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ALBANIA

Third Review
Synopsis

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CONTENTS

Preface

This third Environmental Performance Review (EPR) of Albania takes stock of progress made by Albania in the management of its environment since it was reviewed for the second time in 2012 and assesses the implementation of the recommendations made in the second review. It covers legal and policy frameworks, greening the economy, environmental monitoring, public participation and education for sustainable development. Furthermore, the EPR addresses issues of specific importance to the country related to air protection, biodiversity and protected areas, as well as water, waste and chemicals management. It also examines the efforts of Albania to integrate environmental considerations into its policies in the transport, energy and industry sectors. The review further provides a substantive and policy analysis of the country's climate change adaptation and mitigation measures and its participation in international mechanisms.

The successes of Albania in the achievement of the Millennium Development Goals (MDGs) are highlighted, as are the challenges to be addressed by the country when implementing the globally-agreed Sustainable Development Goals (SDGs).

This EPR of Albania began in December 2016 with a preparatory mission to agree on the structure of the report and the schedule for its completion. A team of international experts took part in the review mission from 31 January to 8 February 2017. In September 2017, the draft report was submitted to Albania for comments and to the ECE Expert Group on Environmental Performance Reviews for consideration. During its meeting on 23 October 2017, the Expert Group discussed the draft report with a delegation from Albania, focusing on the conclusions and recommendations made by the international experts. The recommendations, with suggested amendments from the Expert Group, were then submitted for peer review to the ECE Committee on Environmental Policy at its twenty-third session on 16 November 2017. A high-level delegation from Albania participated in the peer review and the Committee adopted the recommendations in this report.

The Committee and the ECE secretariat are grateful to the Government of Albania and its experts who worked with the international experts and contributed their knowledge and expertise. ECE would also like to express its appreciation to the German Federal Ministry for Environment, Nature Conservation, Building and Nuclear Safety and the German Federal Environment Agency for their support by providing funds through the Advisory Assistance Programme. Sincere thanks also go to Italy, Hungary, Portugal and the United Nations Environment Programme (UNEP) for having provided their experts and to the United Nations Development Programme (UNDP) for its support of this review.

ECE also takes this opportunity to thank Portugal and Switzerland for their general financial support to the EPR Programme in 2017 and expresses its deep appreciation to Belarus, Estonia, Georgia, Germany, Hungary, Italy, Montenegro, the Republic of Moldova, Romania and Switzerland for having provided their experts for the ECE Expert Group on Environmental Performance Reviews, which undertook the expert review of this report.

Executive summary

The second EPR of Albania was carried out in 2012. This third review assesses the progress made by Albania in managing its environment since the second EPR and in addressing new challenges.

Legal, policy and institutional framework

The Government has progressed with aligning its national agenda, as set out in the National Strategy for Development and Integration for the period 2015–2020 (NSDI-II), with the 2030 Agenda for Sustainable Development. The challenges include developing a national vision until 2030 and aligning the Sustainable Development Goal (SDG) implementation and monitoring efforts with the EU accession process. Knowledge about the SDGs among central government authorities is insufficient. Awareness of the SDGs among local government authorities, civil society, academia and the private sector is low.

Since 2011, Albania achieved significant progress in the adoption of new, modern environmental legislation. This process was driven by the efforts to approximate the EU environmental acquis, as the country was granted candidate status in 2014. However, some subsidiary acts due to be adopted are still lacking and the implementation of legislation lags behind. Sometimes the legislation is too advanced vis-à-vis the administrative, institutional and financial capacities in place.

The adoption of the new environmental cross-cutting strategy for the period 2015–2020 has been delayed. As of late 2017, although several issue-specific strategies on environment exist, Albania does not have a visionary umbrella policy framework for environmental protection.

The strategic environmental assessment (SEA) instrument is relatively new. The key challenge is to ensure proper application of the SEA instrument by key sectors of the economy. The proposing authorities often do not follow all the requirements and steps of the SEA procedure. There have been cases of sectoral documents bypassing the SEA requirements. The evaluation of the environmental effects of a plan or programme, especially with regard to cumulative effects, represents a challenge for staff in the Ministry of Tourism and Environment.

Progress was achieved in reforming the environmental enforcement system when, in 2014, the State Inspectorate of Environment and Forestry was established as a separate public institution subordinated to the then Ministry of Environment. The introduction of a risk-analysis-based approach to inspection planning has started. However, the related guidance materials are not yet in place and training is needed. Challenges include strengthening the transparency of inspectors' work and improving coordination among various inspectors at local level. Compliance promotion is part of the mandate but compliance promotion activities are not performed.

The country is pursuing a territorial reform accompanied by administrative and financial decentralization. Implementation of their environment-related functions, including the new functions assigned, represents a serious challenge for municipalities. Few municipalities have adopted local environmental action plans, despite the legal requirement to do so. The process of developing local integrated waste management plans has started. Preparation of air quality plans for zones and agglomerations is another challenge.

