

Workshop “Strengthening national capacity in applying sustainable energy policies and practices based on the recommendations of the Environmental Performance Reviews”

**30 June 2021, Online
09:00 a.m. – 12:00 p.m. (CEST)**

Albania - 3rd EPR

Report	No.	Topic	SDG	Recommendation (quote)	Implementation
Part I	2.6	Market mechanisms	7.2	<i>The Ministry of Infrastructure and Energy should, in cooperation with the Ministry of Tourism and Environment, continue with legislative efforts and the development of organizational innovations towards energy market liberalization, particularly with regard to renewable energy sources, by means of advanced, indirect incentivizing mechanisms (such as the sliding feed-in premiums) that support resource efficiency and innovation without burdening the public budget.</i>	<i>Energy liberalization has been considered a successful macrocritical reform that brought about considerable improvements in the sector's performance. Significant legal innovations have been introduced countrywide. In particular, the Law on Energy Performance of Buildings and the Law on Promotion of the Use of Energy from Renewable Energy Sources have been adopted in 2016 and 2017. The 2016 National Renewable Energy Action Plan introduced a particularly innovative indirect support scheme to energy production from RES, working as a sliding feed-in premium that does not burden public finances</i>
Part III	6.5	Market mechanisms	7.3	<i>The Government should, in cooperation with international donors, favour ensuring funds for energy efficiency, the use of renewable energy sources and the promotion of circular economy activities, which at the same time improve air quality and minimize the adverse effects of climate change.</i>	<i>Households in rural areas also have a large impact on air quality due to the use of woodburning stoves and uncontrolled waste disposal. The draft AQMP proposes measures to minimize the impact of households on air quality through the promotion of better thermal insulation, product standards for domestic boilers, the use of solar energy for heating and improved waste management.</i>
	11.1 (a) (b)	Renewable energies	7.2	<i>The Ministry of Infrastructure and Energy should promote:</i> <i>(a) The production of electrical energy from alternative sources to hydroelectric power plants, with particular reference to other renewable sources;</i> <i>(b) The use of natural gas as a cleaner combustible input for industrial activities, when a natural gas network becomes available in the country.</i>	<i>Electrical power production is a priority for the country since existing capacity is not sufficient to satisfy national needs. New HPPs are already under construction but they do not solve the issue of the country's vulnerability by being dependent on a unique source of energy that does not guarantee constant production.</i> <i>The former Ministry of Energy and Industry has already carried out studies for the development of solar or wind energy sites for production of electrical energy. These plans are not yet in place together with the associated legal and institutional framework.</i>

				<p><i>Natural gas distribution is linked to the successful implementation of the Trans-Adriatic Pipeline project, which will transport gas from Turkey to Italy, passing through Albanian territory. This is a strategic opportunity to connect the country to the international gas network and consequently to promote the use of gas-fired combustion systems for industrial activity for the progressive substitution of the liquid heavy fuel widely used at present. This solution, together with the adoption of high-efficiency combustion systems, would reduce the emission of pollutants such as SO₂, NO_x and CO from industrial sites.</i></p>	
11.2	Legal, Policy and Institutional framework		<p><i>The Ministry of Infrastructure and Energy should carry out an environmental analysis of the oil extraction industry in order to propose improvements to its efficiency and environmental sustainability</i></p>	<p><i>Oil extraction activity has a long history in Albania. The pressure on land use and soil is associated with the spillage of oil from the well and from associated piping, which can contaminate the soil and, ultimately, water bodies. The Patos-Marinza site experienced an oil well blast event in April 2015, with a leakage of oil onto the terrain.</i></p>	
11.6	Infrastructures		<p><i>The Ministry of Infrastructure and Energy, in cooperation with the Ministry of Tourism and Environment, should promote (also by using fiscal incentives and fast authorization processes) the installation of innovative processing plants based on the use of cleaner production methods, focused on energy efficiency and the reduction of waste, following the criteria established by best available techniques.</i></p>	<p><i>The Government pays specific attention (within policy documents and legislation) to the need to speed up the process of innovation in the processing industry as a direct element in improving environmental protection. This process has taken very few steps forward, in part because of economic constraints. There are no specific incentives to make attractive investments in the industrial sector, in particular for those willing to invest in new technology. This might hamper the implementation by Albania of target 8.2 (achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors) of Goal 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all) of the 2030 Agenda for Sustainable Development</i></p>	
Annex I	9.1 (a) (c)	Legal, Policy and Institutional framework	15.1	<p><i>(a) Assess changes to rivers' ecosystems (possible changes to fish and wildlife habitats) as environmental impacts possibly caused by hydropower plants (HPPs); (c) Improve inter-administration cooperation between hydropower and environmental authorities, particularly on water release issues.</i></p>	<p><i>This recommendation was not implemented. The ambient water quality of reservoirs is not yet routinely monitored</i></p>
	9.2 (a) (b)	Legal, Policy and Institutional framework		<p><i>The Ministry of Environment, Forests and Water Administration should: (a) Strengthen environmental impact assessment for energy-related projects; (b) Gradually introduce environmental audit of energy-related activities.</i></p>	<p><i>The recommendation has been partly implemented. (a) The EIA reports are still very weak, including those for energy-related projects. (b) Environmental audit is in place but it is of very low quality.</i></p>
	9.3 (a)	Energy efficiency,	7.3	<p><i>The Government should:</i></p>	<p><i>The implementation of this recommendation is ongoing. (a) The Government continued to give</i></p>

