

ALBANIA PRIVATE FORESTRY DEVELOPMENT PROGRAM

Second Annual Report:
October 1, 1996 through September 30, 1997

Contract No. EPE-C-00-95-00127-00

Submitted to:
U.S. Agency for International Development

Submitted by:
Chemonics International Inc.

October 30, 1997

TABLE OF CONTENTS

ACRONYMS		i
SECTION I	INTRODUCTION	1
SECTION II	PERSPECTIVE ON APFDP YEAR 2	3
	A. Lessons Learned	3
	B. Adjustment to the New Government's Strategy and Policies	5
	C. APFDP Working Relationships with Government Counterparts	6
	D. APFDP Planning Process	6
	E. Limitations Because of Travel Restrictions	7
	F. Collaboration on Broad-based Policy Issues	7
SECTION III	YEAR 2 PROGRESS	9
SECTION IV	INTERMEDIATE RESULT 1	11
	A. Overall Result: Improved Utilization of Private Forest and Pasture Lands	11
	B. Intermediate Result 1.1: Reformed Policies Supportive of Forestry/Pasture Initiatives	11
	C. Intermediate Result 1.2: Economically Viable and Ecologically Sustainable Land Use Practices Adopted by Individuals	12
SECTION V	INTERMEDIATE RESULT 2	17
	A. Overall Result: Improved Utilization of Refused and Non-Divided Lands	17
	B. Intermediate Result 2.1: Policies Reformed to Facilitate Effective Distribution and Utilization of Refused and Non-divided Lands	18
	C. Intermediate Result 2.2: Economically Viable and Ecologically Sustainable Land Use Practices for Refused and Non-divided Agricultural Lands Adopted by Individuals and Groups	19
SECTION VI	INTERMEDIATE RESULT 3	21
	A. Overall Result: Increased Decentralization and Sustainable Management of State Forest and Pastures	21
	B. Intermediate Result 3.1: Enhanced Policy Environment for Transferring State Forests	22
	C. Intermediate Result 3.2: Groundwork Laid for Sustainable Management of Transferred Komuna Forests and Pastures	24

TABLE OF CONTENTS
(continued)

SECTION VII	INTERMEDIATE RESULT 4	25
	A. Overall Result: Increased Public and Private Forestry Extension Capacity	25
	B. Intermediate Result 4.1: Groundwork Laid for the Establishment of a Coherent and Dynamic Public Extension Organization	25
	C. Intermediate Result 4.2: Increased Capacity of Public Organizations, NGOs, and Private Suppliers to Provide Extension Services	26
SECTION VIII	INTERMEDIATE RESULT 5	29
	A. Overall Result: Increased Number/Expanded Capacity of Small-Scale Silvo-Pastoral Enterprises	29
	B. Intermediate Result 5.1: Improved Access to Market Information, Affordable Inputs and Credit	29
	C. Intermediate Result 5.2: Improved Business Management Skills	31
ANNEX A	SUMMARY OF APFDP TRAINING AND WORKSHOP/ ROUND TABLE ACTIVITIES TO DATE	A-1
ANNEX B	APFDP TRAINING SUMMARY OF YEAR 2 AND UPCOMING YEAR 3 EVENTS	B-1
ANNEX C	INTERIM WORK PLAN: OCTOBER THROUGH DECEMBER 1997	C-1

ACRONYMS

AFP	Albania Forestry Project (World Bank-assisted)
ALT	Adult Learning Training
AUT	Agricultural University of Tirana
BMT	Business management training course
DDFS	District Directorate Forest Service
DGFP	Directorate General of Forests and Pastures
FAO	Food and Agricultural Organization (of the United Nations-Rome)
FI	Forage Institute
FPRI	Forest and Pasture Research Institute
GOA	Government of Albania
GTZ	German Technical Assistance
HPI	Heifer Project International (APFDP subcontractor)
IAA	Interagency Agreement (USAID)
IR	Intermediate result
LOL	Land of Lakes (USAID project)
MOAF	Ministry of Agriculture and Food
NGO	Nongovernmental organization
NN	Nursery Network
PC/A	Peace Corps/Albania
PCV	Peace Corps volunteer
PFA	Progressive Foresters Association
PPNEA	Protection and Preservation of the Natural Environment of Albania
PRA	Participatory rural appraisal
REC	Regional Environmental Center
RKA	Record keeping and accounting course
SAPDA	Sustainable Animal Production Development Activity
SARA	Strategic Assistance for Rehabilitation of Agriculture
SSLG	State Secretariat for Local Government
STTA	Short Term Technical Assistance
TR&D	Tropical Research and Development, Inc. (APFDP subcontractor)

SECOND ANNUAL REPORT

SECTION I

INTRODUCTION

SECTION I INTRODUCTION

Political and economic changes. Year 2 of the Albania Private Forestry Development Program (APFDP) witnessed substantial economic and political changes in Albania. While these changes have affected and will continue to affect forestry in general and APFDP implementation in particular, one must view them within the context of broader developments in the country over the past years. On one hand, the Government and people of Albania have shown a determination to better manage their natural resources; on the other hand, severe economic and political crises have frequently hampered this effort.

After the the communist regime toppled in March 1991, the new Government committed to the rapid establishment of a market economy and private ownership and undertook a comprehensive program for restitution of agricultural land to private owners.

Worsening forest degradation. However, forests and pastures—which for the most part are still largely state-owned—have become increasingly degraded over the last two decades. In the 1980s the Government of Albania (GOA) harvested about three times the sustainable yield from a number of forests. In the late 1980s, as the economy collapsed, rural residents turned to the forests for subsistence fuelwood and fodder. During the unusually harsh winters of 1991 and 1992, the felling of trees accelerated. Further, the impoverished Government was unable to manage and protect natural resources, as poor rural families, in the wake of economic uncertainty and disputes over future rights, use, and ownership of forests and pastures, jostled each other to take resources for themselves. Thus, in actual practice, the forests belonged to everybody and nobody.

Government initiatives. To improve management of state-owned resources, in 1992 the GOA enacted Law 7623: For Forestry and Forest Service Police, which defined three categories of forest: 1) that owned and managed by the state, 2) that owned by the state and “given in use” to the *komuna* (local government), and 3) that belonging to private owners. In 1995, the GOA also established Law 7917: On Pastures and Meadows. In 1993 and 1995 laws were passed enabling the restitution of forests, pastures, and meadows to pre-1946 owners holding official titles. In 1996 the Government released transfer procedures, “About the Transfer of Komuna Forests and Pastures for Their Use and Administration.”

The APFDP. To support the Government in decentralizing and privatizing management of forests, USAID designed the APFDP in early 1994. APFDP aims to increase rural household incomes. It’s mission is to alleviate and ultimately reverse forest degradation through development of sustainable private sector forestry management on privately owned lands and communal forests and pastures.

The program was designed to provide funding under two contractual arrangements. In September 1994, under the first arrangement, USAID and Peace Corps/Albania signed an interagency agreement in which USAID transferred funds to the Peace Corps’ agroforestry- oriented planting, management, and marketing program for private land owners in Albania. However, due to the civil unrest in the country, the Peace Corps ended the program in March 1997.

In the second contractual arrangement, a three-year contract for the project assistance component of APFDP was awarded to Chemonics International in September 1995. Based in Tirana, with subcontractors Tropical Research and Development and Heifer Project International (HPI), the Chemonics team's responsibilities are as follows:

- Strengthen national and regional forest policies and institutions through technical assistance and training
- Support village and private sector forestry in selected areas
- Develop pilot sites in Tirana for purposes of public information dissemination and technology demonstration
- Provide selected equipment and commodities in support of program objectives

Chemonics was asked by USAID to transform the "project-based" structure of these responsibilities into a development hypothesis and results framework reflecting USAID's new way of doing business. The first results framework exercise, conducted during the course of developing the year 1 work plan, was based on conditions and perceptions at that time. Although year 1 yielded many concrete results, as reported in APFDP's *First Annual Report*, the most important "result" was a better understanding of the situation and the possible solutions. Drawing on the lessons learned of year 1, Chemonics developed a new results framework keeping the development hypothesis and intent of the original framework as well as original contract deliverables, but streamlining activities to better reflect development partner input and actual experience gained to date. Moreover, both policy and field activities for year 2 were designed to be much more focused and implementation was expected to be much faster than was possible during year 1.

Economic upheaval and civil disorder during APFDP year 2. Unfortunately, just as APFDP was beginning to implement the year 2 work plan, Albania experienced substantial economic upheaval and civil disorder. Nearly all Albanians had committed savings to a variety of pyramid schemes, and until October 1996 even the Government had seemed to sanction them. Some Albanians sold their livestock, land, and homes in expectation of spectacular returns from the schemes, which touted interest rates of up to 25 percent per month. However, in early 1997 the schemes began to collapse. Outraged investors demanded their savings, and the Government lost control of southern Albania and later other areas. In March 1997, most foreign nationals left the country; the expatriate team of the APFDP was evacuated. The civil disorder ended with the resignation or flight of top officials, Government acquiescence for new elections in June, and the victory of the opposition parties in the June elections. The new Government is still in the process of reorganizing and appointing new officials, and formulating its own strategy for the future. All these changes occurred almost exactly during the APFDP year 2 period, October 1996 through September 1997.

SECTION II

PERSPECTIVE ON APFDP YEAR 2

SECTION II

PERSPECTIVE ON APFDP YEAR 2

Last year's events have had serious consequences for the forestry and pasture sector. The desecration of forests increased, there were changes in the nature of ownership of land and livestock, and family and community resources for investing in silvo-pastoral improvements or business initiatives weakened even more. APFDP has had to accommodate these factors in its implementation. Unavoidably, the program did not precisely follow the year 2 plan presented in 1996. The APFDP advisers had been evacuated and were allowed to return only in the summer of 1997. The chief of party was allowed to return in June, and the policy specialist and field technical coordinator were allowed to return the end of August.

Despite these challenges, however, local staff—backstopped by the expatriate team in Washington—continued to function in their jobs all except one day, even during very difficult conditions. Moreover, they held seminars and training events that were well-attended, continued with research projects and studies, and generally maintained momentum and visibility for APFDP's activities. (See Annex A for a list of studies, training events, and reports on activities produced to date.) Most important perhaps, the GOA and APFDP together developed a better understanding of the constraints facing the forestry sector. Below we detail the factors that have affected the implementation of year 2 and will guide APFDP during strategy design for year 3.

A. Lessons Learned

Largely through collaboration on local-level surveys and research, Government and APFDP staff gained insights into why the process of privatizing and decentralizing forests and pastures has been extremely slow and complicated. Over the past five decades, three pivotal features of forestry in Albania have confronted the hand-over of natural resource management: resource base, land tenure and classification, and land administration policies.

A1. Resource Base

The resource base has deteriorated and changed over the last decades. Further, recent increased pressures have accelerated the decline of forest, pasture, and agricultural land. Government blames the people, pointing to the decline of central control in the early 1990s and ensuing destruction of forests; it is afraid private individuals and local government would handle resources irresponsibly, making matters even worse. On the other hand, the rural population mistrusts Government, citing government mishandling of natural resource management over the past 50 years; thus, rural residents use these resources as they see fit. Government and the rural population are at odds with each other, which in fact makes sustainable management of natural resources all the more difficult.

The history of resource decline is complex. A major shift occurred in the late 1960s, when the communist regime cleared some 260,000 hectares of forest land near communities, to “open” new agricultural land to support a program for self-reliance in agricultural production. Similarly, about 400,000 of the 816,000 hectares of land classified as pasture were converted for agricultural purposes. However, the lands were unsuitable for agriculture for many reasons. After only one or two years, production was abandoned, leaving a legacy of soil erosion, irrigation system siltation, poor soil fertility, and fuelwood shortages for current and future generations.

Until the end of the 1980s, the communist regime exercised stringent controls over people's movement from one location to another, the number of livestock a family could own, and how communities could use their forests and pastures. Although natural resources were not always managed sustainably, the critical pressures on forests and pastures did not occur until these controls were relaxed.

With Government's encouragement in the 1990s, farm families substantially increased their livestock holdings. While the population of sheep and goats had remained steady at about 2 million head from 1969 to the late 1980s, it increased to nearly 3 million by 1994. In other words, the small ruminant population suddenly increased back to its pre-1946 size, while the amount of pasture dwindled by half. To feed their animals, people turned to the forests.