Greening the economy

Governmental strategies provide policy declarations and some initiatives on renewable energy, energy efficiency and tourism, but these are not managed within a common framework referencing the principles of green economy. The measures related to green economy that are implemented in the country are scattered and no national policy document specifically refers to green economy as a target.

The implementation of the National Strategy for Integration and Development for the period 2015–2030 and several other documents in line with the SDGs of the 2030 Agenda for Sustainable Development requires investment in environmental infrastructure and services. To date, the Institute of Statistics has not adopted an international classification of environmental expenditures, which would facilitate the international comparability of national statistics. Another challenge is to develop statistics for the measurement of green growth indicators.

Environmental taxes provide only a soft incentive for pro-environment behaviour by individuals and organizations. Mostly, tax rates have been set with no consideration of the impact and effects of emissions on the environment in terms of externalities or environmental damage to citizens and businesses. Environmental taxation and fiscal instruments are not subject to harmonized regulation or management at the central level and no specific unit within the central government is vested with direct responsibility for the environmental tax system.

Albania does not earmark financial resources for environmental protection. No national environmental fund or state budget line for an environment-related purpose has been established. Furthermore, the conditions for widening public and private environmental expenditure do not exist.

Albania has recently made significant investments in the tourism sector. However, the uncertainties over property ownership, lack of formalization and standardization of the services and poor access to basic infrastructure, energy and waste management remain the main obstacles to pronounced tourism development. No strategy specifically targeting sustainable tourism has been developed.

A sound legal framework setting up the functions of local government units has been approved, which includes the possibility for them to collect local fees and indirect taxes. However, fiscal decentralization has not yet been applied. Local governments lack appropriate financial resources or local revenues proportionate to their own, shared and delegated competences.

A significant lack of appropriate infrastructure is evident in the public utilities sector. It is considered responsible for some of the inefficiencies in this sector, including water leakage, inaccurate metering and poor waste management.

Environmental monitoring, information, public participation and education

There has been mixed progress regarding environmental monitoring since 2011. Despite certain improvements, the annual national environmental monitoring programme is significantly underfunded: the National Environment Agency receives only 3 per cent of the budget needed to implement the programme and is required to prioritize activities. There are no accredited laboratories for analysing air quality.

Albania has defined 160 national environmental parameters and indicators that are to be monitored. However, only a subset of the most relevant parameters and indicators is being used for monitoring and annual reporting. The list of indicators is also outdated in relation to the continued process of transposing EU legislation into Albanian law.

Each year, an indicator-based state of environment report is produced. While these reports are important to keep track of the state of and trends in the environment, a regular, comprehensive state of environment report based on the Driver–Pressure–State–Impact–Response (DPSIR) framework is not being undertaken to complement the annual indicator reports. The link between the findings of the annual state of environment reports and policy-setting is not clear.

Despite several international projects, there is no operational national integrated environmental management system (IEMS) in place in the country. Databases and platforms exist but are neither integrated nor connected. IEMS, once functional, would require maintenance and further development.

Information on the environment is accessible free of charge to the public through the websites of the governmental authorities. The extent of environmental information available on the websites is ultimately limited by the amount of monitoring, and hence data and information, and this is reflected in Albania's relatively poor progress in implementing the shared environmental information system (SEIS) principles.

Since 2011, there has generally been an increase in the number of requests for environmental information and greater participation in public consultations on significant issues. Nearly all information requests are fulfilled within the 10-day limit. While access to information is fairly good at the central level, it remains more challenging at the municipal level.

The 2015 National Programme for Environmental Education in High Schools for the period 2015–2017 is a good step to reach target 4.7 of the 2030 Agenda for Sustainable Development aimed at ensuring that all learners acquire, by 2030, the knowledge and skills needed to promote sustainable development. However, no financial and human resources are dedicated to the implementation of this policy document. In many cases, environmental education (EE) and education for sustainable development (ESD) are still being carried out by international agencies and donors.

There has been mixed progress on EE since 2011, yet, with current plans and initiatives, the future prospects look to be brighter. ESD has yet to be integrated and delivered in the current educational system.

Implementation of international agreements and commitments

The prompt ratification of recent multilateral environmental agreements (MEAs) is evidence of the political importance that the Government attributes to being an engaged participant in international cooperation in the environmental domain. The aspiration of EU membership is the main driver for the adoption of environmental legislation in Albania, while the MEAs can be considered a second major impetus. Effective response to international agreements and commitments necessitates strengthened capacity and financial resources in all involved entities, in a way that is consistent with the responsibility of being a party to MEAs.

While Albania continues to be supported by a number of bilateral and multilateral donors, the Instrument for Pre-Accession Assistance (IPA II) accounts for an increasingly large proportion of the external financial assistance received. The Government continuously seeks to enhance coordination with the donor community. Information on environment-related projects supported by foreign assistance is collected but remains insufficient for adequate monitoring of the development and outputs of the projects.

