tank and four 5000-liter water tanks were installed. The system is designed to adequately supply the 85 WCs and 220 faucets throughout the six-story building.

Project Elements:

Removal of Old Boilers

- CRS removed the derelict boiler room equipment and transferred them to the hospital's scrap metal yard.

Rehabilitation of Boiler Room

- The hospital rehabilitated the boiler room by repairing the windows, roof, the front door and electrical connections and leveling the floor with concrete.

Installation of Pumps and Tanks

- CRS purchased and installed one centrifugal pump, one membrane tank and two 5000-liter water tanks. The hospital provided two additional 5000-liter water tanks that were donated by another NGO and these were installed by CRS as well.

Contractor:

Hidromontimi was hired to undertake the removal of the old boilers and the installation of the pumps and tanks.

Counterparts:

CRS worked with the hospital administrative and technical staff.

Problems Encountered:

The relationship between the hospital administrative staff and CRS has been very poor since the inception of the project. Administratively, the hospital is disturbingly inept. When CRS first approached the hospital staff, they proposed a number of projects valuing between 100,000 to 300,000 USD. When CRS took an interest in one of the larger rehabilitation projects, we learned that the project had already been sponsored and tendered by another organization. After a number of meetings with conflicting reports from different members of the administrative staff

concerning the infrastructure needs of the hospital, CRS settled on a modest project of improving the water supply to one ward that had recently been reconstructed (budget: 10,000 USD). The administration had originally only wanted an emergency solution to the water supply problem. However, since many parts of the hospital were under a state of rehabilitation, CRS had proposed a project that would be of long-term benefit to the hospital

At issue was the location of the pumps and the holding tanks in the project design: the boiler room where the old pump was located is in such poor condition that the equipment CRS installed was likely to be damaged. When the hospital was unable or unwilling to provide a new place for the pumps and holding tanks, CRS proposed that the hospital share the costs of rehabilitating a defunct boiler room. After months of administrative obstacles and conflicts lasting until August 2000, the hospital carried through with the proposal that they had agreed to in November 1999. CRS finally completed its work in September 2000.

Unfortunately, other hospital wards have begun using the new system and it cannot properly service this demand. CRS has redesigned the pump with a manual control rather than automatic controls and suggested that the hospital use the system only for what it was originally intended or risk burning out the pumps. CRS is continuing to meet with the hospital administrative staff to rectify the problems.

Lessons Learned

Despite the many setbacks in this project, particularly the delays in the supplying of pipes, the project was successful. In eight Albanian communities, there is water flowing in some of the best engineered and constructed water projects in the country. Successful efforts were made to put sustainable operation and maintenance strategies in place. In addition, a significant number of people in the beneficiary communities have a clear understanding of their water supply systems and their value and have made a commitment to contributing financially to system maintenance.

The following are some of the lessons that CRS learned in carrying out this project:

1. **Time:** Projects of the scale CRS developed, particularly the large rural projects such as Margellik, Bregas, and Bishqem, require more time and more up-front development work than we had this year. In many respects, we were fortunate that the social problems we encountered were not long-term. A minimum of one full year should be allocated to large water projects.
2. **Emergency intervention versus Development:** Water and sanitation development projects in Albania should not be considered emergency interventions. Often, it seems that there are lower expectations for emergency projects compared to development projects, in terms of technical standards and socio-economic sustainability. Although there are emergency water and sanitation problems in Albania, most are a result of poor management combined with low cost recovery. If international organizations choose to build quick-impact emergency projects without considering long-term sustainability, the same problems will persist.
3. **Water and Sanitation Development is needed in Albania:** Water and Sanitation development is needed in Albania. The international donors have responded to the need, especially in urban areas where they have actively promoted concession agreements and bilateral grants and loans. In the smallest communities, there also appears to be significant work by some NGOs such as PLAN and others, but in the large villages and small towns there is a void. These communities are not large enough to attract the interests of the national government or international donors and investors, but often they are too large for most NGOs to get involved. NGOs, donors, and the GOA should consider this issue.
4. **VAT:** NGOs should seek reimbursement for VAT prior to initiating projects and prior to the fiscal budgeting of the GOA. ECHO has secured guarantees from the GOA to reimburse all VAT on ECHO sponsored development projects. Other donors should follow suit.
5. **Collaboration with GOA:** NGOs should collaborate better with local authorities. In the urgency to initiate the projects CRS sponsored this year, collaboration with the local water enterprises and municipalities was often minimal, especially at the outset. This threatens the sustainability of the projects and undermines the development of civil society in the country. NGOs run the risk of establishing parallel institutions to the existing Albanian ones. NGOs, in the future, should consider sponsoring training workshops for government engineers or technicians in new technologies, or management techniques.
6. **Community contribution:** Albanians and Albanian communities will contribute time, money, and labor to projects when they believe that the projects will be successful. Few people expected that CRS would be able to have as much community participation as it has had in this program. This was possible only through the commitment of the CRS staff to the community participation strategy developed early on in the project.