Another factor in forest degradation was the growing human population. To meet subsistence needs, people took fuelwood and timber. With the forests virtually all state-owned since 1957, people have taken these resources on an *ad hoc* basis and without an incentive to manage the forests sustainably. This exacerbated in the 1990s as people from remote areas, whose movement used to be controlled, flooded into already pressed lowland areas.

The problems facing forest and pasture land cannot be solved fundamentally until human and livestock population growth can be curbed, or natural resources can be vastly better managed, or alternative resources can be found. None of these measures is easy. However, there are many Albanian examples of communities and individuals that have managed natural resources sustainably, often according to their pre-1946 traditions. A large-scale entrustment of forest and pasture lands to these groups would require a rapprochement between central Government and private individuals and communities.

A2. Land Tenure and Classification

The complex and conflicting background of land tenure and classification is a serious challenge to privatization and decentralization of forests and pastures. Government's well-intentioned attempt to equitably privatize agricultural land in the 1990s only further complicated an already difficult situation. Claims by pre-1946 owners came into conflict with the Land Commission's attempt to distribute equal parcels to the current residents, some of whom had moved into the communities just months earlier. Many communities preferred their traditional (pre-1946) patterns of land use. In some areas, whole communities have not taken official titles and instead have reverted to the old practices. In other areas, ex-owners have confronted and even ousted "newcomer" families with titles.

In addition, pre-1946 ownership is not certain where families owned land under local traditional law but lack Government-issued title, or where land was classified under one designation but converted to another (e.g., land which was titled as private forest before 1946 became state forest when all forests were nationalized in the 1950s, and later was designated as agricultural land when it was "opened" for crops in the 1960s). Although people declined title to 110,000 hectares of "agricultural" land—and did not report an equal amount to the Land Commissions—they *do* recognize individual or community property land rights and they *do* use these lands. In this sense (and a number of others), Government policy is out of touch with the reality, even in villages just minutes from Tirana.

The problems in land tenure and classification have serious side effects. For example, in the face of insecurity about whether untitled land might someday be expropriated, farmers are unwilling

to invest much time and money in it, and many “refused” lands are used in a sub-optimal manner (e.g., as unimproved pasture) and not always sustainably. If and when credit becomes available, farmers will not and cannot borrow for improvements on untitled land. Another serious effect of leaving untitled land in limbo is that Government loses part of its tax base, as well as its ability to promulgate policies for rational land use.

A3. Incohesive Farm and Land Administration Policies

Incohesive policies—not just forest policy, but broader land administration policies—pose a serious challenge. One example is land that has been designated for one use although another use would be more appropriate. Forest and pastures that were converted to “agricultural” in the 1960s still bear that designation; national law prohibits the use of agricultural land for non-agricultural purposes, for “food security.” In many cases, former forest and pasture land was never suitable for agriculture, and has been “refused” and become increasingly degraded. Although the land would often be more productively used as forest or managed pasture, understandably no one will invest time or money to sow grass or plant trees.

Another example concerns the transfer of forests and pastures to komunas. Current policy does not permit komunas to retain their own revenues or to own land. Furthermore, komunas lack the staff, skills, and resources to administer pastures and forests. Also, current policy provides for transfer of forests and pastures “in use” (central Government is still the owner) and for only 10 years. For this short period and under very uncertain usufruct rights “in use,” communities are doubtful about whether they even want to officially take over management. These are only two of many examples of the policy conflicts and gaps.

Government, with APFDP assistance, recognized these deep-seated problems and began taking steps to refine policy, for example the revision of Law 8047: On the Administration of Refused Agricultural Land. Similarly, APFDP revised its strategy after experience with years 1 and 2, and has continued to make modifications as appropriate. This will continue with the advent of year 3, especially as the new Government reveals its future plans and appoints new managers.

B. Adjustment to the New Government’s Strategy and Policies

In March 1997, the ruling Democratic Party agreed to form an interim coalition government. Although the interim minister of agriculture was a member of the Socialist Party, he made no major changes in strategy or policy. Regarding APFDP, the new minister not only continued support for key initiatives such as revision of refused land policy, but became even more closely involved than his predecessor. For example, he participated during the entire seminar on alternative policy strategies in other European countries.

In July 1997, an opposition coalition Government centered around the Socialist Party came into power. While coalition leaders have professed their commitment to continued privatization and decentralization and support an open market economy, it is not yet clear whether development directions will change considerably. In the Ministry of Agriculture and Food (MOAF), a leader in the Agrarian Party took office, the third new minister in less than a year. Minister Xhuveli has proposed a new organization for the ministry as well as appointments to top positions, both affecting the Directorate General of Forests and Pastures (DGFP) and other key counterpart offices. As this report was prepared, neither the organization nor the appointments are fully decided and the new Government’s strategies and policies for forests and pastures have yet to take shape.

To date, although the DGFP has constituted a “senior-level” directorate in MOAF, it has never possessed the mandate, leadership, discretionary authority, or resources to manage forests and pastures strategically and sustainably. DGFP could not manage even its current responsibility of policing these resources, let alone a sophisticated and modern forest administration; this has curtailed progress in forest decentralization and privatization during APFDP’s year 2. Progress in developing a public forestry extension service was similarly affected. The position taken by the new Government remains to be seen.

C. APFDP Working Relationships with Government Counterparts

While the directions of the new Government may not be clear, its intention to make sweeping changes in leadership is already manifest. Fifteen of 36 district forest directors have already been replaced, ahead of—even in spite of—the current DGFP leadership. Special advisor positions in MOAF, including the one for forestry, have been abolished. Overall, 15 percent of staff positions are to be eliminated under International Monetary Fund guidelines.

The organization and personnel changes (director level and above) must all be approved by the Council of Ministers. Since all ministries are currently making such changes, the approval process can be protracted. Also, once the new appointees are in position, they may wish to make changes in staffing or procedures in their offices. With these changes, there may be some time before “the dust settles.”

There is general agreement among international advisers that the development programs have lost at least a year in terms of implementation and, to a great extent, must begin all over again to establish rapport and build credibility with the new Government counterparts. In the case of APFDP, demonstration and extension programs have evolved through the cooperation of our staff with district officials and a shared understanding that grew out of hours spent together in the field. Similarly, the momentum that had developed on the policy side grew largely out of the joint APFDP-Government participatory rural appraisal (PRA) training and local surveys, and subsequent time analyzing results and discussing them with decision makers. The new appointees will need time to get to know us and trust us—they will be busy with other responsibilities—and they will surely offer views and priorities that will cause approaches to differ.

D. APFDP Planning Process

Formulation of the year 3 plan has been slightly delayed due to several reasons. First, it would be premature to design the next program phase before the new Government elucidates its own views and priorities; furthermore, involving our new Government counterparts into our planning process will ensure that they “buy into” the APFDP program. Second, during the period of civil disorder and the subsequent major political changeover, many elements of the original year 2 plan have inevitably been delayed; APFDP needs to follow through on activities such as the pilot transfer of state forest to komunas before it launches into a new phase. Finally, because of the period of civil disorder, the mid-term evaluation and the Strategic Planning Workshop were delayed. Clearly, it is prudent to incorporate the recommendations of the evaluation team and workshop into future planning. Therefore, an interim plan for APFDP was prepared (see Annex B of this report). The interim plan, covering October through December 1997, will provide the requisite bridge for formulation of the year 3 plan beginning in January 1998.

E. Limitations Because of Travel Restrictions

In early 1997, it became impossible to travel to Vlore, one of the three original APFDP districts. Since March 1997, the spreading civil disorder prohibited field work in Pogradec and Lezhe as well. Until September 1997, USAID prohibited travel outside Tirana, Durres, and Kruja. Therefore, APFDP staff identified sites within those three districts to continue scheduled demonstration and research activities. While APFDP implemented extension, business management, and policy training events in Tirana and people traveled from the districts to attend them, there is no doubt that travel restrictions seriously constrained implementation of the original year 2 work plan.

At present, APFDP must seek authorization from the U.S. Embassy for any project-related travel outside the three approved districts. Two staff traveled to Lezhe in mid-September, but a major multipurpose field trip the following week had to be canceled because of new civil disorders north of Lezhe. Six staff visited Lezhe the second week of October. At present, no one can say how soon the districts will stabilize sufficiently to permit a normalization of our field work; some estimate that it will be several months. Year 2 performance and implementation of the interim plan must be viewed in this perspective.

F. Collaboration on Broad-based Policy Issues

As a result of the momentum developed between APFDP and its counterparts on the refused land issue and the drive to return private forests and pastures to pre-1946 owners, MOAF officials have requested APFDP input on several broad-based policy issues. This activity, including the speed of policy reform, had not been anticipated in the year 2 plan.

Coordination with the World Bank-assisted Albania Forestry project (AFP) became much closer, and APFDP advice was solicited on the creation of the Forest Revenue Fund envisioned under AFP. Similarly, APFDP was asked by the MOAF to advise on the proposed Forest Council, which AFP recommended. The AFP chief requested APFDP assistance in mounting a discussion seminar on short-term strategy for the forestry sector. This seminar was originally planned for September, but has been delayed until early December, when the new leadership of DGFP and other key decision makers are expected to be in place.

At present MOAF appears to want to undertake fundamental policy reform, including revision of the Forest Act to ensure policy continuity for forests and pastures. The extent of APFDP input into this effort will depend on the evolving organization and staffing of MOAF and the rapport established with new counterparts.

During the studies and surveys on refused land, and subsequent policy discussions, the importance of empowering local government to administer natural resources became obvious. In the last months, the State Secretariat for Local Government (SSLG) and the Ministry of Finance (MOF) have each drafted a public land administration law to enable local government. Now, all concerned parties will meet to agree on a single formulation. APFDP has encouraged this strengthening of local government for administration of forests and pastures at the komuna/ community level and for resolution of land administration issues in general. APFDP support in this area has been requested by SSLG, MOAF, and MOF over the past months, and we expect that to continue.

SECTION III

YEAR 2 PROGRESS

SECTION III YEAR 2 PROGRESS

Overall result: Increased private and decentralized management of Albania's forest and pasture resources.

APFDP has been increasingly involved in helping Government address the three major challenges to privatization and decentralization (discussed in Section II of this report). Regarding increasing pressures on already degraded forest and pasture land, the program has helped bridge understanding between government officials and farm families for better mutual cooperation. The first step came in August-September 1996, with training for government teams in PRA, the actual surveys, and the follow-up report to decision makers. The survey teams pointed out that this was the first time they had truly understood the complex underlying problems in land use. Government requested a second, expanded survey on the refused land problem and APFDP's assistance for surveys to deal with similar problems in the future.

In the beginning of year 2, APFDP collaborated on the second refused land survey, yielding even further insights into rural problems. Subsequently, Government and APFDP teams undertook surveys on restitution of forest and pasture land to private owners. In addition, APFDP's involvement in the process of transferring state-owned forests to komunas has provided for substantial participation by decision makers from DGFP, MOAF, and the SSLG, the three main institutions responsible for land transfer. The draft Public Lands Administration law formulated by the Secretariat directly addresses issues that were raised during this transfer process.

Land tenure and classification. Regarding the second challenge, the complex and conflicting background of land tenure and classification, APFDP's first major contribution was the inclusion of officials from the DGFP, Land Registration Center, the Institute for Land Studies, and the MOAF and district cadastral offices on the survey teams starting in August 1996. Local government officials joined beginning in October 1996. Each institution holds a different key to solving the complex land problems. The team building and intensive dialogue among participants—unprecedented in the agriculture sector—contributed significantly to finding viable solutions. Beginning in January 1997, MOAF specialists began drafting a revision of land administration law. The draft has been pending because of the changes over the last eight months, and is now awaiting the appointment of new MOAF managers.

Policy environment. To address the lack of a cohesive policy environment, APFDP has worked with its policy counterparts to move increasingly toward more comprehensive policy work, beginning, as noted above, with input into land administration law. Despite the delay of the forest and land administration policy tour scheduled for January 1997, APFDP translated a variety of policy materials it had gathered from selected countries and hosted a workshop in May 1997 to discuss alternative approaches to forest and land administration. The policy makers attending the workshop voiced their appreciation for having access to these materials (the translation was critical since most officials lack the foreign language capabilities to absorb such technical documents). APFDP has responded by providing additional translations of policy materials from the Food and Agriculture Organization, the World Bank, and other key sources.

