

REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT



Climate Action  
Group - CAG

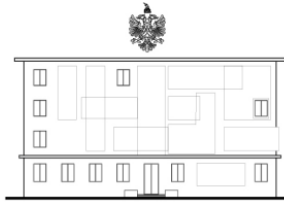
# CLIMATE CHANGE POLICIES IN ALBANIA

**(Lessons learned in the Energy Transition)**

**Prof. Dr. Kledi Xhaxhiu**

Deputy Minister

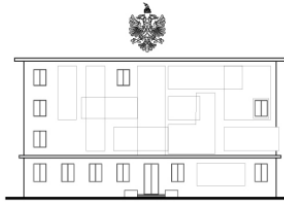
kledi.xhaxhiu@moe.gov.al  
www.moe.gov.al



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

# OVERVIEW

- ✦ Climate policy (INDC & Paris agreement)
- ✦ Energy & Transport  
(legislation)
- ✦ Lessons learned of energy transition strategies



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

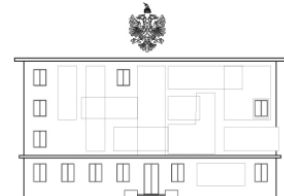
Republic of Albania, adopted the INDC document by DCM No. **762 of 16.09.2015**, as our national intended determined contribution to the global efforts for GHG emission reduction, and submitted it to the *UNFCCC* Secretariat by 24 September 2015.



Reduce CO<sub>2</sub> emissions compared to the baseline scenario in the period of 2016 to 2030 by 11.5 %.



Maintaining the low GHG emissions for electricity generation and decoupling growth from increase of GHG emissions in other sectors, are the **primary drivers** of the country regarding mitigation contribution as its INDC.



REPUBLIC OF ALBANIA

MINISTRY OF ENVIRONMENT

By the DCM No. 249, date 30.03.2016, the Paris Climate Agreement was approved in principle. Albanian delegation headed the deputy Prime Minister signed **Paris agreement** on 22 April 2016 in New York.



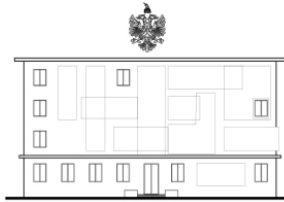
**MFA and MoE started the ratification of Paris agreement.**



MoE's work focused on the implementation of Paris Agreement with the preparation of the strategic documents: **strategy on climate change and two action plans**, respectively Mitigation Action Plan (MAP) and National Adaptation Plan (NAP) process.



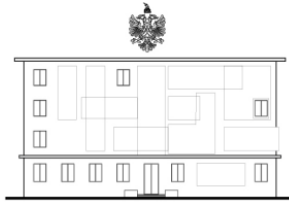
MoE has coordinated the drafting of these documents in consultation with these sectors (energy, transport, agriculture, urban development, tourism, etc.) through the Interministerial Working Group on Climate Change (IMWG) - mandated to draft climate related policies and strategies.



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

During the discussion process on the Mitigation Action Plan (for the NDC implementation), MoE through the IMWG has coordinated the work between line ministries, especially the Ministry of Energy and Industry and the Ministry of Transport and Infrastructure, **to assure the coherence of the targets put on the NDC with provisions on other policy documents such as:**

- ⇒ Draft Strategy on Energy
- ⇒ Draft National Action Plan on Energy Efficiency
- ⇒ National Plan for Renewable Energy
- ⇒ Sustainable Transport Plan
- ⇒ Relevant legislation on Energy and Climate Change



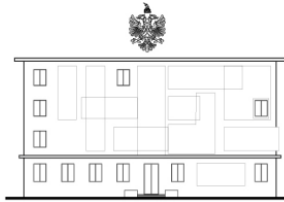
REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

Regarding the legislation on climate change:

**Law on Climate Change** to be adopted by the end of 2017. It will create the legal bases for policy integration and effective measures that enable fulfilment of the obligations toward the UNFCCC and EU integration.



This Law and its implementing by-laws set up the institutional framework and determines the rules for monitoring, reporting and verification of GHG emissions at the level of sectors / resources and at the national level in accordance with national commitments.