7. **Community extension workers:** Skilled and motivated community extension workers are required for successful projects. The constant presence of the CRS community liaison officers in the communities and their active leadership made these projects successful. The community work was far more labor intensive than the technical work.
8. **Contractors:** Albanian contractors are capable of implementing quality projects. It is not necessary to bring in contractors from other countries, except in some special cases. The benefits from training our contractors included high quality workmanship plus a sense of loyalty among the contractors that was helpful when pipe supplies were successively late. The work of our contractors has been generally very good, however, it was necessary to have the contractors under constant supervision by an experienced engineer.
9. **Hydrogeology:** Good hydrogeological information should not be undervalued. It is worth the money. The consultant for CRS, Romeo Eftimi, was excellent. In retrospect, he should have been consulted more frequently, especially in supervising the well drillers
10. **Pipes and fittings:** For future projects, we would recommend allowing the contractors to acquire polyethylene pipe and fittings. CRS would require inspection of all materials before they are used. The challenges of getting quality materials in the country consumed a lot of CRS staff time this year. A negative consequence of allowing the contractors to buy pipe is that the costs of projects will increase substantially.

List of Appendices

1. Interim Progress Report (May 13 – August 31, 1999)
2. Interim Progress Report (September 1999 – January 2000)

Catholic Relief Services/Albania

Interim Progress Report

May 13 – August 31, 1999

OFDA grant AOT-G-00-99-00112-00

Summary of Grant

The goal of this grant is to respond to the Kosovo refugee crisis through three objectives:

- 1) meeting immediate needs of refugees at the Kosovo-Albania border;
- 2) addressing shelter and non-food needs of refugees in collective centers
- 3) addressing the psycho-social and educational needs of refugees

Accomplishments to Date

General

Since April, CRS expanded its Albania program from two office (Durrës and Tirana) and 25 staff to five offices (Kukes, Elbasan, Fier) and over 170 staff in order to serve 150,000 refugees during the Kosovo crisis. CRS worked with over 100,000 refugees in camps and host families in Durrës, 15,000 in camps and collective centers in Fier, 15,000 in Tirana, and 15,000 in Elbasan. CRS has worked in close collaboration with other donors (UNHCR, WFP) and other NGOs (CARE, ADRA and others) to maximize the effects of its efforts. For example, in Kukes, CRS and other NGOs were able to staff the boarder 24 hours a day when necessary to meet incoming refugees with initial distributions of food, water, non-food items and provide psychosocial support. CRS maintained excellent relations with camp management groups and was able to use both OFDA and private resources to fill gaps and meet needs other NGOs were not able to fill. In Fier, CRS agreed with CARE and ADRA to provide significant amounts of non-food items to Camp Hope.

Objective 1

CRS staff were present at the Morini boarder post near Kukes from early April until the crisis ended when refugees were crossing into Albania. CRS distributed food and water to refugees as they passed through the boarder check point. CRS Community Services workers were part of the distribution team to provide immediate support for emotionally traumatized refugees. Over 450,000 refugees passed through boarder during this time.