In June 1997, officials from MOAF, APFDP, and the World Bank began discussing the need for a strategic approach to forest policy. They agreed to hold a workshop September 1997 on short-term forest strategy and later a workshop on long-term forest strategy. In September, however, all parties agreed that the timing of the first workshop was premature, since the Government had yet to approve MOAF's proposals for reorganization and top-level appointment, both affecting the DGFP. In the meantime, APFDP input has been solicited on the draft laws for leasing state-owned agricultural land, meadows, pastures, and forests and for establishment of a revenue account in the DGFP. APFDP is also advising on the proposed Forest Council.

While the above draft legislation will begin to address some of the major policy issues in the forestry sector, they are currently stand-alone pieces and not well integrated with the 1992 Forest Act: On Forestry and Forest Service Police. At APFDP's urging, officials in MOAF and DGFP now recognize that the 1992 Forest Act needs revision, and have discussed APFDP support regarding leasehold, revenue account, Forest Council, and privatization and decentralization elements.

SECTION IV

INTERMEDIATE RESULT 1

**SECTION IV
INTERMEDIATE RESULT 1**

A. Overall Result: Improved Utilization of Private Forest and Pasture Lands

Indicator(s)	Sustainable yield and carrying capacity of private forests and pastures
Measure(s)	Percent increase
Indicators	Year 2: None
Partners	GOA (MOAF/DGFP, SSLG), NGOs, Peace Corps/Albania, private forest and pasture owners
Assumptions	Policies supportive of and clear implementation procedures in place for private forest/pasture initiatives: private forest/pasture owners willing to invest in the long-term development of their resources, forgoing higher short-term gains available elsewhere

Changes. The movement toward resolution of policy problems for restitution of both forests and pastures has been suspended because of the upheaval and political changes during 1997. As a result, relatively few forest and pasture areas have been turned over to private owners, with the exception of areas close to Tirana and other urban or tourist sites (which owners seem to intend for non-forest or pasture uses). Thus, the amount of field work the APFDP could do on private forest and pasture lands was limited. Hence, the major field work has been on private arable land.

As the collapse of the pyramid schemes has removed a major opportunity to reap short-term gains and there is a lack of alternative profitable investments, many farmers may now look toward investments in their land.

Achievements. APFDP has continued to promote policy reform for restitution of forest and pasture land, to the extent conditions would permit. In the meantime, the main accomplishments in field work on private arable land have been the establishment of demonstration plots, the initiation of the transfer process of the management rights of forest from the state to the komuna and village, and the establishment of a Nursery Network for technology transfer and extension.

B. Intermediate Result 1.1: Reformed Policies Supportive of Forestry/Pasture Initiatives on Private Lands

Indicators	Reformed/new policies and/or implementation guidelines introduced/approved
Measure(s)	Number enacted with APFDP input
Target	Procedures for land restitution drafted
Partners	GOA (MOAF/DGFP, SSLG), private forest and pasture owners
Assumptions	GOA will continue the process of land reform and privatization of state forests and pastures

Changes. To date, only 1,351 hectares of forest, 2,764 hectares of pasture, and 12 hectares of meadow land have been handed over to ex-owners. Though the pre-March 1997 Government had put increasing emphasis on restitution, the interim Government did not follow up on the policy changes suggested. While the newly formed Government has voiced support for decentralization and privatization, it has yet to be felt in the forest and pasture sectors. During the period of civil disorder,

district institutions were not in a position to process land claims; only in the past month have the district forestry and land restitution offices as well as the courts begun to function normally again.

Achievements. In spite of the interruption in legal restitution of forest and pasture land during the last seven months, APFDP surveys suggest that an increasing number of farmers have begun to protect and manage areas to which they lay claim. For APFDP, survey and research work has continued on the subject. The key activities planned and implemented included:

- **Working group to plan next steps.** In December 1996, APFDP facilitated the formation of a working group composed of key officials from MOAF. An expanded group of stakeholders provided input during small group meetings on the subject, in the APFDP Second Strategic Planning Workshop in mid-December. In January, the Prime Minister's office requested MOAF to expedite the restitution of private forest and pasture lands; at this point, the working group moved into higher gear.
- **Local level survey.** APFDP arranged a local survey in Miredita in January, with the director of land restitution in MOAF and the special advisor for restitution in the Prime Minister's office. In May, the team conducted a second survey in Durres.
- **Follow-on activities.** On June 12-13, 1997, APFDP facilitated a workshop for MOAF and SSLG officials, district specialists dealing with restitution, and representatives from the Ishmi komuna in Durres. One tangible result of that workshop was the MOAF's request to the Council of Ministers that the deadline for ex-owners' application for forest restitution be postponed. APFDP had planned for restitution issue-oriented PRA surveys in the summer. However, it has become increasingly manifest that solving issues regarding any one category of land requires taking a holistic view of how communities use and balance their total land resources. Therefore, the upcoming PRA activity will deal with integrated agricultural, forest, and pasture land use and associated policy questions.

In addition to the activities planned for year 2, APFDP has been collecting data from each district about the number and type of claims processed and awaiting adjudication. Claimants have also been interviewed, to find out about their problems with restitution, future plans for land use, etc.

C. Intermediate Result 1.2: Economically Viable and Ecologically Sustainable Land Use Practices Adopted by Individuals

Indicator(s)	Private forest and pasture owners adopting improved practices
Measure(s)	Number
Indicators	Year 2: 15 private forest/pasture owners using improved practices
Partners	DGFP, Agricultural University of Tirana, Forest and Pasture Research Institute, Forage Institute, private forest and pasture owners
Assumptions	Investment returns/benefits on improved practices are comparable to returns available for alternative investments; reformed/new policies and/or implementation guidelines introduced/ approved

Changes. With the fall of the pyramid schemes in early 1997, a serious impediment to adoption of improved land use practices was removed. Given their short nature and high returns, the schemes seemingly provided an investment alternative, with which land investment could not

compete. However, the lack of progress on the improvement in legislation on restitution of private forest and pasture remains a constraint for wide adoption of improved practices.

Achievements. The combination of demonstration plots, extension visits, and local study tours has stimulated the interest shown by farmers in planting trees on private land. Unfortunately, the opportunity to work with farmers who have protected forest areas was lost for 1997. The program has not yet established contact with pastures operating privately. So far, only smaller areas around Tirana have been granted as private pastures, and these have mainly been used for construction sites.

By providing livestock farmers with the opportunity to improve their flocks through the introduction of improved breeds, APFDP was able to also provide these farmers with an incentive to improve their natural resource base; this integration will be the subject of a concerted APFDP effort into year 3. APFDP is also providing concrete information on improved livestock management. The key activities planned and implemented for year 2 included:

- **Demonstration plots.** Farmers in all the villages where the program is active showed an interest in establishing demonstration plots by entering into cost-sharing contracts with APFDP. A total of 44,160 seedlings were planted as woodlots, windbreaks, and other agroforestry designs under 41 contracts. A survey done in March 1997 showed a 70 percent survival rate as well as a high level of satisfaction among the farmers. During this first year of planting, APFDP followed the policy set by the Peace Corps project and paid 75 percent of the seedling price. This policy has been reviewed, and the subsidy will be substantially reduced in the second year of planting.
- **Agroforestry center in Botanical Garden of Tirana.** The agroforestry demonstration plot was developed in accordance with the plan made by the Protection and Preservation of the Natural Environment of Albania (PPNEA), an NGO. The plan called for intercropping forest trees with agriculture crops, fruit trees with herbs, and a combination of trees and pasture. Due to a lack of follow-up by PPNEA and APFDP as a result of the crisis, some of the seedlings and agricultural crops did not survive and part of the demonstration area needs to be re-established. To address this problem, a meeting was held with participants from the Botanical Garden, PPNEA, DGFP, and the Forest and Pasture Research Institute, and a new proposal to upgrade the site will be presented to APFDP. To develop an extension program for school children in connection with the Botanical Garden, various environmental NGOs were invited for a meeting to discuss ways and means. Based on this discussion, two NGOs presented proposals which were reviewed by APFDP, and one was selected for implementation in year 3.
- **Field handbook on agroforestry practices.** Supported by material brought back from the field technical coordinator's visit to the National Agroforestry Center in Nebraska, a draft of the agroforestry field handbook is under development and will be completed by December 1997.
- **Local study visits.** A local study tour was arranged for 26 farmers from Lezhe. The farmers visited a private nursery as well as private plantations and windbreaks. Each site visit generated a lively discussion and stimulated interest in plantings. Additional sites had been identified, but tours were not arranged due to travel restrictions.
- **Extension visits.** Over 200 extension visits were made by the private extension agents. Subjects discussed with farmers ranged from general benefits of tree planting to aspects of

specific species. In addition to these visits, public extension agents carried out farm visits and APFDP staff visited more than 100 farmers in connection with the establishment of demonstration plots and livestock groups.

- **Consolidation of livestock groups.** In spite of travel restrictions, APFDP has been communicating with livestock groups through various people from the districts, including the private forestry extension agents. The group leaders were invited to the APFDP office to discuss how to organize training and “passing on of the gift.”¹ During the last seven months, the groups continued to work and organized monthly meetings and activities. Three groups had organized the first “passing on of the gift” in accordance with their contract and the joint decision from the group meetings.
- **Assessment of Heifer Project International (HPI) subcomponent.** Due to the civil unrest, the assessment scheduled for March 1997 had to be postponed and has now been re-scheduled to coincide with the mid-term evaluation.
- **New livestock groups.** Although several meetings had been held with two new Sustainable Animal Production Activity groups in Dukat and Akerni villages, lack of follow-up due to travel restrictions meant that the process of electing group officials had not been completed.
- **Training of group leaders and technicians.** Group leader training was conducted in August 1997. Ten people from the existing livestock groups and potential new groups participated. Training of technicians was organized at the end of August 1997; eight private veterinarians, from the villages where livestock groups now exist or will be formed, participated.
- **Livestock group training.** Travel to districts to conduct field training was not possible during the last half of year 2 and as a consequence the group training had to be postponed. However, technical training sessions were organized every two months for each group during the time travel was possible, and some training was conducted by the group veterinarian and local extensionist agent. Leaflets on the technical subjects were prepared and distributed to all villagers by group leaders and trainers.
- **Local educational visits.** One local tour was organized with 12 farmers (including three women) from Alarup to the Small Ruminant Center and American Farm School in Korca District. The farmers were introduced to the improved breeds of goat and sheep as well as improved management practices. Due to travel restrictions and farmers’ hesitancy to leave their families during the period of unrest, no tours were organized after February 1997.
- **Regional project holders meeting.** The livestock specialist participated in the project holders meeting held by the Heifer Project International in Romania. HPI livestock projects were visited and experiences were exchanged between the HPI staff working in Eastern Europe.

¹ The groups were given loans in the form of improved breeds of livestock. When the improved breeds produced offspring, the farmer has to repay the loan by passing on the first offspring to another farmer who will then be a participant in the program.

- **Improved silvo-pastoral management guidelines.** To develop silvo-pastoral management guidelines, a study was undertaken of past and present management practices of winter and summer pastures in Shengjergj village east of Tirana. Socioeconomic and gender considerations were also assessed in the study. The scheduled short-term technical assistance planned by HPI could not be fielded due to the civil unrest. However, APFDP will pursue this important issue once the situation clears up sufficiently to allow field travel in remote areas.

SECTION V

INTERMEDIATE RESULT 2

SECTION V
INTERMEDIATE RESULT 2

A. Overall Result: Improved Utilization of Refused and Non-Divided Lands

Indicator(s)	Refused and non-divided agricultural lands; increased productivity
Measure(s)	Area privatized or given to komunas for use; sample survey
Targets	Year 2: 10% increase in areas brought under improved utilization as determined by a sample survey
Partners	MOAF/DGFP, FPRI, Forage Institute, komunas, villages, and farmers
Assumptions	GOA continues to remain serious about and committed to privatization and/or decentralization of refused and non-divided agricultural lands

Changes. The revision of the refused land law, which was submitted to Government back in March 1997, is still awaiting final approval by the Council of Ministers. In the meantime, on-the-ground events have moved ahead of policy. In a majority of rural areas, villagers have reached a consensus on how refused and non-divided lands should be distributed and used. There appears to be increasing reversion to traditional pre-1946 patterns. In this sense, the result of *increased/improved utilization of refused and non-divided lands* has been achieved. However, their *improved utilization* seems to be sub-optimal since lands are typically used on an extensive, low-input basis. The first reason for this is undoubtedly lingering uncertainty as to whether land could be expropriated. The second reason seems to be a lack of resources (labor, material, and financial) to invest in land improvements and the continuing lack of credit. The third reason is the abandonment of hope in attaining returns from agriculture, with young men increasingly migrating to cities and overseas. All of this limits the extent to which Government or APFDP can promote improved land use approaches.