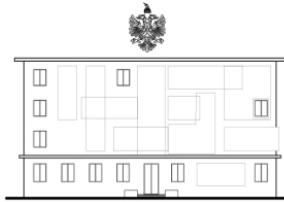


REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

# Energy & Transport

(Legislation)

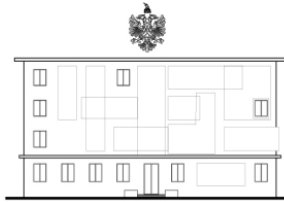
The strategy on Climate Change and the MAP are linked with all measures identified in the energy efficiency plan and the sustainable transport plan.



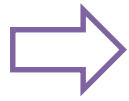
REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

- ➔ Within the country commitments under Energy Community Treaty and INDC, a new Law on Energy Efficiency No 124/2015 has been adopted in 12 November 2015.
- ➔ The Albanian Parliament adopted the Law no.116 of 10.11.2016 “On Energy Performance in Buildings”.
- ➔ The National Agency on Energy Efficiency is established by the DCM no.825 of 07.12.2017.
- ➔ The Second and Third National Energy Efficiency Action Plan are under adoption procedure.
- ➔ Law No 7/2017 of 02.02.2017 “On promotion of the use of energy from renewable sources” partially aligned with the Directive 2009/28/EC.





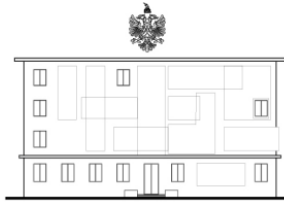
REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT



The Sustainable Transport Plan (STP), is adopted by DCM no.841 of 16.11.2016 “*On approval of the Sectorial Strategy of Transports and the Action Plan 2016-2020*”

The sustainability targets for the transport sectors are:

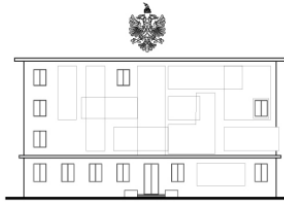
- ✦ *Reduce air pollution impacting on health, crops etc. (indicator: emissions of air pollutants tons/year)*
- ✦ *De-carbonization, reduction of GHG emissions (indicator: emissions of CO<sub>2</sub> tons/year).*
- ✦ *Energy efficiency in transport (indicator: tons of oil equivalents).*



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

# Lessons learned of energy transition strategies

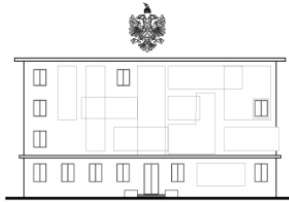
- ✦ **Market liberalization influence on the energy transition in Albania**
- ✦ **Support of state authorities on energy transition**
- ✦ **Concrete measures to pursue a sustainable energy transition benefiting carbon reduction objectives**
- ✦ **New energy business models in Albania**
- ✦ **Research and innovation during the energy transition in Albania**



## Market liberalization influence on the energy transition in Albania

had the following consequences:

- ➔ Lowered the pressure on the budget regarding the price differentiation for the investments which are installed/being installed.
- ➔ Increased the energy supply-security in the country (new components installed, interconnection transmission lines with neighboring countries, actually Albania is developing the gas-transport and distribution sector 1-1.2 bcm for application in the energy and industry sector).
- ➔ Stimulated the installation of new components. Stimulation by favoring tariffs especially for limited capacity power plants.
- ➔ Created a friendly environmental approach. Supporting new energy resources, such as hydro, wind and solar.  
(Theoretically, the installed cap. For wind energy in Albania can be up to 2 GW, meanwhile the solar energy up to 2.5 GW.)



