Albania

GDP real growth rate: 6% (2008) GDP per capita: 6,400 \$ (2008) GDP per sector: Agriculture 20.6%,

Industry 19.9%, Services 59.5%

Human Development Index: 0.82 (rank 70) Number of inhabitants (in 000's): 3,143

Major industries: Food, textiles and footwear, timber, oil, cement, chemical, mining, heavy

metals, hydroelectric.

Description of the Status Quo SCP

The change from the former centralized economic model to a free- market model with new lifestyles, increased consumerism and lack of awareness for preserving resources, is putting increased pressure on the Albanian eco- systems. Coastal areas suffer major pollution problems with accumulated reserves of obsolete chemicals, untreated sewage, solid waste dumping, and air pollution.

Energy:

Energy production is mainly managed by the government, which is investing in the modernization of infrastructure and new renewable energy sources. An Energy Efficiency Centre to promote consumption efficiency has been founded with the support of the European Commission. It is expected that infrastructure improvements and a high saving potential for consumption will lead to savings of up to 20% before 2015.

Waste:

Waste management is one of the major problems. The country is currently attempting to establish appropriate waste collection and disposal methods. Most waste is dumped illegally, particularly in rural areas. There are currently no attempts to determine regulations for reuse, recycling or sustainable consumption. The focus remains on the regulation of hazardous and hospital waste.

Natural Resources:

The most pressing problems related to natural resources are the pollution of aquifers by untreated waste water, as well as illegal logging. In rural areas particularly the use of wood resources for domestic purposes accentuates an already severe situation of deforestation.

Policies and Strategic Framework

Albania recently approved the National Strategy for Development and Integration, which aims at integrating Albania in the EU and NATO. It includes a range of environmental objectives such as the adoption of EU legal standards, the enforcement of environmental legislation by strengthening Regional Environment Agencies and inspectorates, and improvements in the permit system. No direct reference is made to Sustainable Consumption and Production or Cleaner Production. Policies for consumer protection are included yet are lacking environmental direction.

Additionally the Albanian government approved the National Plan for the Harmonization with the EU until 2014. The action plan is a new opportunity to incorporate environmental protection measures related to cleaner production and eco-efficiency.

Legal and Regulatory Framework

Albania plans to fully implement the model defined by the IPPC EU Directive by the end of 2010. Likewise in 2008 concepts related to the IPPC EU Directive have already been included in the amendments of the environmental protection law.

The system of environmental inspectorates and the involvement of other ministries have been reinforced to ensure compliance with the regulations for environmental protection. Ineffective implementation and the lack of an overall regulatory framework remain the most important challenges.

Related to economic instruments, an Environmental Fund to ensure initial financing for environmental investment projects will be established and the collection of taxes and fines related to environmental impacts has been improved. Companies incorporating environmental protection measures are exempt from paying for an environmental permit.

No initiatives related to Sustainable Public Procurement are in place.

Greening Industry and Society

Corporate Social Responsibility (CSR) is a very new concept in Albania. A number of international institutions are increasing efforts to introduce basic CSR aspects. Economic and business development is at an early stage and it would be interesting to link development to sustainable and ethical practices. On a regional level, the Albanian legislative framework is one of the most complete and advanced in terms of CSR, however the country is one of the furthest behind in the application of the concept.

No major initiatives on voluntary instruments such as eco label have been reported.

Main Actors and Projects

Steps have been taken to develop a **Cleaner Production Centre** with the support of UNIDO and other international agencies.

Development cooperation agencies and international organizations play a major role in promoting SCP in Albania. Some outstanding projects are:

- Management and cleaning program for integrated coastal zones, supported by the World Bank.
- Implementation of a national plan for the elimination of POP's by UNDP, which will enable Albania to ratify the Stockholm Convention.
- Project to halt production of substances damaging the ozone layer, by the Ministry of Environment in collaboration with UNIDO.