Achievements. In the midst of economic and political upheaval, MOAF managed to produce a final revision of Law 8047: On the Administration of Refused Agricultural Land and to promote it as far as the Council of Ministers. It is a tribute to the interim and new Governments that they did not treat the draft law as political baggage from the old Government, but recognized its importance and promoted it.

In the sense that going from overgrazing to limited grazing is an *improved* land use, some progress has been made. However, the improvement is a result of two related trends in the rural areas, one being the emigration of young people from the villages and the other that farmers staying in the villages are shifting from keeping goats and sheep to cattle. The overall result is less pressure on the pastures, including those on refused and non-divided land.

B. Intermediate Result 2.1: Policies Reformed to Facilitate Effective Distribution and Utilization of Refused and Non-divided Lands

Indicator(s)	Reformed/new policies and/or implementation guidelines introduced/ approved
Measure(s)	Number enacted with APFDP input
Targets	Revision of law 8047
Partners	MOAF/DGFP
Assumptions	GOA initiates policy reforms in resolution of land tenure issues, improved land classification/ designation, and associated tax reforms/incentives

Changes. MOAF has done all it can on the submission of revised law for refused lands. Responsibility lies now with the Council of Ministers.

Achievements. The revision of Law 8047: On the Administration of Refused Agricultural Land was sent to other ministries in March 1997 for comment. The interim Government then re-introduced the revised law in the end of March. The new Government formally submitted the law to the Council of Ministers in October 1997. In the meantime, MOAF has requested APFDP input into the formulation of guidelines for the implementation of Law 8047. As for activities planned for year 2, the following has been achieved:

- **Phase 2 land survey and seminar.** The survey conducted in October 1996 included districts in Northern and Southern Albania. Subsequently, the survey team debriefed Government policy makers at the October 31 seminar hosted by APFDP.
- **Support for revision of Law 8047.** APFDP participated actively in the revision, which was finally introduced in March 1997.
- **Working group to draft proposal for land administration.** APFDP continued to assist the MOAF working group established in November 1997, and supported a December survey of poor quality land which has not been privatized.
- **Policy study tour.** Arrangements for the study tour were completed in November 1996. However the minister of Agriculture and Food backed out hours before he and the other study tour members were scheduled to depart. Since he was unable to go, the state secretary for local government also declined to leave. At that time, APFDP rescheduled the tour for April but the tour was preempted by the civil disorder. During the initial meetings between the new ministers and the APFDP chief of party, each minister voiced special interest in participating in such a tour. The tour is now scheduled for December 7 to 17. The debriefing of findings from the tour is of course also postponed until after the tour, the beginning of 1998.
- **Working group on land classification and taxation.** The year 2 work plan envisioned the establishment of this working group following the tour debriefing. While the land classification and taxation systems certainly hinder the appropriate use of refused land, the new Government has not yet manifested the same deep concern here as the old Government.

- **Economic analysis case study on refused land.** The case study prepared in June by two Albanian specialists has required considerable reformulation. The case study is just being finalized, and will serve as teaching material for the November course (see intermediate result 3.1).
- **Round table discussions on silvo-pastoral management study.** This round table was held January 29, 1997, and was well attended by a variety of officials from concerned Government offices, Agricultural University of Tirana, and donor-assisted projects. The participants recommended a number of next steps including further research on key issues and implementation of improved approaches in pilot villages.
- **Second phase steps on silvo-pastoral management.** APFDP has undertaken a study in Shengjergj as a follow-up (see intermediate result 1.2).
- **Research on common pasture.** Terms of reference for the study were finalized. However, APFDP has delayed the research because of current travel difficulties; the districts in Albania with the most extensive common pastures lie in the South and Southwest, where travel to date has been curtailed. APFDP now plans to launch part 1 of the study in October, travel permitting.

C. Intermediate Result 2.2: Economically Viable and Ecologically Sustainable Land Use Practices for Refused and Non-divided Agricultural Lands Adopted by Individuals and Groups

Indicator(s)	Individuals and groups adopting practices
Measure(s)	Number
Targets	Year 2: 15 individuals or groups using improved practices
Partners	FPRI, FI, AUT, komunas, villages and farmers
Assumptions	Investment returns/benefits on improved practices are comparable to returns available for alternative investments

Changes. As for private lands, the elimination of the pyramid schemes appears to have had a beneficial impact on farmer interest in investing in the more marginal lands. This is, however, counteracted by the immigration of large numbers of younger people from the villages to Tirana or neighboring countries. As a result, many villages are now experiencing a reduction of the pressure on marginal lands as the more productive land becomes available to the people remaining in the villages.

Achievements. To the extent the farmers feel secure in their “tenure” of the refused and or non-divided land, it has been possible to motivate them to engage in investment activities on these lands. The demonstration plots established on refused land have attracted interest from other farmers and a group of Peace Corps volunteers, supported by APFDP, managed to enroll 30 farmers in a planting program of Douglas fir on refused land. Unfortunately, the program never came to a conclusion, with the onset of unrest in the country.

The key activities planned and implemented for year 2 included:

- **Establishment of demonstration plots.** The program supported the establishment of two demonstration plots, with a total of 2,040 seedlings, on refused land by farmers having traditional ownership of the land. Thirty farmers from Tushemist (Pogradec) were to receive Douglas fir seedlings from Macedonia to be planted on refused land. However, the transfer of seedlings never took place due to the growing unrest.
- **Technical training.** Scheduled training in nut production has been delayed until travel is no longer restricted.
- **Extension visits.** Despite travel restrictions imposed on APFDP staff, about 50 farmers were visited by the public and private extension agents cooperating with APFDP, providing an important linkage between the program and the farmers.
- **Local study visits.** Two local study tours were arranged, one with 26 farmers visiting sites in Lezhe and another with 11 participants from Pogradec. Other visits had been programmed, but had to be canceled.
- **Publication and distribution of *Field Handbook on Cultivation of Medicinal and Etheric-oil Plants*.** The handbook was published and about 350 copies were distributed to agents of both the forestry (DGFP and APFDP) and agricultural extension service.
- **Vetiver grass.** In response to severe soil erosion on many refused and non-divided areas, APFDP imported 3,000 slips of vetiver grass. This grass is used extensively as a biological soil conservation measure, and trials in Spain and Italy show that it can perform satisfactorily under the climatic conditions of Albania's northern limits. The intent is to propagate the grass in nurseries and then establish soil conservation trials next year in cooperation with the Soil Research Institute.

SECTION VI

INTERMEDIATE RESULT 3

**SECTION VI
INTERMEDIATE RESULT 3**

A. Overall Result: Increased Decentralization and Sustainable Management of State Forest and Pastures

Indicator(s)	Locally managed state forests and pastures
Measure(s)	Number
Targets	Year 2: 2
Partners	MOAF/DGFP, SSLG, komunas, villages
Assumptions	A general consensus on the desirability of local management of state forests and pastures must exist for this result to be achieved; the quality of state forest and pasture land put up for transfer is such that it is worthwhile for the komunas/villages/individuals to invest in improvements

Changes. By this time last year, an increasing number of villages and komunas had requested that Government return their forests and pastures, and a momentum had, to a certain extent, developed in Government to enable the transfer of more forest and pasture land. However, the processing of requests ground to a halt in early 1997, and only now have district councils and forest offices moved toward a more normal operating mode.

Achievements. Despite the slow down in central and district Government in transferring state forest and pasture land to komunas, villages and groups of farmers have increasingly protected those forests and pastures which they consider to be theirs. This is especially true in areas which had a strong pre-1946 tradition for community land use, and where “newcomer” groups do not contest the community’s land use patterns. Even in villages minutes away from Tirana, farm families follow understood (although unofficial) rules, either for common use or for allocation of sub-parcels of land by family. The traditional land use patterns often provide for rotational cutting and grazing, limits on products taken, and other support for sustainable resource management. In many cases, fences are unnecessary since Albanians show a strong respect for property.

This increasing movement toward community management of state-owned resources should facilitate the official transfer of resources once Government enacts the requisite policy. With regard to APFDP’s role in decentralization to communities, staff had drawn key decision makers into the process of transferring state-owned forest land in Lezhe to two communities (Trashan and Kallmet) during the first five months of year 2. The team developed step-by-step procedures for transferring land within the framework of Regulation 308, with elaboration for important procedures such as land demarcation which are not detailed in that regulation. Work on these transfers begins again now, as the U.S. Embassy once again permits project staff to travel.

Another important Government achievement has been drafting a new public property administration law (SSLG and Ministry of Finance each drafted one), since a key impediment to transfer of forest and pasture land has been the lack of revenues, mandate, and resources by local government. APFDP staff have provided input at various stages of the drafting.

B. Intermediate Result 3.1: Enhanced Policy Environment for Transferring State Forests

Indicator(s)	Reformed/new policies and/or implementation guidelines introduced/approved
Measure(s)	Number enacted with APFDP input
Target	Draft proposal for reform of related policies
Partners	MOAF/DGFP, SSLG, AFP, AUT
Assumptions	Consensus can be reached (and responsibilities assigned and undertaken) for implementation of pilot activity; pilot activity will generate sufficient information to modify/simplify the legal framework for national replication; public property laws reformed to enable komunas to own and administer natural resources

Changes. Although the old Government voiced its intention to transfer more forest and pasture land to communities, little actual movement happened in the time leading to March 1997. Afterward, two changes in Government, combined with civil disorder, made carrying through on planned year 2 activities difficult. DGFP and MOAF officials have all along admitted that Regulation 308 is a necessary but insufficient policy instrument for forest transfer, and that better defined (and simplified) policy will be necessary to facilitate the process. However, in reality, there has been a certain underlying inertia among decision makers and district forestry staff. To begin with, Government staff mistrust villagers; during 1991-1992 and also the recent crisis, it was villagers who ravaged many forests. In addition, there is a legacy of 50 years of centralized control over natural resources, and training of specialists to implement top-down control. Thus, the APFDP year 2 target of “draft proposal for reform of related policies” was unrealistic.

Achievements. Nevertheless, some progress was made toward persuading decision makers and district forest staff that transfer of forests to communities can be done, and that communities can handle their forests responsibly. APFDP’s inclusion of the director general of DGFP and his advisors, the secretary of SSLG, the MOAF special advisor for forestry, and district forest officials during each step of the beginning of the transfer process in Lezhe developed a common understanding and team building necessary for appropriate policy development. Since the new Government is now appointing new decision makers, it will behoove APFDP to initiate these individuals as well. As for the actual policy activities envisioned under intermediate result 3.1, the following was achieved:

- **Seminar on experience to date.** Originally, APFDP and the World Bank-assisted Albania Forestry project planned to co-sponsor a workshop on experience to date in transferring state-owned forest to komunas. That seminar was postponed, given civil disorders and the consequent lack of progress. However, a good deal of this experience was shared during the May 1997 APFDP workshop on alternative land administration policies (intermediate result 2.1).
- **PRA survey of community forest and pasture needs.** Given the slow-down in forest and pasture transfers and the higher priority put on restitution to private owners by Government, APFDP discussed redefining the PRA activity to deal with land restitution issues (intermediate result 1.1). The PRA was put off because of travel restrictions. However, it has become increasingly manifest that solving issues regarding any one category of land requires taking a holistic view of how communities use and balance their total land resources. Therefore, the upcoming PRA will deal with integrated agricultural/forest/pasture land use and associated policy questions.