REPUBLIC OF ALBANIA

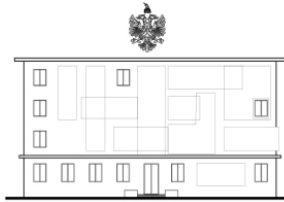
MINISTRY OF ENVIRONMENT

## Support of state authorities on energy transition

The state authorities focused their policy on the energy transition (electrical, gas and oil):

### Electrical energy

- ➔ Stimulated the installation of new components to increase the country's production. Stimulation by favoring tariffs especially for limited capacity power plants.
- ➔ Invested on the electrical energy interconnection lines with neighboring countries for more energy stability, (the actual transition of electrical energy is 850 MW, two interconnection lines are in process: 1) 400 kV with Kosovo and 2) 400 kV with Macedonia.
- ➔ After these interventions the capacity of energy transited will be over 1.4 GW, covering the market needs (in peak time: 1.15 – 1.2 GW; baseload: 450 -500 MW)



REPUBLIC OF ALBANIA

MINISTRY OF ENVIRONMENT

## Support of state authorities on energy transition

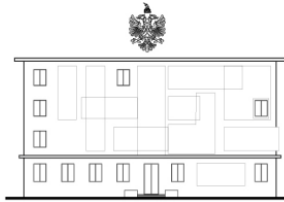
### Gas, Crude Oil & storage

- ➡ Developing the transiting & distribution pipelines – TAP, IAP, ALKOGAZ & internal transmission and distribution.
- ➡ Regarding the distribution of LPG and Crude Oil, two industrial harbors are built: 1) Portoromano (Durrës), 2) Petrolifera (Vlorë)

Actually a special attention is given to the energy storage with the following capacities:

- ➡ Gas storage 2 bcm
- ➡ Hydro storage 2.5 bcm

**All supported by state's budget (during the investment phase)!**



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

## Concrete measures to pursue a sustainable energy transition benefiting carbon reduction objectives

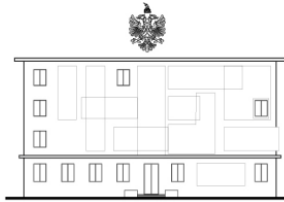
- ➔ The produced electrical energy in Albania is 100 % ecological (C – free), because it's produced only by hydro power plants.
- ➔ The new investments on electrical energy (new components) are focused mainly on hydro power plants.

There are some new incentives on investments on renewable energies

- ➔ Photovoltaic park of Korça (SE Albania) 2 MW (installed capacity)

Permissions of building PV-parks and Wind energy -parks are already given to several companies with interest building Albania wide.

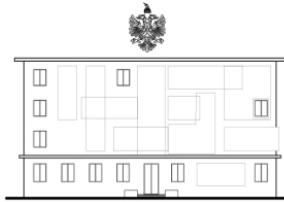
- ➔ Theoretically, the installed cap. For wind energy in Albania can be up to 2 GW, meanwhile the solar energy up to 2.5 GW.



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

## Mistakes to be avoided

The delay on approval of the Law “On promotion of the use of energy from renewable sources” (approved on 02.02.2017) lead to a delay in the implementation of several renewable projects countrywide.



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

## **New energy business models in Albania**

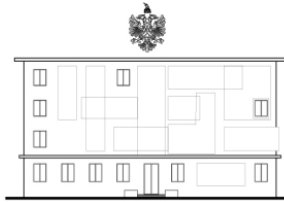


A new trade model is being installed consisting in deregulation of the terminal non-familiar part, targeting the middle and high producers (33 % of the market until 2020).



The energy stock-exchange is being installed by APE (Albanian Power Exchange), which aims the short term energetic market liberalization.

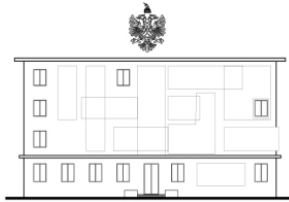




REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

## Research and innovation during the energy transition in Albania

- ➔ Application of billing system.
- ➔ Application of SCADA (supervisory control and data acquisition) controlling system.
- ➔ Planning of deregulation of energetic market targeting the terminal consumers.
- ➔ Installing of energetic balance measurers for minimizing the energy loses and theft.
- ➔ Network standardization for minimizing the overload and increasing the transmission quality (0.4/20/110 kV).



REPUBLIC OF ALBANIA  
MINISTRY OF ENVIRONMENT

THANK YOU !

[www.moe.gov.al](http://www.moe.gov.al)