Objective 2

CRS responded to the needs of 150,000 refugees in these five areas by meeting many of their material needs. Under this grant, CRS has procured and delivered to the refugees clothing, bedding, hygiene material, kitchen items, and other non-food items in most need (see attached list). As noted in the recently submitted Amendment request, items left over (i.e. not used before the refugees returned home) will be distributed to vulnerable Albanians with the exception of the beds and mattresses which OFDA has approved for transfer to Turkey for the earthquake victims.

Objective 3

As noted above, CRS community workers were part of the distribution team in Kukes. Community workers were also active in all of the camps/collective centers where CRS was providing material assistance. CRS community workers have also participated in the return effort by accompanying refugee convoys back to Kukes from southern Albania. The goal of 'aid with a human face' noted in the grant was achieved. However, most costs associated with this objective were paid for by UNCHR and not OFDA as is evidenced by the lack of expenses in this line item. Also, due to the short lived nature of the conflict, formal programs for psycho-social assistance were not up and running before the return began.

Proposed Modification

A with-cost modification request for this grant has been submitted to OFDA given the significant changes that have occurred in Albania. Written approval of this request is expected shortly.

Budget

The attached budget pipeline is an updated version of the one submitted as part of the amendment request and therefore projects expenses through April 30, 2000. As is seen in the attached budget pipeline, most expenditures and activities have been under Objective 2 (non-food). In-kind donations and funds from other donors were used for most activities under Objectives 1 (food) and 3 (community services).

List of Non-Food Items

2,000 Kitchen Items & 10,000 Blankets
11,700 Plastic Buckets
40,000 Cutlery Sets
15,000 Sleeping Mats
100,000 Hygiene Packs
50,000 Beds
1,600 Kitchen Sets
60,000 Shoes, 60,000 T-Shirts, 60,000 Underpants
15,000 Collapsible Jerry Cans

CRS/Albania budget report for OFDA grant AOT-G-00-99-122-00

Line Item	Approved Budget	Est exp thru 31-Aug-99	Est Balance 1-Sep-99	Est Exp 9/1 - 10/31	Est Bal Oct-31	Est Exp 11/1 - 4/30	Est Bal 4/30/00	Revised Budget
Expat Salaries	80,700	40,000	40,700	40,000	700	120,000	-119,300	200,000
Expat Fringes	34,560	10,000	24,560	20,000	4,560	60,000	-55,440	90,000
National Staff Salaries	115,755	37,743	78,012	35,000	43,012	110,000	-66,988	182,743
Program monitoring	129,720	23,495	106,225	20,000	86,225	50,000	36,225	93,495
Food	500,000	125,128	374,872	0	374,872	0	374,872	125,128
Non-food	2,710,000	2,394,008	315,992	5,000	310,992	0	310,992	2,399,008
Community Services	697,500	595	696,905	0	696,905	0	696,905	595
Water/Sanitation/Health	0	0	0	416,100	-416,100	1,500,000	-1,916,100	1,916,100
Admin support	158,895	45,090	113,805	45,000	68,805	130,000	-61,195	220,090
ITSH	228,700	36,999	191,701	15,000	176,701	30,000	146,701	81,999
NICRA	1,045,233	0	1,045,233	0	1,045,233	1,191,906	-146,673	1,191,906
TOTAL	5,701,063	2,713,057	2,988,006	596,100	2,391,906	3,191,906	-800,000	6,501,063