- **Seminar on PRA survey.** The seminar which was planned to debrief results from the above survey has obviously been postponed until after that survey.
- **Reform of policy related to state forest and pastures.** As noted above, the plan for policy reform was premature.
- **Policy support for local government resource management.** As mentioned above, Government took an important step toward empowering local government to administer resources, through the drafting of the public property administration law. The SSLG and Ministry of Finance each produced a draft, and now the two are meeting to consolidate their drafts. SSLG has solicited APFDP input periodically in this process and a larger role for APFDP is expected during year 3.
- **Economic analysis case study.** The same team which developed the case study on refused land (intermediate result 2.1) also did one on alternative uses of a tract of state-owned forest near a community. While this case study turned out better than the refused land one, it still requires additional work including village visits. Revisions will be made in time to use the material for the benefit:cost analysis course discussed below.
- **Gender baseline study.** A sub-contract with DeMeTra was signed last quarter to undertake a study to identify and gather existing materials describing the role of women in natural resources management, compare and analyze all collected information, produce a general summary and analysis of the information, prepare a bibliography of reference materials found, and produce terms-of-reference for further exploration of the role of women in natural resources management based on this initial study. This work is expected to be completed in mid-October. Expatriate short-term technical assistance will then assist DeMeTra with a more detailed study late November/early December.
- **Post-graduate level course on applied economic benefit:cost analysis.** This course was originally scheduled for June 1997, but was delayed until November because of the civil disorder. During April through June 1997, APFDP hired two Albanian economics professors to translate key course materials into Albanian. APFDP obtained permission from author J. Price Gittinger and the World Bank to translate the new (as yet unpublished) edition of the *Agricultural Project Analysis* book. Since few if any of the course participants will have sufficient language skills to absorb such materials in English, the translations will enable the course professor to achieve a stronger impact. These materials will also serve as a resource for future economics classes and project work.

One activity not originally planned for year 2 was the enrollment of two Albanian specialists in the Forest and Natural Resource Management Course given at Colorado State University in August and September 1997. MOAF's director for land restitution and AFP's chief of komuna forestry, both of whom have made valuable contributions to policy formulation, were sponsored by APFDP. The director for land restitution made a presentation about the importance of public participation in natural resource management, based on his collaboration with APFDP on the refused land and private forest PRA surveys.

C. Intermediate Result 3.2: Groundwork Laid for Sustainable Management of Transferred Komuna Forests and Pastures

Indicator(s)	Broad participation in management plan development; locally accepted management plans developed and implemented
Measure(s)	Number and types of individuals participating; number of management plans
Targets	Two management plans for transferred forests
Partners	MOAF/DGFP, SSLG, AUT, komunas, villages, private groups
Assumptions	Komunas, villages, or private groups interested in sustainable management and not simply short-term gains; SSLG can support costs of forestry extension technician

Changes. The increased interest in restitution of private forests poses a potential complication to the transfer process of forest management rights to the komunas and villages. The rationale is that farmers are reluctant to commit themselves to undertaking management responsibility for forest areas that might in the near future be claimed as private forests. Komuna, district, and central Government officials are not cognizant of the complicated land use history, tenure claims, and disputes unique to each village, and therefore have difficulty in addressing village questions of forest and pasture claims—let alone coming up with unilateral policy to appropriately deal with the variety of village-level concerns.

Achievements. Although the APFDP-assisted transfer process was not completed as scheduled, substantial progress was made in fulfilling the requirements laid down by law. The key activities planned and implemented for year 2 included:

- **Official approval to support the establishment of komuna forests.** High-level approval was obtained from both MOAF and SSLG for undertaking the transfer process in two villages in two komunas (Trashan and Kallmet) in Lezhe. This approval was crucial for the later work done at both district and komuna level.
- **District meetings.** Following the discussions with MOAF and SSLG, district meetings were held with participants from both central and district level. At these meetings, action plans were developed and approved for the transfer process.
- **Komuna and village meetings.** The next step was to take the information to the komuna and village councils and ask them to assist with the transfer process. Initial tasks completed during the year included identification and mapping of komuna and village boundaries in the areas proposed for transfer.
- **Village surveys.** Although teams had been selected and training prepared for the village surveys, the process was interrupted.
- **Management plan development.** Guidelines were drafted for development of the management plan and talks were conducted with the AUT for a joint effort in carrying out an inventory of the areas identified for transfer. To assess their relevance, the draft guidelines will be discussed with the villagers.

Other activities scheduled under this intermediate result were postponed due to the civil unrest. As soon as unrestricted travel is allowed again, APFDP will revive the process.

SECTION VII

INTERMEDIATE RESULT 4

**SECTION VII
INTERMEDIATE RESULT 4**

A. Overall Result: Increased Public and Private Forestry Extension Capacity

Indicator(s)	Public, private, and NGO extension contacts
Measure(s)	Number/percentage increase
Targets	Year 2: 200 extension contacts
Partners	MOAF/DGFP, private suppliers, NGOs
Assumptions	GOA can be convinced to accord forestry extension a higher priority

Changes. Although unfortunate, it is understandable that over the past nine months the previous Government did not consider forestry extension a priority. The new Government’s intentions regarding the forestry extension remains to be seen. The absence of Peace Corps volunteers to do forestry extension will impact both APFDP and the numerous farmers with which the volunteers worked. Although difficult to measure, the volunteers’ presence in the villages contributed significantly to the number of contacts APFDP established and to spreading various extension messages.

Achievements. While little progress has been made in public extension service, the private forestry extension capacity has certainly expanded. The program’s focus on nursery owners has paid off, and more nursery owners are interested in joining the network established by APFDP. Also, some progress has been made in developing NGO capacity to develop forestry extension programs.

B. Intermediate Result 4.1: Groundwork Laid for the Establishment of a Coherent and Dynamic Public Extension Organization

Indicator(s)	Public Forestry Extension Plan
Measure(s)	Consensus on and approval of plan
Targets	Year 2: Consensus on and approval of plan achieved by the end of year 2
Partners	MOAF/DGFP, SSLG, World Bank, GTZ (German Technical Assistance)
Assumptions	MOAF willing to develop a clear strategy for the development of a public forestry extension system

Changes. Due to inertia by MOAF/DGFP, APFDP has shifted its focus for a public forestry extension service to the district level, while awaiting the involvement of the central level. The rationale is that no matter what system Government eventually decides to implement field extension staff will have to come from the District Forest Service’s existing village-based staff, given International Monetary Fund restrictions on hiring new employees.

Achievements. Although a number of activities have been carried out by APFDP to provide the groundwork for the establishment of a coherent and dynamic public extension organization, this has not been sufficient to change the low priority MOAF and DGFP have placed on this issue in the past. The key activities planned and implemented for year 2 included:

- **Round table discussion.** During the Second APFDP Strategic Planning Workshop, group discussions on forestry extension service were organized, with participation of representatives from different related institutions. As a result of these discussions, a round table was organized in January 1997 to assess the options for a future public/private extension service. An APFDP concept paper with different options and roles on forestry extension was prepared and distributed in advance to round table participants. Unfortunately, some key decision makers such as the DGFP and FPRI directors were unable to attend the meeting, suggesting that the level of interest in MOAF for a forestry extension service was quite low. However, initial chief of party discussions with three key ministers in the new Government suggest that this situation may be changing.
- **Working group.** The round table discussions also lead to establishment of a working group for extension, but due to the situation in Albania this group has not yet met formally. Initial chief of party discussions with the minister of MOAF suggest that he may be more willing to support the establishment of such a working group than his predecessor.
- **Follow-on activities for institutionalization of forestry extension.** Field work done by APFDP during year 2 led to some conclusions on extension policy and regulations, and these have been documented in a separate paper and circulated to concerned institutions. However, the past civil unrest and the current restructuring of MOAF have delayed APFDP follow-up.
- **Pilot mobilization of DGFP extension agents.** During year 2, APFDP continued to deploy staff of the DGFP and District Directorates of Forest Services on an informal basis. They have served as contacts between APFDP and its village operations. In discussions with DGFP's Qualification and Foreign Relation Section, APFDP proposed to prepare a master plan for extension agent training. Changes expected in the near future in DGFP's structure will be reflected in this master plan.

C. Intermediate Result 4.2: Increased Capacity of Public Organizations, NGOs, and Private Suppliers to Provide Extension Services

Indicator(s)	Public, supplier, and NGO extension contacts
Measure(s)	Number
Targets	Year 2: 200 extension contacts
Partners	MOAF/DGFP, NGOs, private suppliers
Assumptions	NGOs take more of an interest in developing a rural presence; market incentives are such that private suppliers are willing to provide extension services

Changes. Activities planned to support the NGO community through the Regional Environmental Center were delayed by the civil unrest.

Achievements. In year 2, APFDP concentrated its extension activities on private nursery operators, as they showed the greatest interest in performing forestry extension. To facilitate better information flow, technology transfer, coordination of input purchase and seedling production, as well as extension activities, APFDP proposed to the nursery operators that they establish a Nursery Network. The idea caught on and the network, supported by APFDP, is now carrying out a number of different activities, including extension.

The key activities planned and implemented for year 2 included :

- **Study visit to Greece.** Eleven extension agents and a DGFP official participated in a study tour to Greece. This visit aimed at examining different forms of forest administration, forestry extension service, and the role of extension.
- **Extension training.** An *Adult Learning Training* manual was prepared by a short-term training specialist. Based on this manual, APFDP conducted an adult learning training course, which was attended by 15 participants from three different NGOs, MOAF, DGFP, FPRI and AUT. In addition, extension training was conducted in cooperation with AUT; 26 public and private extension agents participated.
- **Extension materials.** Several extension materials were prepared and distributed to interested individuals/organizations. A series of leaflets for six forestry species and three etheric oil species were prepared in connection with the establishment of demonstration plots. They contain information on the species, planting instructions and configuration, care and management, and results of preliminary cost:benefit analysis. A total of 1,000 copies were prepared and distributed to villagers. In addition, 600 pamphlets on the activities of three private nurseries were prepared and distributed. A draft nursery calendar, which included extension messages and technical instructions, was also prepared to guide nursery operators. A radio broadcast on farmers' concerns on erosion was prepared in cooperation with radio journalists, a medicinal and etheric oil plant handbook was prepared and its distribution continues, and a draft of an agroforestry handbook was prepared.
- **Support to the Regional Environmental Center and NGOs.** Work continued on development of a memorandum of understanding between the Regional Environmental Center (REC) and APFDP. Originally scheduled to be implemented in early 1997, this activity has been delayed until November to permit REC to evaluate the status of its other activities as a result of the civil unrest. In the interim, APFDP recognizes that NGOs' capacity for design and management of specific projects needs to be improved. Two environmental NGOs—the Progressive Foresters Association (PFA) and PPNEA— were identified as being more active and interested in taking on additional extension responsibilities. To take advantage of this, APFDP prepared terms of reference for an extension activity at the Botanical Garden. The terms of reference and preliminary ideas were discussed with PFA, PPNEA, and the Forestry Students Association. Draft proposals were presented by the PFA and PPNEA in late September and are expected to be approved and implemented during late fall 1997.
- **District-level coordination meetings.** In contrast with the lack of activities at the central level, district-level activities were much more productive. In Lezhe, district coordination meetings were organized at the end of each month (until March when the situation no longer allowed APFDP to travel) with participation of public and private extension agents, DDFS representatives, and Peace Corps volunteers. At these meetings, various field activities, such as demonstration plot establishment, farmers' visits, distribution of extension materials, and reporting, were coordinated. These meetings were very useful and the model is ready for replication in other districts. As soon as DGFP and DDFS agree on a public forestry extension structure, APFDP will assist them in holding and facilitating district-level coordination meetings.

- **Nursery Network.** The Nursery Network was established in February 1997 to increase the interaction between the various nurseries and the linkage between the farmers and APFDP. The program prepared the draft guidelines for network characteristics, duties, and responsibilities. Working contracts were prepared and signed between APFDP and six initial members of the network. The members attend regular monthly coordination meetings organized at the APFDP office or at the nurseries. Based on a training needs assessment, an annual training plan was prepared for network members. Extension techniques, communication, planning, business management, record keeping and accounting, and nursery practical training have been conducted with members of the network.