Efforts have been made by Albania to comply with its international reporting obligations. However, the absence of monitoring data on species and habitats, air quality and GHG emissions has impacted on timely reporting in these fields.

There is a general absence of information provided by the Albanian environmental authorities to the public on the status of Albania's participation in global, regional and bilateral agreements and on the implementation of those agreements. With the recent exception of the Minamata Convention on Mercury, non-governmental organizations (NGOs) are not involved in the decision-making processes with regard to the country's participation in MEAs. NGOs are rarely involved in the preparation of national reports on the implementation of MEAs.

Since 2011, several new designations under international conventions have been made. Under the Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention), the country designated its fourth Ramsar site (Albanian Prespa Lakes). In 2014, the UNESCO International Coordinating Council of Man and the Biosphere (MAB) Programme declared the Ohrid-Prespa Transboundary Biosphere Reserve, the first in Albanian territory.

Albania is clearly committed to preventing and combating air pollution and to accession to and implementation of international agreements in this domain. Further joint work between Albania and the ECE secretariat of the Convention on Long-range Transboundary Air Pollution would allow the country to become a party to the Protocol on Heavy Metals and the Protocol on Persistent Organic Pollutants, as amended, and to undertake an in-depth assessment of the costs and benefits deriving from accession to the amendments to the Protocol to Abate Acidification, Eutrophication and Ground-level Ozone.

Climate change mitigation and adaptation

Total GHG emissions are relatively low (9,036.8 Gg of CO_2 eq. in 2009). However, the most recent official documents (such as the 2016 Third National Communication on Climate Change) are based on obsolete data up until 2009.

Energy activities are the main source of GHG emissions in Albania, accounting for 39 per cent to 51 per cent of overall direct GHG emissions in the period 2000–2009. Energy production is based mainly on hydropower, fuelwood and domestic and imported fuels used for electricity production, heat production and transport.

The amount of GHGs emitted from industry increased from 1,118.00 Gg of CO_2 eq. in 2005 to 1,701.12 Gg of CO_2 eq. in 2009. The main source of emissions was the cement industry, followed by metal production.

The amount of GHGs emitted from agriculture decreased from 1,403.08 Gg of CO_2 eq. in 2005 to 1,130.86 Gg of CO_2 eq. in 2009. This was due to a reduction in the total number of livestock during this period.

Unlike in many countries, forests in Albania became a net CO_2 emitter. This occurred due to the reduction in the volume of forest from 83.295 million m^3 in 2000 to 75.726 million m^3 in 2009.

Albania lacks data and studies on the impact of climate change on different components of nature, including water resources, land and soil cover, forest and other natural vegetation, biodiversity and ecosystems. Nor are studies and data available on the monetary impact of anthropogenic climate change on the country's economic sectors.

Albania has set important targets in the area of climate change. The Government committed to reduce CO_2 emissions in the period 2016–2030 by 11.5 per cent compared with the baseline scenario. Another target is to reduce energy consumption by 9 per cent by 2018 compared with average consumption in the period 2004–2008. In the area of renewable energy, Albania aims to achieve a 38 per cent share of renewable energy sources in gross final energy consumption in 2020.

The country lacks policies on adaptation of different economic sectors and infrastructure to climate change, as well as to other natural and anthropogenic hazards. At the same time, the country is vulnerable to impacts of natural and anthropogenic phenomena and hazards, such as floods, precipitation patterns, heat and cold waves, forest fires, landslides and erosion. Implementing policies that build and strengthen resilience to climate-related and natural hazards would be an important step in progress towards Albania's achieving targets 1.5, 13.1, 11.b and 13.2 of the 2030 Agenda for Sustainable Development.

Albania lacks specific legislation to support and promote the reduction and stabilization of GHG emissions and carbon capture and storage. A draft law on climate change was prepared to bring to the national legislation the principles, definitions and requirements of the United Nations Framework Convention on Climate Change (UNFCCC) and relevant EU directives. A draft national climate change strategy, which includes both the national climate change mitigation plan and the national climate change adaptation plan, is under development.

To date, the only activities related to climate change awareness-raising were implemented in the framework of international projects. The Government does not implement systematic measures to improve education and awareness-raising on climate change mitigation, adaptation, impact reduction and early warning, as advocated by target 13.3 of the 2030 Agenda for Sustainable Development.

Air protection

Air quality improved greatly in the course of the last 10 years. Since 2005, emissions of sulphur oxides decreased some 35 per cent, and emissions of ammonia around 10 per cent, while emissions of NOx, NMVOC and PM_{10} increased slightly. Albania reduced the use of fossil fuels in energy production and industrial processes and introduced European standards for fuel quality.

The negative impact of transport on air quality has increased, due to the higher number of vehicles (e.g. the number of passenger cars increased by 94 per cent in the period 2009–2014). Intensive urbanization that is not followed by adequate development of infrastructure (e.g., district heating systems and sustainable public transport) poses a major threat to air quality.