38

CRS/Albania budget report for OFDA grant AOT-G-00-99-122-00

Line Item	Approved Budget	Est exp thru 31-Dec-99	Est Balance 1-Jan-00	Est Exp 1/1 - 4/30	Est Balance 4/30/00	Est Exp 5/1 - 10/31	Est Bal 10/31/00	Revised Budget
Expat Salaries	200,000	80,000	120,000	80,000	40,000	40,000	0	200,000
Expat Fringes	83,626	35,000	48,626	25,000	23,626	23,626	0	83,626
National Staff Salaries	192,711	110,298	82,413	50,000	32,413	32,413	0	192,711
Program monitoring	74,929	46,294	28,635	18,000	10,635	10,635	0	74,929
Food	125,128	125,128	0	0	0	0	0	125,128
Non-food	2,399,008	2,394,008	5,000	0	5,000	0	5,000	2,394,008
Community Services	3,864	3,864	0	0	0	0	0	3,864
Water/Sanitation/Health	1,265,220	9,634	1,255,586	800,000	455,586	460,586	-5,000	1,270,220
Admin support	216,072	104,156	111,916	75,000	36,916	36,916	0	216,072
ITSH	95,272	58,659	36,613	20,000	16,613	16,613	0	95,272
NICRA	1,045,233	666,101	379,132	239,766	139,366	139,366	0	1,045,233
TOTAL	5,701,063	3,633,142	2,067,921	1,307,766	760,155	760,155	0	5,701,063

*This financial report is for illustrative purposes only and is unreconciled.



Catholic Relief Services-Albania
Rr. Mustafa Matohiti, Nr 4
Tirana, Albania
Tel: 34699-40143-57199
Fax (355) 42 401 44
Email: crsalbania@crs.icc-al .org

Progress Report

Water and Sanitation Projects Catholic Relief Services - Albania OFDA Grant AOT-G-00-99-00112-00

1. Introduction

This report covers the period from the end of September 1999 to the end of January 2000.

Since the end of September, CRS' main activities within the water sanitation projects have been:

- recruiting and establishing a water department, geographically spread between the main office in Tirana and three of CRS' field offices throughout the country;
- selecting the water projects;
- liaising with the communities involved to ensure their participation in the design, construction, operation and management of the systems;
- working with the Albanian Authorities to minimise CRS' tax liabilities for the projects;
- designing the projects;
- tendering the construction contracts;
- purchasing; and
- co-ordinating activities with other NGO's in Albania.

Engineering teams now exist in three of CRS' field offices, supervised by a small national team. The majority of the projects have been selected and are currently being designed. The first tenders have been let during January and work will begin by the end of the month.

Despite a number of staffing problems during the period, the projects remain on target and it is still expected that all will be complete by the end of July 2000.

2. Staffing

Since September small engineering teams have been established in the Elbasan, Fier & Tirana offices. Supervised by international water engineers, these teams comprise of two national engineers and two community liaison officers. Tirana, which carries the largest share of the projects and helps manage relations with the Government of Albania, also has an Albanian lead engineer.

The teams in all the field offices are now functioning smoothly and are progressing well with the projects.

Unfortunately, we have had to dismiss an international engineer in Fier and a national engineer in Elbasan. We are currently recruiting for both positions again and it is hoped that they will be filled by the end of January.

The absence of an ex-pat engineer in Fier during the month of January may affect the project completion but it is not thought that this would extend beyond the end of July. The projects in Elbasan should not be significantly affected by the changes.

3. Selection of Water Projects

Working with national and local government, the water companies and the local communities, CRS staff spent September and October investigating the various needs for drinking water in the four prefectures where we are working.

The potential projects were assessed according to the current level of supply, the cost of the project, the cost per capita, the political feasibility, the practicality of working with the community and the opportunity to integrate the projects with CRS ongoing programmes.

In all rural cases, the projects selected are in areas which currently have no drinking water supply and where water is being carried in manually. The urban projects will improve the inadequate supply received by the inhabitants.

During the period of project identification, significant efforts were made centrally, and through the field offices, to co-ordinate our activities with those of other NGOs to ensure no duplication of effort.

Table one below details the projects selected.

4. Community Participation

As discussed with Malek Zimmer of OFDA on 20th October 1999, CRS has included a substantial community participation element in all rural projects. In line with this, CRS is working with villages to establish water committees who will co-ordinate the villagers' contributions, both in kind and financial, and will manage the long-term maintenance of the projects.

In this way, CRS aims to secure greater ownership of the projects by the local community, thereby making them more sustainable in the future. Community ownership of projects will also help to prevent vandalism by non-beneficiaries in the future.

CRS staff have worked closely with other NGOs, particularly those with extensive project experience in Albania, to identify sound working practices which will secure the successful completion of the projects within the required time, while promoting their long-term sustainability.