	(b) (c) (d)	Renewable energies		<p>(a) Continue to give priority to energy efficiency within energy policy;</p> <p>(b) Improve integration of energy efficiency into the reform of the energy sector and in other public policies, including using of economic instruments and tariff policy promoting energy efficiency;</p> <p>(c) Adopt policies to ensure high energy-efficiency standards for industry, construction and housing sectors as well as for efficient equipment, appliances and vehicles;</p> <p>(d) Continue to enhance diversification of energy sources.</p>	<p>priority to energy efficiency within energy policy. The first National Energy Efficiency Action Plan for the period 2011–2018 was adopted in 2011 and its implementation is ongoing. One of two NAMAs is dedicated to energy efficiency issues: Financing Mechanism for Energy Efficiency in Buildings (2015–2020).</p> <p>(b) The core action of the NAMA Financing Mechanism for Energy Efficiency in Buildings (2015–2020) is to provide financial support, through grants or subsidized loans, for the upgrading of energy efficiency in buildings.</p> <p>(c) The National Energy Efficiency Action Plan for 2011–2018 aims at developing high energy efficiency standards for the industrial, construction and housing sectors, as well as for energy-efficient equipment, appliances, etc.</p> <p>(d) The 2016 National Action Plan on Renewable Energies for the period 2015–2020 names diversification of primary energy sources for electricity supply as one of its primary objectives.</p>
9.4 (a) (b)	Renewable energies	7.2		<p>Taking into account environmental sustainability, the Government should:</p> <p>(a) Conduct a comprehensive study of renewable energy sources (such as solar, wind, geothermal, biomass waste and residues, and agricultural waste);</p> <p>(b) Develop sound policies to promote the application of renewable energy.</p>	<p>The recommendation is largely implemented.</p> <p>(a) The drafting process of the 2016 National Action Plan on Renewable Energies for the period 2015–2020 included a review of RES potential in Albania.</p> <p>(b) The 2016 National Action Plan on Renewable Energies for the period 2015–2020 was developed and adopted to promote the application of renewable energy.</p>
9.5 (a) (b)	Legal, Policy and Institutional framework	7.3		<p>The Ministry of Economy, Trade and Energy in cooperation with the relevant stakeholders should ensure:</p> <p>(a) Implementing a programme to decrease transmission and distribution losses;</p> <p>b) Arranging for strict control of consumers, including increased collection of payments, reduction of illegal connections and the installation of electricity meters.</p>	<p>The recommendation is largely implemented. The electricity sector reforms have been quite successful in cutting distribution losses from 45 to 28 per cent between 2014 and 2016 and in improving bill collection.</p>