SECTION VIII

INTERMEDIATE RESULT 5

**SECTION VIII
INTERMEDIATE RESULT 5**

A. Overall Result: Increased Number/Expanded Capacity of Small-Scale Silvo-Pastoral Enterprises

Indicator(s)	Capacity/number of enterprises
Targets	Year 2: 10 enterprises created/supported
Partners	MOAF/DGFP, private sector, various credit institutions
Assumptions	Rates of return for such new enterprises or expansion of existing ones are comparable to or better than existing investment opportunities; appropriate technologies and markets are available; credit will be necessary for any major expansion but providing major inputs and credit is beyond the manageable interest of the project; commercial policies conducive to small business development

Changes. The civil unrest, in the short term, has had considerable negative impact on the internal business environment and led to an increase in the difficulties faced by Albanian exporters. In the longer term, the increase in remittances from relatives working abroad and the absence of the pyramid schemes as an investment alternative should lead to an increase in availability of investment capital. Paradoxically, inflation has raised the cost of a number of inputs, and the government is now imposing a 22 percent value-added tax on all products, including agriculture and forestry products.

Achievements. APFDP assistance with market information, business management training, and technical support has led to an increase in the number of private nurseries in operation and an expansion of activities in already established ones. Furthermore, APFDP is in contact with herb dealers interested in forming some form of an association, and the program will also try to foster cooperation between willow producers and processors.

Issues. Access to foreign markets remains a major constraint for most of the small businesses based on non-timber forestry products. Two factors are at play: 1) lack of information about importers in the European and/or world market, and 2) difficulty in providing sufficient guarantee of an uninterrupted supply of a homogeneous product.

B. Intermediate Result 5.1: Improved Access to Market Information, Affordable Inputs and Credit

Indicator(s)	Market information provided (proxy); access improved
Measure(s)	Number of media messages and extension contacts; sample survey
Targets	Year 2: 10 business messages developed and distributed
Partners	MOAF/DGFP, NGOs, private sector
Assumptions	Providing information alone (as compared to providing vehicles, improved roads, etc.) will increase access to markets; people will act on information provided; providing inputs and credit is beyond the manageable interest of the project; assumed that affordable inputs and credit are locally available or can be made available by providing information to customers

Changes. None

Achievements. Through the studies conducted by APFDP's small business specialist, contacts has been made with a number of business enterprises interested in working with APFDP. Market information continues to be a priority for these enterprises, especially information on the export market.

The key activities planned and implemented for year 2 included :

- **Market information.** Dissemination of market information continued as an integrated part of the extension material produced and the training conducted by APFDP. Market and economic data were produced for the main forest species and etheric oil plants.
- **Willow study.** APFDP established contact with a number of willow-weaving enterprises while studying the possibilities of increasing the area used for willow cultivation. A benefit:cost analysis has been carried out to study the profitability of willow growing. This market and financial information was followed up with an agreement with the Forest and Pasture Research Institute to provide willow cuttings of improved varieties to establish demonstration plots in Pogradec and Lezhe. The benefit:cost analysis was then incorporated into a larger survey on willow production and use. The study was recently distributed for comments and suggestions to outsiders. A workshop planned for October 1997 will follow up on this work to date.
- **Private nurseries.** APFDP continued its support to establishment of private nurseries through the development of management and business plans. A loose network comprised of six private nurseries has now been established, with two more added during year 2. APFDP intends to use the network as the basis for the majority of the private extension activities.
- **Seed supply.** APFDP continued to support local collection of seed aimed at increasing the diversity of species in the private nurseries. A small amount of seed was also imported to test the potential of some exotic species.
- **Secondary forest products.** For a better view of Albania's small business sector dealing with secondary forest products, a survey was conducted on the development of secondary products over the last decade. The survey also provided information on herb and mushroom dealers.
- **Christmas tree study.** Draft terms of reference for the study has been prepared, together with information on current legislation in Albania for planting and export of Christmas trees. The actual study has been delayed to year 3.

C. Intermediate Result 5.2: Improved Business Management Skills

Indicator(s)	Training sessions; entrepreneurs trained
Measure(s)	Number
Targets	Year 2: 60 entrepreneurs trained in business management skills
Partners	Strategic Assistance for Rehabilitation of Agriculture (SARA) and Land of Lakes projects
Assumptions	Training results in improved skills; skills are applied

Changes. None

Achievements. According to statements from participants in the APFDP training courses, the practical approach taken was highly appreciated and contributed directly to improvements in their business management. Visual improvements in nurseries operated by participants further testify to the usefulness of these courses.

The key activities planned and implemented for year 2 included:

- **Nursery management course.** In collaboration with the Association of Plant Breeders, Seed Producers and Nurserymen, the program conducted an improved version of last year's course on nursery management at the Botanical Garden. Although some of those invited were unable to come due to unrest in outlying areas, the six individuals who attended acquired technical and practical knowledge about establishing and operating forest and fruit tree nurseries. The main topics covered were introduction to tree nurseries, seed collection and storage, propagation by seed and vegetative propagation, nursery and plant protection, formulation of a nursery calendar, and policy issues for nursery managers.
- **Business management course.** APFDP, with local short-term technical assistance provided by AUT, conducted two business management training courses in April and June 1997, at the Botanical Garden's training facility. Fourteen participants from Pogradec, Korça, Fieri, Vlora, Lezhe, Shkodra, Tirana, and Berati completed the course. The purpose of the course was to develop basic managerial skills of agroforestry businesspersons and assist in preparation of individual business plans.
- **Record keeping and accounting course.** As a continuation of the business management course, in June 1997 a course on record keeping and accounting was held for seven private nursery owners. The purpose of the course was to introduce basic accounting and record keeping techniques.
- **Business study tour.** APFDP had been in contact with different nurseries in Italy, Greece, and France exploring the possibility for a business study tour for some members of the Nursery Network. However, due to the difficulties obtaining visas for Italy and Greece and because the technology may not be suitable for the present Albanian conditions, it was decided to shift the tour to Hungary and/or Slovenia. In addition to the nursery operators, the tour will also include some willow producers and processors.

ANNEX A

**SUMMARY OF APFDP TRAINING AND
WORKSHOP/ROUND TABLE ACTIVITIES TO DATE**

ANNEX A
**SUMMARY OF APFDP TRAINING AND WORKSHOP/
ROUND TABLE ACTIVITIES TO DATE**

Training Activities

Event	Date	Trainer/Facilitator	No. of attendees	Venue
PRA Training	09-25.05.1996	Jeff Saussier	7	APFDP
PRA Training	24.06-03.07. 1996	V. Ylli/ Th. Lako	12	Pogradec
1st Nursery Mgmt. Training	12-21.08.1996	APBSSP/ A.Gani	10	Fushe Kruje
Village Meeting Training	02 - 03.09.1996	V.Ylli/A.Gani	12	MAF, SARA project
Gov't. PRA Teams	09. 1996	Jeff Saussier	14	APFDP
PRA Land Survey	16 - 19.10.1996	V.Ylli	8	APFDP
NGO Training	10.1996	Jeff Saussier		
Extension Plan	25.02.1997	V. Ylli	6	Lezhe/Pogradec/Vlore
Adult Learning Training	19.03.1997	A. Vendresha/ M. Zimski	6	Botanical Garden
Adult Learning Training	03-08.03.1997	V. Ylli	8	APFDP
2nd Nursery Mgmt. Training	04.04.1997	A. Gani/APBSSP/ PFA	6	Botanical Garden
Adult Learning Training	21.04.1997	V. Ylli	15	Botanical Garden
Extension Plan	21-25.04.1997	V. Ylli	6	Botanical Garden
Business Mgmt. Training	10.1996	A. Gani/D. Kreshpa/ F. Kalem/ E. Stojka/ G. Doraci	8	Botanical Garden
Business Mgmt. Training	16-19.06.1997	A. Gani/D. Kreshpa/ F. Kalem/ E. Stojka/ G. Doraci	6	Botanical Garden
Record Keeping & Accounting	19-22.06.1997	A. Gani/F. Kalem	7	Botanical Garden
Forestry Extension	28.07-06.08.1997	V. Ylli/AUT	26	Botanical Garden
Nursery Practice	01-05.09.1997	B. Shera	8	Qenam, AUT

Workshops/Round Tables

Events	Date	Trainer/Facilitator	No. of attendees	Venue
1st Strategic Workshop	11-13.12.1995	John Cann	52	Rogner Hotel
2nd Strategic Workshop	14-15.11.1996	V. Ylli/A. Golemi	64	Tirana Intl. Hotel
District Orientation	03.03/26.04/05.07/1996	V. Ylli/Th. Lako	24/23/21	Lezhe, Vlore, Pogradec
Forestry Policy	21-22.06.1996	Garth Pollock	29	
Refused Lands	19.07.1996	James Seyler	14	Chateau Linza
Komuna Forest	03.12.1996	V. Ylli	11	APFDP
Komuna Forest	19.12.1996	Th. Lako/ V. Muharremi	14	APFDP Lezhe
Silvo-Pastoral Mgmt.	29.01.1997	L. Hajno	24	
Extension Service	07.02.1997	V. Ylli	11	APFDP
Forest Decentralization	14.05.1997	Th. Lako/ V. Muharremi	27	APFDP Ballkani Hotel
Restitution of Forest	12-13.06.1997	Th. Lako/ V. Muharremi	28	Ballkani Hotel

ANNEX B

APFDP TRAINING SUMMARY OF YEAR 2 AND UPCOMING YEAR 3 EVENTS

ANNEX B
APFDP TRAINING SUMMARY: YEAR 2 AND UPCOMING YEAR 3 EVENTS

1. Policy Training/Round Table Discussions

1.1 Forest Policy Formulation

Meeting/Topic	Audience	Timing	Responsibility
Approaches to forest policy Special issues: 1. Refused lands 2. Transfer of Forest to Komunas	Policy Working Group	June 1996	Policy Team
Correcting policy obstacles to extension service reform	same	April 1996	same
Enabling policies for refused land	same	September 1996	same
Land adjudication policy reform	same	October 1996	same
Land administration policies in other European Countries	policy makers	May 1997	same
Restitution of forest land; experience to date	same	June 1997	same
Land tax and fiscal reforms to motivate forestry	Policy Working Group	2nd Qtr. 1997 <i>postponed; to be reviewed</i>	same
Leasehold provisions for private management of state forest	same	2nd Qtr. 1997 <i>on going</i>	same
Trade policies impacts on forest value and management	same	3rd Qtr. 1997 <i>postponed; to be reviewed</i>	same
Monitoring policy effectiveness	same	4th Qtr. 1997	same
Forest short-term strategy	Key decision makers	October 1997	World Bank/ DGFP Policy Team
Public lands law	Key decision makers	TBD	Policy Team
Forest Act	same	TBD	Policy Team
Private Forest		Year 3	Jeff Saussier

1-2. Local-Level Meetings**1-3. Specialized Training Workshops or Courses**

Meeting Topic	Audience	Timing	Responsibility
PRA Refused Land Survey	Komuna/village representatives, district DGFP, farmers, private farm and forest enterprises	August 1996	Policy Team
PRA Government Survey Team		August 1996	Jeff Saussier
PRA for NGO Institutional Strengthening	Community-focused NGOs	September 1996	same
PRA for phase II Refused land Survey	Komuna/village representatives, district DGFP	October 1996	External specialist
	MOAF, DGFP, Local Government Ministry	Year 3	Policy Team Consultant: Jeff Saussier
PRA on restitution of forest and pasture	MOAF, DGFP, Local Government Ministry	when travel allows	same
Applied economic analysis Shupal, Picall and translations as background materials	MOAF/AUT	November	Policy Team

1-4. Policy Seminars and Workshops

Seminar Meeting/Topic	Audience	Timing	Responsibility
Introduction to Specialized Information for Policy Making	Government agencies, NGOs, commercial interests	July 1996	Policy Team
Results of Refused Land Survey	same	September 1996	same
Results of expanded Refused land Survey	Government Agencies Responsible for land	October 1996	same
Results of Silvo-Pastoral policy Survey	MOAF directorates and agencies	January 1997	same
Forestry Extension: Lessons Learned: Next Steps	MOAF directorates and agencies	2nd Qtr. 1997	same
Lessons learned in local forest management	MOAF directorates and agencies	postponed	Policy Team/ World Bank
Results of Forest and Pasture Restitution PRA Survey	MOAF directorates and agencies	when travel allows	Policy Team
3rd Strategic Workshop	MOAF directorates and agencies	November 1997	same