The current network for air quality monitoring does not allow for providing a correct picture of air quality. The number of monitoring stations is limited and the macro- and microlocations of existing monitoring stations are not accurate. There is no monitoring station in Fier where exceedances of air quality standards were recorded in the past. Monitoring in Elbasan is affected by the microlocation of the station. The current composition of the network does not cover air quality assessment in rural or rural background locations.

The health impact of air pollution is not assessed. In the absence of such an assessment, Albania is not able to measure its progress towards SDG target 3.9 (by 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination) in relation to air. The population, especially vulnerable groups, is not provided with sufficient and timely data on air quality accompanied by recommendations on health protection.

The legal framework on air quality has been improved through the process of accession to the EU and is complemented by an adequate national policy framework. Further efforts are needed to build capacity for development of air protection policies on the regional and local levels.

Due to high fragmentation of the arable land, only a limited numbers of farms practise more intensive agriculture that allows them to produce for the market. Organic farming, which can contribute not only to production of healthy organic food but also to the protection of air quality and other aspects of the environment, is not well promoted.

Consumption of chlorofluorocarbons was phased out in 2008, so the country is now working on reducing the use of hydrochlorofluorocarbons (HCFCs). The import of HCFCs is controlled by the import licensing system. The first phase-out step was successful, reducing the consumption of HCFCs in the period 2013–2015 by more than 50 per cent.

Water management

The current monitoring data on the quality and quantity of water resources are insufficient. Water bodies have not been identified, delineated and characterized in accordance with the EU Water Framework Directive (WFD). WFD-compliant classification schemes are still to be developed.

Available monitoring data and assessment criteria do not yet allow for a comprehensive assessment of the environmental state of water bodies. Generally, most of the rivers are polluted in their middle or lower reaches. Most groundwater bodies appear to be still of good quality, although there are insufficient monitoring data to assess their possible pollution with pesticides or heavy metals.

The first river basin management plan (RBMP) was prepared for the Mati River basin in 2010, but it has not yet been implemented. RBMPs are under development for the Drini-Buna, Semani and Shkumbini River basins. The lack of RBMPs clearly prevents Albania from progressing towards achieving target 6.5 of the 2030 Agenda for Sustainable Development.

The piped drinking water supply is monitored at both the abstraction sites and selected taps. The quality of drinking water abstracted from private or local wells in rural areas is not monitored.

Water supply coverage in rural areas increased from 57 per cent in 2011 to 63 per cent in 2015 but remained at the same level (about 90 per cent) in urban areas. The coverage in both urban and rural areas in 2015 lags behind the objectives stipulated in the National Strategy of Water Supply and Sewerage for the period 2011–2017.

Sewerage system coverage remained about 51 per cent throughout 2011–2015. There is a significant difference in sewerage system coverage between urban and rural areas but no disaggregated data are available after 2010, when there was 83 per cent coverage in urban areas and 11 per cent in rural ones.

By 2016, Albania had built – with donor support – eight urban wastewater treatment plants (UWWTPs), with a capacity covering around 25 per cent of the country's urban population. However, the lack of financial capacities and limited technical capacities rendered three of them idle, with unclear long-term operational arrangements. More UWWTPs are under construction.

Non-revenue water is a serious challenge: on average, 67 per cent of drinking water produced is non-revenue water. Non-revenue water causes significant commercial losses that translate into budgetary imbalances and financial sustainability problems for the water service providers.

Waste and chemicals management

Waste management has undergone profound improvements during recent years in terms of legislative background: Albania has transposed the most important part of the EU acquis related to waste. However, the implementation and enforcement of these laws is at a very low level. Albania still lacks the basic infrastructure for proper waste management.

The financing of the costs of waste management is still unresolved, due to the lack of a comprehensive cost and tariff system that reflects the real costs of the services. The "polluter pays principle" is not functioning in the current municipal solid waste (MSW) management system. This seriously hinders the willingness to further invest in the waste infrastructure. Much-needed capital investments have slowed down since 2011; only one new investment in facilities was completed between 2011 and 2016.

Despite the legal and regulatory framework, separate waste collection is rarely done systematically. Recycling companies fail to acquire enough raw material from the domestic market to operate at full capacity. Enforcing separate collection of waste and mandatory recycling and reuse of waste would help Albania achieve progress under target 12.5 (by 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse) of the 2030 Agenda for Sustainable Development.

There are still numerous industrial and mining sites that present a potentially serious risk to the environment and human health. From 2011 to 2016, there were no significant improvements or works on hotspot rehabilitation. Continuing to remediate these industrial and mining sites might reduce deaths and illnesses from contaminated sites and contribute to achievement of target 3.9 of the 2030 Agenda for Sustainable Development.

The adoption of the new Law on Chemicals Management and related by-laws in 2016 is a significant legislative development. However, there is a lack of knowledge and awareness about the newly-introduced rules and procedures, not only among the companies working in this field but also among the different stakeholders in the public administration.