CRS' manual for the community participation element of the water projects is attached.

Table 1: Catholic Relief Services Water Projects in Albania

District	Project Title	Cost (\$)	Cost/Capita (\$/person)
Durres Office			
Durres	Mains near Factory	27,000	
Kruje	Fushe-Kruje - pumps and line	300,000	18.8
Total in Durres		327,000	
Elbasan Office			
Elbasan	Krasta Vogel Sewage System	130,000	10.0
Peqin	Bishqem Water Supply	230,000	51.4
Total in Elbasan		360,000	
Fier Office			
Fier	Bregas Water Supply	243,000	67.5
Fier	Margellitci, Kuqari, Maneki, Rusinja	137,000	43.4
Fier	Mucaj	20,000	33.3
Total in Fier		400,000	
Tirana Office			
Tirana	Tirana General Hospital	10,000	
Tirana	Selita Water Supply	35,000	77.8
Tirana	Farke	120,000	
Total in Tirana		165,000	
Total		1,252,000	

5. Albanian Authorities

CRS signed an MOU with the Ministry of Public Works (MPW) for its water projects on 17 November 1999. This gave CRS permission to proceed with the projects detailed in Table 1 and approved CRS' community participation strategy.

In addition, the MOU agreed that the "MPW will be asked to reimburse CRS for the VAT paid on construction costs." The VAT system in Albania is somewhat convoluted, with tax being paid to the Ministry of Finance and reimbursed by the relevant ministry, in this case, that of Public Works. In view of the extensive NGO spending on water infrastructure in Albania since last years crisis, the MPW now finds its budget unable to accommodate the required VAT repayments and has announced that it will not be able to honour its original statement in the MOU. Efforts are

ongoing to overcome this deficit since it is in contravention of the MOU signed in good faith between CRS and the MPW.

At the same time, CRS is investigating the possibility of obtaining a VAT exemption from the Ministry of Finance. While this is unlikely given Albanian law, it is worth circa USD 200,000 to CRS water programme and we shall follow it up thoroughly.

Conversations with the MPW and the Customs Assistance Mission indicate that CRS will be able to obtain exemption from paying customs duty on materials for the water projects since they are deemed to be humanitarian goods. CRS shall continue to follow this up.

6. Project Design

The detailed engineering design for the water projects is ongoing in CRS' field offices. In most cases this has been undertaken by CRS' own engineers, supported by contract design staff to assist with specialist tasks. The USD330,000 water supply for the town of Fushe Kruja is too large for the design to be completed in-house, so it was contracted out to a local engineering firm.

The designs for some of the projects are already complete and it is anticipated that all will be complete by the end of February, in line with a planned completion date of end July 2000.

7. Tendering Construction Contracts

Once the designs have been completed, the construction contracts are tendered. A few of the projects have reached this stage.

Selita, Tirana: The construction has been tendered and the contractor selected. Work should begin within the next ten days and the project should be complete by end April.

Fushe Kruja, Tirana: The design is complete and the tender documents have been issued to the contractors. The final selection is scheduled to take place on 14 February and the contract signed shortly thereafter. Work will begin by the end February and should be complete by end June.

Margeliç, Fier: The design is complete and the tender documents have been issued to the contractors. The contractor selection will take place on 3 February and the contract signed shortly thereafter. Work should begin by 20 February and be complete by end May.

8. Purchasing

Pipes, valves and fittings are scarce in Albania, the majority being imported. There is a small manufacturer of polyethylene pipe in Rogozhina but several NGOs have had problems of product quality and reliability of supply. CRS intends to purchase small quantities of pipe from this manufacturer, working with them to develop their operations.

The majority of CRS' pipe and fittings will be imported. We have received bids from companies in Turkey, Greece, Italy and the United Kingdom, and intend to source most of these items from Greece.

CRS is currently investigating where to source valves from and is seeking bids from Greece, Italy and the United Kingdom.

The suppliers for pipes, valves and fitting will be chosen by 10 February.

There are no Albanian pump manufacturers and two European companies have dealerships in Albania. Pumps for the projects will be selected from these two suppliers since only they can offer adequate installation and after-sales support.