2. Technical and Organizational Field Training

2-1. Orientation Workshops

Meeting/Topic	Audience	Timing	Responsibility
Orientation in Vlora District	District, komuna, village representatives, private farmers, PCVs	April 26, 1996	FTC
Orientation in Lezha District	District, komuna, village representatives, private farmers, PCVs	March 3, 1996	same
Orientation in Pogradec District	District, komuna, village representatives, private farmers, PCVs	July 5, 1996	same
NOTE: No need for District Orientation Workshops, because of the different way of district selection		1997/1998	
Regional Theme Workshop		Year 3	COP/FTC/IDT

2-2. Technical and Extension Training

Activity/Event	Audience	Timing	Responsibility
Continue with DGFP to determine feasibility of placing forestry extension agents into course		Ongoing	FTC
Selection of state and private forestry agents first year		June 1996	same
Extension Training Course - communication - PRA - extension techniques	Public and private extension agents	June 1996	FTC/IDT Extension Specialist
Extension Planing and Management	same	February 1997	same
Selection of state and private forest agents		ongoing	FTC
Extension Training - communication - extension techniques	Public and private extension agents	July 1997	AUT/APFDP Extension specialist
Adult Learning Training	APFDP, NGOs, AUT, institutions related with APFDP	March/ April 1997	M. Zimsky A. Vendresha V. Ylli
Nursery Practices	Nursery Network members	September 1997	B. Shera E. Skenderi
Extension training Course - Communication - PRA - Extension Techniques - Extension Planing and Management	Public/Private Extension Agents	TBD	AUT/APFDP Extension Specialist
Public Awareness Campaign	DGFP/NGOs/FPRI/MAF Center of Information/Ag. Journalists	November	STTA
Adult Learning Training	AUT extension training professors	Year 3	STTA
Komuna Forest and Pasture Management	Interested farmers, district forest service	Year 3	FTC and STTA(NAC)
Christmas Tree Production	Interested growers, Nursery Network members	Year 3	FTC/STTA
The cultivation of Chestnut, Hazelnut and Walnut: Improved Production Techniques	Interested farmers, extension agents	Year 3	FTC/ STTA(NAC)
Nursery Practices	Nursery Network members	October 1997	V. Sota
Other Nursery Network training as per their needs	Nursery Network members	Year 3	IDT

2-3. Small Business Training

Activity/Event	Audience	Timing	Responsibility
1st Nursery Management	Seedling growers	August 1996	A. Gani/ APBSSP
1st Business Management	Businessman related to forestry and secondary forest products	October 1996	A. Gani/AUT - Economic Faculty
2nd Nursery Management	Seedling growers	April 1997	A. Gani/ APBSSP/PFA
2nd Business Management	Businessman related to forestry and secondary forest products	June 1997	A. Gani/AUT - Economic Faculty
Record Keeping and Accounting	Businessman related to forestry and secondary forest products	June 1997	A. Gani/ F. Kalemi
Record Keeping and Accounting	Businessmen dealing with forestry and secondary forest products	Year 3 January	A. Gani/ AUT
Willow Workshop	growers, processors, forestry technicians	October 30	A. Gani
Herb Dealers Meeting	dealers of herbs	October 14	A. Gani

2-4. Heifer Project International

Activity/Event	Audience	Timing	Responsibility
Management of pregnant goats Alarup	goats group Alarup	February 1997	D. Nanaj/ L. Hajno
Management of goats during winter	same	October 1996	D. Nanaj
Goats Reproduction	same	August 1996	D. Nanaj
Project management; rural family	same	July 1996	D. Nanaj
Livestock health	shepherds Dukati	June 1996	S. Vela
Project management	same	June 1996	D. Nanaj
Sheep reproduction; rural family	same	August 1996	D. Nanaj
Management of pregnant sows	sows group Kallmet	January 1997	P. Papazisi
Project management; rural family	same	June 1996	D. Nanaj
Pigs breeding	same	October 1996	D. Nanaj
Sows health condition	sows group Trashan	January 1997	D. Nanaj/ P. Papazisi
Management of pregnant sows	same	January 1997	P. Papazisi
Project management; HPI concept	same	July 1996	D. Nanaj
Group Leaders Training	members from existing livestock groups	August 1997	D. Nanaj/ACBA
Veterinarian training	private vets. from each livestock group	August 1997	D. Nanaj/ACBA
Livestock group management training	group members from Dukat, Kallmet, Trashan, Alarup	October	Jerry Acker/ D. Nanaj
Silvo-Pastoral Management	Alarup, Akerni	postponed to Year 3	STTA/D. Nanaj

2-5. Village Meetings

Activity/Event	Audience	Timing	Responsibility
Village demonstration meeting Spiten, Lezhe	farmers	June 1996	FTC/FTCC/IDT
Village demonstration meeting Kallmet, Lezhe	same	June 1996	same
Village demonstration meeting Troshan, Lezhe	same	June 1996	same
Village demonstration meeting Novosel, Vlore	same	June 1996	same
Village demonstration meeting Kote, Vlore	same	June 1996	same
Village demonstration meeting Dukat, Vlore	same	June 1996	same
Village demonstration meeting Tushemisht, Pogradec	same	June 1996	same
Village demonstration meeting Leshnic, Pogradec	same	June 1996	same
Village demonstration meeting Cerrave, Pogradec	same	June 1996	same
Shengjergj: Silvo-Pastoral Study	same	October 24, 1997	HPI

2-6. Farm Visits and Local Study Tours

Activity/Event	Audience	Timing	Responsibility
Lezha Local Study Tour	farmers	February 1997	FTC/FTCC/IDT
NOTE: On October meeting, the Network Members will propose other site visits	same	continuously November 1997-March 1998	FTC/FTCC/IDT Nursery Network

2-7. Komuna Workshops for Transfer of Use Rights

Activity/Event	Audience	Timing	Responsibility
Komuna Forest Workshop			
APFDP	DGFP, Local Government, three District rep.	December 1996	COP/FTC/FTCC/ IDT
Lezhe	DGFP, Local Government, Lezha commune rep.	December 1996	same
Komuna Forestry Workshop in Tushemisht, Pogradec	komuna leaders, farmers, entrepreneurs	When traveling allowed	same
Komuna Forestry Workshop in Kallmet, Lezhe	same	same	same

2-8. Regional Training and Workshops

Program/Activity	Audience	Timing	Responsibility
U.S. Programs			
Master Degree, Natural Resources Economics	AUT professor	1996-1998	COP/Policy Team
Livestock Extension Training	APFDP livestock Specialist	June 1996	COP/IDT
USDA TOT	APFDP Extension Specialist	September 1996	COP/IDT
13 International Seminar on Forest and Natural Resources	MAF rep.& Komuna Forestry Specialist	September 1997	COP/Policy Team
Regional Study Tours			
Poland - Slovenia Livestock Tour	Livestock specialist and farmers	September 1996	FTC
Romania Livestock Tour	Livestock specialist	June 1997	FTC
Study Tour to American Farm School, Thessaloniki, Greece	Extension agents	November 1996	FTC
Decision makers policy tour to 3 European Countries	2 Ministers and 2 policy advisers	December 1997	COP/Policy Team
Business Training	Willow growers/processors and Nursery owners	Year 3	FTC/IDT
World Forestry Congress, Turkey	COP/FTCC/PSC	October 1997	COP
Purchase of animals in Italy		Year 3	D. Nanaj
PIET Tour: Forest Strategy for Sustainable Development (USA)	6 - 8 key decision makers	Year 3	Policy Team

2-9. NGO Training and Capacity Building

Activity/Event	Audience	Timing	Responsibility
Contract of NGO intern	N/A	July-Sept 1996	COP, Training Coordinator
PRA training of NGOs	Selected NGOs	September 1996	Policy Team/ IDT/STTA
NGO PRA seminar	NGOs, donors, GOA officials	September 1996	Policy Team/ IDT/STTA
Adult Learning Training	NGOs, DGFP	April 1997	IDT
Subcontracts	NGOs		COP training coordinator
Training of direct contracts awardees	NGOs	N/A	Training Coordinator, IDT

2-10. In-house and Short-term Consultant Training of the APFDP

Topics	Audience	Timing	Responsibility
Results Framework	APFDP staff	November 1995	John Cann
PRA training	IDT and selected APFDP staff	May 1996	COP/Jeff Saussier
PRA Training of Trainers	Selected technical Staff	May 1996	same
Training management	Extension Specialist	August 1996	COP
Planing for Year Two	APFDP Technical staff	October 1996	COP
Adult Learning Training	APFDP, NGOs	February/ April 1997	ALT Consultant
Results Framework Training in Washington	COP and PS	June 1997	Chemonics home office
Study Tour	FTC	June 1997	NAC
Awareness Campaign Consultant	DGFP, FPRI, Extension Agents, MAF Center of Information, etc.	Year 3	STTA
Extension TOT Manual	APFDP, AUT extension	Year 3	STTA
Monitoring and Evaluation	IDT, DGFP, Local Government	Year 3	STTA
Agroforestry	IDT	Year 3	COP, FTC/STTA

ANNEX C

APFDP INTERIM WORK PLAN: OCTOBER THROUGH DECEMBER 1997

ANNEX C
INTERIM WORK PLAN: OCTOBER THROUGH DECEMBER 1997

A. Introduction

The interim work plan is designed to bridge a three-month period—October, November, and December—following the formal year 2 work plan for APFDP as a result of three unanticipated events. First, during the period of civil disorder and the subsequent elections and change of Government, many elements of the original plan were delayed, particularly field activities, because of travel restrictions. Second, the newly elected Government has only just consolidated its organization and management, and the year 3 work plan must take into account the new leaders' priorities and directions. Third, the mid-term evaluation and Third Strategic Planning Workshop for APFDP were designed to provide the main guidance for the year 3 work plan, but both were postponed.

While travel restrictions have severely impacted the field activities of APFDP, they also provide an opportunity to test the strength of the private extension service, the commitment of farmers to protecting their trees, and the livestock groups' capabilities to function without the presence of project staff. The lessons learned from this situation will be valuable for the mid-term evaluation taking place in October/November 1997. Furthermore, the inability to travel has forced APFDP to focus on issues that can be dealt with within the vicinity of Tirana, mainly small business development and pasture management.

B. Program Activities

Cutting across all activities during the interim period will be the work and follow-up of the mid-term evaluation. This evaluation will take place from the end of October to the end of November and will be followed by an Annual Strategic Planning Workshop. The mid-term evaluation and the workshop will serve as the foundation for the year 3 work plan. This interim plan lists the activities planned according to each result they support.

C. Intermediate Result 1: Improved Utilization of Private Forest and Pasture Lands

IR 1.1: Reformed Policies Supportive of Forestry/Pasture Initiatives on Private Lands

- **Preparations for local survey on key issues in land restitution.** The PRA survey originally planned for July 1997 has been postponed twice before as a result of travel restrictions. Because of continuing uncertainty about travel, plus the crowded schedule of the fall quarter, the survey has now been planned for January. Preparations, including choice of survey sites and selection of survey team participants, will take place in November and December. Together with GOA counterparts, APFDP staff will define the specific issues impeding progress on restitution, for example, many claimants' lack of official title though their ownership is recognized under their traditional local law.
- **Ongoing research on the status of restitution.** Given the lack of a central information base on restitution of forest and pasture land to pre-1946 owners, the district-by-district research on land restitution will continue in October, and a summary will be written and

distributed in November. This research will help to better define the issues to target for the January local survey.

- **Interchange between current private owners.** Some forest and pasture land has been returned to pre-1946 owners, and APFDP is in the process of identifying these families and establishing contact with them. Over the next quarter, APFDP will develop an information network for these owners that will include, inter alia, the preparation of leaflets, posters, and a public awareness campaign. Therefore, the public awareness campaign consultant (see intermediate result 4) needs to have, among others, contacts with the Ownership with Justice Association. APFDP is also exploring the possibility of facilitating a study tour for owners as part of the first steps toward developing their association.