The amount and origin of generated hazardous waste is unknown, mostly due to the lack of data collection, which is partly due to the lack of separate collection of hazardous waste. The lack of data hampers the establishment of sound management of hazardous waste. Albania is not able to measure progress against indicator 12.4.2 (hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment) to allow the tracking of progress towards the achievement of target 12.4 of the 2030 Agenda for Sustainable Development.

Biodiversity, forestry and protected areas

Since 2012, Albania has increased protected areas by 1.61 per cent. The country has 800 protected areas covering a surface of 477,566 ha or 16.61 per cent of the whole national territory. The 2016 National Biodiversity Strategy and Action Plan envisages the expansion of the system of protected areas by increasing the combined surface of protected areas to 17 per cent of the total surface of land and internal waters and to 6 per cent of the coastal and marine areas.

The institutional framework for the development and management of protected areas has improved with the creation of the National Agency of Protected Areas in 2015. Furthermore, the Law on Protected Areas, adopted in 2017, paves the way for using the revenues generated by protected areas for their development, field work, communication and awareness, afforestation and fire prevention.

Since 2011, there has been significant development in protected area management plans. In the period 2011–2015, management plans were adopted for 11 protected areas.

The Government has followed a "drastic" approach to combat illegal hunting and logging. As illegal hunting has presented one of the major pressures on carnivorous mammals and migratory birds, in 2014, Albania declared a hunting moratorium and in June 2016 extended this moratorium for the next five years. Due to the large loss of forest cover in the past 25 years (an estimated 20 per cent), in early 2016, the Government imposed a 10-year moratorium on logging, with the exception of fuelwood used by local communities.

Albania still does not have a national ecological network. As part of the Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention), Albania has developed a proposal for Emerald sites.

As of early 2017, neither the Standing Committee of the Bern Convention nor the Government has officially adopted it.

Albania is the regional leader in the number of built and planned hydropower plants (HPPs). However, no cumulative impact assessment of HPPs in the country, and in particular in protected areas, has been undertaken.

Albania progressed with the establishment of the legal and institutional framework for monitoring and reporting on biodiversity and forestry. However, implementation still lags behind, due to a lack of funds and overlap of monitoring responsibilities, impeding the analysis of trends.

Municipalities face difficulties in meeting their new responsibility for forest management and establishing competent forest management structures. Data on the state of forests reported by municipalities are scarce. This situation needs to be urgently addressed for Albania to be able to make progress towards sustainable forest management in line with target 15.2 of the 2030 Agenda for Sustainable Development.

Some 8.2 per cent of all national forests are identified as high-nature-value forests. However, the country still lacks a specific legal framework for the protection of these forests.

The harvesting and export of non-timber forest products (NTFPs) have significantly increased over the past decade. In 2015, 13,000 tons of NTFPs were exported, worth more than €27 million. The current legislation is inadequate to ensure the sustainable use of NTFPs. It does not cover all NTFPs exported and it does not set quotas for allowed harvesting per area.

Transport and environment

Albania has taken significant steps to improve its transport sector over recent years, with major investment projects and policy changes stimulating the growth of the sector. The number of national investment projects in the road sector has improved connectivity in the country, as have investments in port facilities. However, to date, not enough efforts have been directed at facilitating the development of sustainable transport.

The provision of public transport, especially rail services, remains low, even with an urban population that uses significant non-car modes of transport. The lack of multimodal facilities is limiting the potential use of public transport and stifling the use of more sustainable modes of transport. Municipalities have yet to complete measures aimed at improving urban public transport services through the introduction and extension of bus and cycle lanes.

With a share in the transport sector of no more than 1 per cent, rail transport has been falling dramatically in recent years. The rail sector's performance is very poor, with maximum speeds significantly lower than road transport outside the city centres. Work continues on rehabilitating the rail network, and particularly its infrastructure, to improve the competitiveness of rail with other transport modes. There are not enough measures aimed at ensuring that the railways are made safe through improved signalling and the removal of unauthorized crossings.

About 60 per cent of newly registered cars are second hand. This means that more polluting cars enter the Albanian market than would otherwise occur. According to the National Inventory on Air Emissions, in 2015, road transport accounted for 73 per cent of NOx emissions.

In the past two years, the significant fall in the number of deaths on the roads has plateaued and in 2016 the number has actually increased. This calls into question whether target 3.6 (by 2020, halve the number of global deaths and injuries from road traffic accidents) of the 2030 Agenda for Sustainable Development can be achieved. A number of actions are currently being undertaken, with international support, to improve road safety through infrastructure and policy initiatives.

Significant steps forward have been taken in greening the maritime sector through greater attention being placed on the disposal of waste from ships and the development of contingency plans in case of environmental incidents. However, although investments to install adequate equipment to gather and treat waste from vessels are ongoing, waste is carried by road vehicles to appropriate treatment facilities on land. Efforts to reduce the environmental

impact of the sector are particularly important to help achieve target 14.1 (by 2025, prevent and significantly reduce maritime pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution) of the 2030 Agenda for Sustainable Development.

