

A long train of wooden passenger cars is shown in a field at sunset. The train consists of many identical wooden cars with windows, stretching into the distance. The sky is filled with soft, golden light and scattered clouds. The foreground is a dark, textured field. The text "PRSC in Albania" and "Sybi HIDA" is overlaid on the lower left portion of the image.

PRSC in Albania
Sybi HIDA



History of PRSC in Albania

- ◆ PRSC-1 (US\$20 million), approved on June 2002 by the World Bank
- ◆ PRSC-2 (US\$18 million), approved on July 2003 by the World Bank
- ◆ PRSC-3 (about US\$10 million), expected to approve on July, 2004.



NSSSED

- ◆ **Marco:** stabilization, structural reforms, including pensions, energy, private sector
- ◆ **Cross Cutting:** policy monitoring and evaluation; public expenditure management, civil service reform; decentralization; anti-corruption transparency and accountability; rural development
- ◆ **Sector Reforms:** health; education; social protection; private sector; energy; rural water; roads and other actions



Is PRSC pro-poor?

- ◆ PRSC: specific policy and institutional priorities, especially cross cutting.
- ◆ A step further to poverty than Structural Adjustment Credit (SAC),
- ◆ Budget support \Rightarrow not specific to poverty reduction project/action.



PRSC implementation.

- ◆ Mostly, quantitative conditions.
- ◆ Just to fulfill the conditions,
- ◆ Ok, if the conditions are fulfilled.
- ◆ Who is asking the poor?



How PRSC is designed? (1)

- ◆ Enhancing access to and quality of key social services currently in crisis, especially education and health;
- ◆ Strengthening the Government's capacity to monitor and evaluate poverty trends in Albania, and to formulate effective policy response;



How PRSC is designed? (1)

- ◆ Improving the sustainability and adequacy of social insurance programs;
- ◆ Strengthening the prospects for private sector development and growth; and
- ◆ Improving the targeting efficiency and impact of social assistance and social care services

Albania PRSC: Policy Matrix

Objective: IMPROVING SERVICE DELIVERY AND SOCIAL SAFETY EFFECTIVENESS		
Objectives/Issues	PRSC Programme Conditionalities	Monitoring Indicators
Education.		
Increase the adequacy of resources contingent on evidence of sector's effective use of additional resources.	2004 recurrent education budget for staff and for other recurrent expenses increases in real terms relative to 2003, consistent with MTEF/MTBP	<ol style="list-style-type: none"> 1. Recurrent education budget moves toward 1998 OECD average for recurrent expenditures of 4.4% of GDP; 2. Teacher salaries as percent of GDP per capita (increase); 3. Vertical compression ratio of teacher salaries (increase indicate improvement); 4. Increasing % of teaching force meets MoES standards for 'qualified' teacher.
Other	Other	Other