IR 1.2: Economical Viable and Ecologically Sustainable Land Use Practices Adopted by Individuals

- **Demonstration plots.** Although it may not be possible for APFDP staff to travel to all the areas where demonstration plots will be established, the private and public extension agents will be encouraged to identify suitable sites and develop contracts with farmers for planting trees on their private land. APFDP staff will coordinate this activity from Tirana through the Nursery Network and periodic meetings with the extension agents.
- **Agroforestry Center.** Based on proposals from PPNEA and PFA—two environmental NGOs—improvements will be made to the agroforestry demonstration plot at the Botanical Garden. These proposals will also include provision for the development of demonstration plot-related and other extension materials as well as an environmental education program for students from Tirana elementary schools. The latter will be done in collaboration with the Soros Foundation.
- **Demonstration nursery.** APFDP will also work with the Botanical Garden and FPRI on setting up a small nursery that will be used to introduce new species and demonstrate new nursery techniques and materials. The old Peace Corps nursery site at the garden will be used for this purpose.
- **Soil conservation plot.** In collaboration with the Soil Research Institute, APFDP will establish soil conservation test plots with vetiver grass and trees. The plots will be established on both private land and komuna land. During this quarter, sites will be identified, initial tree planting done and a small nursery established for propagation of vetiver to obtain enough material for next year's plantings.
- **Agroforestry Handbook.** A final version of the *Agroforestry Handbook* will be developed and published. This handbook will describe different agroforestry techniques and the most useful and common agroforestry species.
- **Extension visits.** APFDP staff (travel permitting) and the public and private extension agents will organize extension visits to existing demonstration sites and identify new ones. An analysis of factors (technical and social) contributing to the success (or failure) of these

plots will be made. The results of this analysis will be published and distributed to APFDP's development partners.

- **Farmers study tours.** Both private and public extension agents will be encouraged to arrange local study tours for small groups of farmers to various sites of interest to the farmers. Experience has shown that local study tours are very effective in generating interest for new techniques and ideas, and this activity does not require travel by APFDP staff.
- **Consolidation of livestock groups.** Through visits and training, the livestock specialist will continue to consolidate the three active livestock groups. The short-term HPI consultant scheduled for October will support the livestock specialist in training groups and in developing techniques to better consolidate existing and future groups.
- **Local livestock study tours.** Three study tours will be developed and conducted for each of the three livestock groups. The tours will last one day and will be organized around management techniques for the type of animals with which each group works.
- **Silvo-pastoral management study.** A study will be conducted in Shengjergj village on the use of summer and winter pastures. The study will show past and present practices and assess the socioeconomic impact of livestock management on the village. Field research will take place in October; a village meeting will be organized on October 24; and a round table to discuss findings, conclusions, and recommendations will be held in November.
- **Livestock purchase.** APFDP will continue its efforts to obtain information on availability, suitability, and price of improved breeds of sheep from the region. Should the security/travel situation improve sufficiently, the program will purchase improved breeds of sheep to be put under the control of the Small Ruminant Center in Korce for later distribution to other livestock groups.

D. Intermediate Result 2: Improved Utilization of Refused and Non-Divided Lands

IR 2.1: Policies Reformed to Facilitate Effective Distribution and Utilization of Refused and Non-Divided Lands

- **Policy tour.** The policy tour originally scheduled for early 1997 will now take place from December 7 to 17. The ministers of MOAF and SSLG plus two of their top policy specialists will meet their counterparts and visit various central, regional, and local groups involved in forest and general land administration. APFDP has already translated key policy materials from each country as well as specialized material on land administration policies to provide to the tour participants. Two APFDP policy staff will accompany the tour.
- **Economic analysis case study.** The case study prepared in June by two Albanian specialists has required considerable reformulation. The case study will be finalized in October and will serve as a teaching resource for the November economic analysis course (see intermediate result 3.1).

- **Common pasture research.** Terms of reference (local short-term technical assistance) for a study on common pasture practices have been finalized. However, APFDP has delayed implementation of the study because of current travel difficulties; the districts in Albania with the most extensive common pastures lie in the South and Southwest, where travel has been curtailed. APFDP now plans to launch part 1 of the study in October, travel permitting; the consultant team will visit Korce and report back to plan part 2.

IR 2.2: Economically Viable and Ecologically Sustainable Land Use Practices for Refused and Non-Divided Agricultural Lands Adopted by Individuals and Groups

- **Demonstration plots.** Public and private extension agents will identify possible demonstration sites on refused and non-divided lands. They will prepare contracts and supervise implementation. Additionally, APFDP plans to revisit the plan to import 15,000 Douglas fir seedlings from Macedonia for planting on refused lands in Tushemist village, Pogradec. APFDP extension agents and DGFP personnel report that enthusiasm for this program in Tushemist continues to be high.
- **Extension visits.** The public and private extension agents, supported by APFDP, will organize extension visits on existing demonstration sites and identify new ones.
- **Local study tours.** The public and private extension agents with support of APFDP will organize farmers' visits to identified demonstration sites.

E. Intermediate Result 3: Increased Decentralization and Sustainable Management of State Forests and Pastures

IR 3.1: Enhanced Policy Environment for Transferring State Forests

- **Forest strategy meetings and follow-up.** During APFDP meetings with MOAF and World Bank/Albania Forestry project officials, two forest strategy meetings were planned, one for short-term issues and the other for long-term concerns. The first was scheduled for September 1997, but all parties agreed that it should be planned and re-scheduled once the new organization and management appointees proposed by MOAF are in place, particularly the organization affecting the DGFP and its director. A key policy initiative suggested recently in MOAF and expected to emerge as a formal recommendation of this meeting is the revision of the 1992 Forest Act.
- **Ongoing input on public property administration draft law.** Over the past two years, the need to strengthen local government's ability to manage natural resources became manifest. SSLG and the Ministry of Finance have both prepared a draft law on the subject and have solicited APFDP input. APFDP places top priority on enabling local government to own land, retain forest and pasture revenues, and possess sufficient staff and material resources to effectively manage natural resources.
- **World Forestry Congress.** The APFDP chief of party and the two Albanian APFDP counterparts will attend the World Forestry Congress in Turkey October 13 through 22. The

two counterparts have submitted a paper to the Congress on experience to date in APFDP in community management of state forests.

- **Ongoing input on other broad legislation.** Over the past four months, APFDP has been asked to participate in discussions about draft laws on leasehold of state forest land, formation of a forest revenue account (required by the World Bank-assisted Forestry project), and establishment of a Forest Council (to administer revenue account and possibly advise on forest policy). Work is expected to continue in these areas over the next quarter with the intent of incorporating this legislation into a revised Forest Act.
- **Preparation for revision of policy based on lessons learned in the transfer of state forests to komunas.** The year 2 work plan called for a seminar to analyze experience to date in transferring state forests to komunas. This seminar was delayed because of disruptions during year 2, and the consequent hiatus in the transfer processes. Once the normalization of district government and field travel permit and the transfer process follows through, the seminar will be rescheduled. In the meantime, discussions continue on revision of elements in Regulation 308: On the Transfer of Komuna Forests and Pastures for Their Use and Administration.
- **Course on economic analysis in forestry and agriculture.** From November 24 through December 6, an expatriate specialist on social benefit:cost analysis for natural resources will conduct an intensive two-week, graduate-level course targeting natural resource decision makers and faculty from the Agricultural University of Tirana. Already, APFDP has arranged for a textbook and key background materials to be translated into Albanian. Revision of an Albanian case study (intermediate result 2.1) will be completed in October, and preparations finalized with regard to venue, participants, and curriculum.
- **Gender baseline study.** A subcontract with DeMeTra was signed last quarter to undertake a study to identify and gather existing materials describing the role of women in natural resources management, compare and analyze all collected information, produce a general summary and analysis of the information, prepare a bibliography of reference materials found, and produce terms of reference for further exploration of the role of women in natural resources management. This work is expected to be completed in mid-October. Expatriate short-term technical specialists will then assist DeMeTra with a more detailed study late November/early December.

IR 3.2: Groundwork Laid for Sustainable Management of Transferred Komuna Forests and Pastures

- **Transfer to komuna forest.** Provided the security situation allows unrestricted travel to Lezhe, support to the transfer of state forest to komuna/village management will be resumed. PRA training will be provided to the District Forest Service staff and others involved with the transfer process, and village meetings will be conducted. If training in Lezhe is possible, it can take place in Tirana. Following the village meeting, the preparation of the management plan will take place. Depending on the speed of progress, documents of forest transfer will be prepared and signed by the komuna and District Forest Service.

F. Intermediate Result 4: Increased Public and Private Forestry Extension Capacity

IR 4.1: Groundwork Laid for the Establishment of a Coherent and Dynamic Public Extension Organization

- **Establishment of a working group.** It is anticipated that the forest strategy meeting (intermediate result 3.1) will lead to the establishment of a Public Extension Working Group.
- **Support to the drafting of a GOA policy/regulation on forestry extension.** Discussions with the new minister of MOAF indicate that the establishment of a public forestry extension service is a priority with the new Government and will be part of the eventual reorganization of DGFP. To this end, a short briefing paper on public forestry extension will be prepared by APFDP and presented to the minister of agriculture and the new director general of DGFP. It is expected that this briefing paper, along with the results from the Forest Strategy Workshop, will serve as background for a new MOAF policy on public forestry extension.

IR 4.2: Increased Capacity of Public Organizations, NGOs, and Private Suppliers to Provide Extension Services

- **Extension training.** Drawing on analyses and work done to date in this area and considering the very positive results of the extension training organized last quarter at AUT, APFDP will continue to strengthen the cooperation with DGFP and AUT in a number of areas this quarter including:
 - R Organizing training-of-trainers with AUT professors, who will conduct extension training for public/private extension agents
 - R Drafting an extension training master plan based on DGFP restructuring, discussions with both the minister of MOAF and the director of DGFP, and training needs at all levels identified in cooperation with DGFP's Office of Qualifications and Foreign Relations.

To support extension training, short-term technical assistance will be requested to help develop a forestry extension manual. A terms of reference for this assistance will be prepared this quarter and the activity is expected to take place in January/February 1998.

- **Development of extension materials.** A draft nursery calendar has been prepared and will be finalized this quarter, after review by a number of people with experience on nursery procedures. The calendar will then be published and distributed to a wide audience. Additionally, pamphlets on a number of different technical topics have been drafted and, after internal review by APFDP staff and Nursery Network members, will be published and distributed to APFDP villages through network members. Members will also contribute to the technical preparation of new leaflets on forestry species and update leaflets on their nursery activities. A booklet on seed collection, handling, and storage will be translated,

adopted to Albanian conditions, and distributed to network members and others. Finally, materials for a pilot communication activity will be developed.

- **Support to REC.** The memorandum of understanding subcontract with REC will be finalized this quarter and implementation is expected to start in mid-November.
- **Nursery network.** The network will continue its training activities—supported by APFDP—according to the agreed upon training plan. During this quarter, network members will focus their activity on:
 - R Contacting farmers to increase their awareness in forest/fruit tree planting
 - R Organizing village meetings on forest/fruit new plantings and agroforestry practices
 - R Distributing leaflets and pamphlets
 - R Identifying additional demonstration plots
 - R Organizing farmers' local study visits
- **Environmental awareness campaign.** Work on the awareness campaign will begin with the arrival of the short-term consultant in mid-October. The first phase will include contacting institutions and individuals, and preparing pilot campaign and preliminary conclusions.

G. **Intermediate Result 5: Increased Number/Expanded Capacity of Small-Scale Silvo-Pastoral Enterprises**

IR 5.1: Improved Access to Market Information, Affordable Inputs and Credit

- **Willow products.** Using local short-term technical assistance, a study will be carried out this quarter to assess the production potential of willow wands, as well as the processing capacity of willow industries. Based on information from this study, a Willow Workshop will be arranged in November with interested partners to discuss future activities in the sector. Provided the results of the study are promising, an additional study will be undertaken with local short-term technical assistance to assess the competitiveness of Albanian willow industries in European markets.
- **Herb Dealers Association.** APFDP will support the establishment of a Herb Dealers Association. The association will help in sharing market information, improving collection/production and storage techniques of herbs, and exporting herbs. The initial meeting, scheduled for October, will also focus on training needs.
- **Mushroom export.** APFDP is investigating the possibilities of initiating the processing and strengthening of the export of mushrooms.
- **Seed supply.** APFDP will continue its work in identifying and assessing small business potential for seed supply to the Nursery Network and other nurseries.
- **Small business development.** The survey on forestry-related small business development in Albania will be completed this quarter and the results published and distributed.

IR 5.2: Improved Business Management Skills

- **Business management study tour.** Groundwork will be done for one or two study tours to Hungary for nursery operators, willow producers, and processors. The study tour(s) to be implemented in January or February, will focus on availability and use of new materials and techniques and on the organizational set-up of the two subsectors.