Energy, industry and environment

Albania is highly dependent on a single source of energy – hydropower – that does not guarantee constant production. The renewable sources of energy other than hydropower, together with connection to natural gas following the implementation of the Trans-Adriatic Pipeline project, represent strategic opportunities for the country to reduce its vulnerability on a single source of energy, along with adopting cleaner solutions for the environment.

Oil extraction activity has a long history in Albania. The recent oil well blast event at the Patos-Marinza site in April 2015, with a leakage of oil onto the terrain, calls for closer attention to the pressures of oil extraction industry on land use, soil and water bodies.

Albania inherited several industrial installations that operated until the early 1990s. The current objective is to attract capital to reuse such industrial buildings and establish new and greener production activities on former industrial sites. However, the plan lacks specific support in terms of both economic and fiscal incentives and technical assistance on environmental protection.

Industrial waste management in Albania is at a poor level. The use of waste as a secondary raw material for manufacturing industry is not developed.

There are no incentives to attract investment to the industrial sector, in particular for those willing to invest in new technology as a direct contribution to improving environmental protection. 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 of the 2030 Agenda for Sustainable Development.

Albania participates in the Assistance Programme of the Convention on Transboundary Effects of Industrial Accidents and has prepared a self-assessment report in 2015 and an action plan in 2016. However, the country currently lacks mechanisms for consultation with neighbouring countries on the identification of hazardous activities with possible transboundary effects and has not notified the neighbouring countries of such hazardous activities.

ASSESSMENT, CONCLUSIONS AND RECOMMENDATIONS

Chapter 1: Legal, policy and institutional framework

Assessment

Since 2011, Albania achieved significant progress in the adoption of new, modern environmental legislation – the process driven by the efforts to approximate the EU environmental acquis. However, the implementation of legislation lags behind, and sometimes the legislation is too advanced vis-à-vis the administrative, institutional and financial capacities in place. For example, the country already has modern waste management legislation, but the daily reality is waste being dumped into rivers not only by the population but also by waste collection trucks. Often, new legislation is developed with a clear understanding that it will not be implemented in the years to come but with a purpose to increase the transposition or create the legal basis for further transposition of the acquis.

A developed strategic planning system with clear rules and methodologies is in place. The system is rightly oriented towards achieving strong coherence between the strategic documents. Yet it does not yet function smoothly, as there is a clear backlog in the adoption of strategic documents. Progress has been made with integration of environmental considerations into sectoral policies but much more needs to be done, including through enhanced and improved use of SEA, in order to achieve such integration.

The Government has progressed with aligning its national agenda, as set out in the NSDI-II, with the 2030 Agenda for Sustainable Development and is working on developing a national action plan on the SDGs. The challenges include developing a national vision until 2030 and aligning the SDGs implementation and monitoring efforts with the EU accession process.

The system of institutions with environment-related responsibilities has seen many changes since 2011. Notable achievements include the creation of NAPA and a clear separation of inspection activities from policy development and permitting. Still, much more needs to be achieved to ensure the coherent functioning of the system at both the national and local levels, with efficient vertical and horizontal coordination.

Conclusions and recommendations

Environmental legislation

Implementation of environmental legislation faces delays, partially due to delayed adoption of subsidiary legislation. Several environmental laws have been adopted with deferred entry into force, to ensure that the necessary subsidiary legislation is in place at the time of the entry into force of a law. Regular analysis of transposition of the EU environmental acquis is conducted but not of implementation and enforcement of national legislation. Several environmental laws require the development of regular law enforcement reports; however, these have never been prepared.

Recommendation 1.1:
The Ministry of Tourism and Environment should:

(a) Prioritize the development and adoption of subsidiary legislation;
(b) Ensure that law enforcement reports are prepared when required by legislation.

Regulatory Impact Assessment

Some elements of the RIA system are present in the lawmaking process; in particular, an explanatory memorandum and a budgetary assessment are to be developed for all draft laws as part of the lawmaking process. However, the current system pays insufficient attention to social, environmental, economic and other issues, and

does not include monitoring and evaluation as part of the cycle. Progressive strengthening of the current system towards a fully fledged RIA is a way to bridge the legislation under development with the implementation capacities in place and therefore improve implementation and enforcement.

Recommendation 1.2:
The Government should gradually move towards applying the fully fledged Regulatory Impact Assessment tool for laws and subsidiary legislation.

Strategic planning

Albania has a developed strategic planning system. However, there are delays in the adoption of strategic documents; some delayed documents when finally adopted include outdated information; the implementation reports for sectoral and cross-cutting strategies are an issue; and the system for costing the strategic documents is still at a basic level. The governmental website with detailed information on the Integrated Planning System, NSDIs, sectoral and cross-cutting strategies and their implementation reports has not been updated since 2013. Improving the functioning of the Integrated Planning System, in particular the aspects of timely planning and delivery, reporting and transparency, is important for progress in achieving SDG Target 17.14: Enhance policy coherence for sustainable development.

