

Improvement of Rural Roads (Feeder Roads)

Project Financing

WBIF	Grant	MW-ALB-TRA-CEB;KFW-07	€ 9,000,000
KFW	Loan		€ 15,000,000
Local Contribution	Own Contribution		€ 600,000
Total			€ 24,600,000
Total Grants			€ 9,000,000
Total Loans			€ 15,000,000

Project Description

The overall length of the road network in Albania totals about 15,500 km, comprising 3,400 km of national roads and about 12,000 km of secondary and local roads. The priority given to the expansion of the national road network in recent years has resulted in the inadequate maintenance of the majority of the local roads. Only a small number of sections are paved and about 75-80 % of the system is in poor or very poor condition. Moreover, a number of road sections are impassable for parts of the year and hence access to essential services, primarily health and education, is restricted. The current road network status also hinders economic growth as difficult transport conditions act as a barrier to private sector development in the rural areas, with a direct impact on agricultural competitiveness.

This project is part of a multi donors-programme* to support the rehabilitation of 1,500 km of secondary and rural roads in Albania. The aim of the programme is to improve the transport conditions in the rural areas of the country in order to facilitate the people's connections with markets, health and education services, and thus contribute to their economic development. The benefits of the programme include: reduction in travel time and vehicle operating costs, as well as an increase in traffic volumes. The primary beneficiaries of the investment will be the inhabitants and businesses in areas served by the rehabilitated sections.

This project is financed by German Financial Cooperation and EU funds. KfW is the lead IFI and acts in in collaboration with the CEB.

**The WBIF has contributed towards the preparation and implementation of two other projects; please see PRJ-ALB-TRA-004 and PRJ-ALB-TRA-003.*

- **Countries:** Albania
- **Code:** PRJ-ALB-TRA-001
- **Sector:** Transport
- **Lead IFI:** KfW
- **Status:** Completed
- **Beneficiary:** Albanian Development Fund