9. NGO Co-ordination

Considerable efforts have been made to co-ordinate CRS' activities with those of other NGOs in Albania. These have included:

- fortnightly meetings to share intended programmes, experience, lessons learnt and strategies;
- working groups to develop joint positions on health and water awareness training, the legalities of establishing independent water committees and purchasing;
- sharing project plans, designs and feasibility studies to co-ordinate project activities;
- co-ordination of purchasing activities.

10. Planned Activities to End April 2000

Within the next three months it is intended that:

- 1) the design for all projects will be complete, that the contracts shall be let and construction be ongoing;
- 2) VAT and Customs tax issues will be resolved, at least in principle;
- 3) water committees will be created in each of the villages who will manage the communities contributions to the projects;

- 4) the community elements of all construction will be complete;
- 5) suppliers of adequate quality, reliability of supply and value for money will have been identified, and goods sourced from them.

45

CRS/Albania budget report for OFDA grant AOT-G-00-99-122-00

Line Item	Approved Budget	Est exp thru 31-Dec-99	Est Balance 1-Jan-00	Est Exp 1/1 - 4/30	Est Balance 4/30/00	Est Exp 5/1 - 10/31	Est Bal 10/31/00	Revised Budget
Expat Salaries	200,000	80,000	120,000	80,000	40,000	40,000	0	200,000
Expat Fringes	83,626	35,000	48,626	25,000	23,626	23,626	0	83,626
National Staff Salaries	192,711	110,298	82,413	50,000	32,413	32,413	0	192,711
Program monitoring	74,929	46,294	28,635	18,000	10,635	10,635	0	74,929
Food	125,128	125,128	0	0	0	0	0	125,128
Non-food	2,399,008	2,394,008	5,000	0	5,000	0	5,000	2,394,008
Community Services	3,864	3,864	0	0	0	0	0	3,864
Water/Sanitation/Health	1,265,220	9,634	1,255,586	800,000	455,586	460,586	-5,000	1,270,220
Admin support	216,072	104,156	111,916	75,000	36,916	36,916	0	216,072
ITSH	95,272	58,659	36,613	20,000	16,613	16,613	0	95,272
NICRA	1,045,233	666,101	379,132	239,766	139,366	139,366	0	1,045,233
TOTAL	5,701,063	3,633,142	2,067,921	1,307,766	760,155	760,155	0	5,701,063

*This financial report is for illustrative purposes only and is unreconciled.

Estimated OFDA Budget - Actual and Projected costs as of October 2000

	Status	Initial Budget (\$)	Committed to Date (\$)
Projects			*
Bishqem	Complete	150,000	107,270
Bregas	Complete	243,000	206,213
Caushaj	Complete	-	18,233
Cigarette Factory	Complete	27,000	-
Farka	Complete	175,000	2,186
Fatish	Complete	100,000	68,761
Fushe Kruja	Complete	380,000	342,971
Hospital	Complete	10,000	10,000
Krasta Vogel	Complete	80,000	68,875
Margelic	Complete	145,000	156,678
Penalty (0.2 %) x 32 days to contractor			5,350
Mucaj	Complete	20,000	32,000
Selita	Complete	35,000	24,000

* The initial budget includes the cost of pipes. The final spend on each project excludes pipes and fittings. The costs of pipes and fittings is reported as one figure for the entire project based on invoices.

Additional Costs			
Pipes Fittings including Transport and VAT	Spent		337,670
Additional Pipes and Fittings	Estimated		30,000
Trans Int'l (pipes)	Estimated		
Internal Trans (pipe)	Estimated	-	5,000
Household Connections	Estimated		8,000
Widows Tents/Spare Parts	Estimated		7,700
Widows Welding Machines	Estimated		26,995
(Widows Reimbursement)	From Contractors to CRS		(10,000)
Vat Return on Imports			
(Pipes and Fittings)	Estimated	-	(50,000)

1,365,000 1,397,903

Budget	1,265,220
Spent (Actual and Projected)	1,397,903
Difference	(132,683)