Recommendation 1.3:
The Government should further improve the quality of strategic planning, and in particular ensure:

(a) Timely preparation and adoption of strategic documents;
(b) Regular preparation of implementation reports;
(c) Online accessibility of information on the Integrated Planning System, National Strategies for Development and Integration (NSDIs), sectoral and cross-cutting strategies and implementation reports on all of the foregoing.

Strategic planning in the environmental field

The adoption of the new environmental cross-cutting strategy for the period 2015–2020 has been delayed, and, as of early 2017, the existing draft would require significant updating in order to be adopted. However, it is important for the country to have a visionary umbrella policy framework for environmental protection. Such a document could cover both environmental media and the horizontal issues, the priorities of environmental compliance assurance and enforcement, environmental education (EE) and education for sustainable development (ESD), as well as the integration of environmental considerations in sectoral policies.

Recommendation 1.4:
The Government should strengthen strategic planning in the environmental field by the timely development and adoption of a cross-cutting environmental strategy for the next (post-NSDI-II) planning period.

Strategic environmental assessment

Since 2011, the integration of environmental requirements into sectoral strategic documents has progressed in all sectors, although the degree of such integration varies. The SEA instrument is relatively new for the country and the key challenge is to ensure its proper application by sectoral authorities. The proposing authorities often do not follow all the requirements and steps of the SEA procedure. There have been cases of sectoral documents bypassing the SEA requirements. Despite the requirement of the Law on Strategic Environmental Assessment No. 91/2013, no monitoring and follow-up reports are submitted to the ministry responsible for environmental issues following the adoption of a plan or programme. The evaluation of the environmental effects of the plan or programme, especially with regard to cumulative effects, represents a challenge for staff in the Ministry, and the Law does not provide an opportunity to establish an evaluation committee or hire independent experts when expertise in a particular field is required.

Recommendation 1.5:
The Government should ensure:

(a) That all documents subject to strategic environmental assessment (SEA) undergo an SEA;

(b) The observance by the proposing authorities of all stages and requirements of the SEA process, including monitoring and follow-up;
(c) Opportunities to bring in broader expertise for evaluation of environmental effects when needed.

Implementation and monitoring of SDGs

Coordination of SDGs implementation and monitoring is done by the Department of Development and Good Governance in the Prime Minister's Office through its Development and Good Governance Policies Unit. Coordination of SDGs implementation and monitoring is additional to the other responsibilities of few staff dealing with strategic planning in this Unit. The important achievement of the Government is that the NSDI-II is explicitly aligned to the SDGs. SDGs are being integrated in some sectoral documents under preparation. The Government is working to prepare a national action plan on the SDGs. The challenge is to propose the vision for 2030, since the current planning documents in the country have the horizon of 2020. Knowledge about the SDGs in the ministries is insufficient. Awareness of the SDGs among local government authorities, civil society, academia and the private sector is low.

Recommendation 1.6:
The Government should:

(a) Strengthen the Development and Good Governance Policies Unit within the Department of Development and Good Governance in the Prime Minister's Office and formalize its coordination role on the SDGs;
(b) Identify the political body to guide efforts to achieve the SDGs and the monitoring of progress towards them;[1]
(c) Proceed with the preparation of the national plan on SDGs and the setting up of aspirational and measurable national targets, including interim targets until 2020 and 2025;
(d) Ensure the preparation of reports monitoring progress towards the achievement of the SDGs;
(e) Ensure that the SDGs are integrated into future planning documents;
(f) Raise awareness of the SDGs among local government authorities, civil society, academia and the private sector in order to involve them in efforts towards attaining the SDGs, and ensure public participation in such efforts.

Inspection

In 2014, the State Inspectorate of Environment and Forestry was established as a separate public institution subordinated to the Ministry of Environment. Following the institutional restructuring of September 2017, the State Water Inspectorate was integrated into the State Inspectorate of Environment and Forestry, resulting in one State Inspectorate of Environment, Forestry and Water. The introduction of a risk-analysis-based approach to inspection planning has started; however, the related guidance materials are not yet in place and training needs are enormous. Checklists for type A and B environmental permit inspections and for hospital waste management were prepared with support from the IBECA project but are still to be formally introduced. The State Inspectorate does not have a website. It publishes an annual report with aggregated information on inspections, which is presented to the mass media and thus shared with the general public. Compliance promotion is part of the mandate of the State Inspectorate; however, the State Inspectorate does not perform the compliance promotion activities. There are cases of poor coordination at the local level between the environmental and forestry inspectors of the State Inspectorate and the environmental inspectors of municipalities.

Recommendation 1.7:
The State Inspectorate of Environment, Forestry and Water should:

(a) Intensify efforts to apply a risk-analysis-based approach to inspection planning through provision of guidance materials and training;
(b) Endorse checklists for types A and B environmental permit inspections and for hospital waste management;
(c) Ensure regular publication of compliance and enforcement data;

[1] The National Committee on SDGs was established in May 2017 as a political-level body to guide efforts to achieve the SDGs. This was not known to the ECE Secretariat when the Committee on Environmental Policy approved the recommendations of the EPR report.

(d) Operate a website to increase the transparency of its activities and to stimulate the engagement of the public in the detection of violations;
(e) Initiate, step by step, compliance promotion activities;
(f) Strengthen its coordination with the environmental inspectors of municipalities by initiating communication protocols or cooperation agreements.

Environment-related responsibilities at local level

The country is pursuing a territorial reform accompanied by administrative and financial decentralization. The Law on Local Government No. 139/2015 transferred some of the functions of the national government to local governments. The management of transferred forests and pastures is among the new functions assigned to municipalities. As of early 2017, all municipalities are developing their general local territorial plans, which should include measures for the protection of land, water, air, forests, climate and natural landscapes. According to the Law on Environmental Protection, local government units are also required to adopt local environmental action plans, but few municipalities have such plans. The process of developing local integrated waste management plans in accordance with the Law on Integrated Waste Management No. 10463/2011 has started. Preparation of air quality plans for zones or agglomerations under the Law on Protection of Ambient Air Quality No. 162/2014 is another challenge.

Recommendation 1.8:
The Government should:

(a) Intensify efforts to assist municipalities in the implementation of their environment-related functions;
(b) Assist municipalities in drafting environment-related plans required by legislation.

Training of staff at the Ministry of Tourism and Environment

There is no comprehensive approach to systematic training and in-service training of staff of the Ministry of Tourism and Environment and its subordinated institutions on the environment and sustainable development issues. Such training takes place sporadically as part of international projects, seminars, workshops and other events.

Recommendation 1.9:
The Ministry of Tourism and Environment should establish a training system, including for in-service training, for staff in the Ministry and subordinated institutions to ensure regular and comprehensive coverage of environmental and sustainable development issues.

Training of staff in sectoral ministries

There is no system of training and in-service training on environmental issues of staff in sectoral ministries.

Recommendation 1.10:
The Government should establish training schemes, including for in-service training, for civil servants in sectoral ministries on environmental issues.

Chapter 2: Greening the economy

Assessment

Approaches to green economy are still unexplored in Albania. Governmental strategies provide policy declarations and some initiatives, on renewable energy, energy efficiency and tourism, but those are not managed under a common framework referencing the principles of green economy. The measures related to green economy that are implemented in the country are scattered and no national policy document specifically refers to green economy as a target.

Environmental economic instruments are not based on any assessment of environmental damage or externalities; however, they encourage consumers and producers to behave in an environmentally friendly way.

Environmental taxes provide only a soft incentive for *pro-environment* behaviour by individuals and organizations. Mostly, tax rates have been set with no consideration of the impact and effects of emissions on the environment in terms of externalities or environmental damage to citizens and firms.
Environmental taxation and fiscal instruments are not subject to harmonized regulation or management at the central level and no specific unit within the central ministries (finance, economy and environment) is vested with direct responsibility for the environmental tax system.

Albania does not earmark financial resources to environmental protection. Since all budgetary arrangements of other ministries depend on the discretional decision of the Ministry of Finance and Economy, any decision about strengthening environmental taxation will depend on the Government's will. Furthermore, the conditions for widening public and private environmental expenditure do not exist.

However, the ongoing decentralization reform may ease both the creation of an attractive business environment for companies as an initiative of municipal governments and the collection of revenues and their earmarking to local projects. At the local level, these expenditures are expected to increase the efficiency and quality of local services such as water, waste management and others.

Conclusions and recommendations

Sectoral initiatives to induce sound economic growth

The country has experienced significant progress in economic growth, towards which some green economy sectors have also been driving, as the figures on energy, fisheries and tourism show. The private sector still has to develop its full potential, which is constrained by its limited access to credit, a static financial system and a relatively poor business environment, especially outside the main urban centres. At the same time, domestic consumption has increased and SMEs have been growing, supported by domestic and foreign investments.

Recommendation 2.1:
The Government should continue to stimulate domestic demand through ensuring a positive direct fiscal framework for businesses and citizens and by favouring sectoral initiatives to induce sound economic growth, which may ease access to loans and finance for private companies and entrepreneurs operating in economic sectors more likely to contribute to a shift to a green economy.

Fiscal decentralization

Steps forward have been made in the decentralization reform of the country. A sound legal framework setting up the functions of LGUs has been approved, which includes the possibility for LGUs to collect local fees and indirect taxes. However, fiscal decentralization has not yet been applied. LGUs lack appropriate financial resources or local revenues proportionate to their own, shared and delegated competences.

Recommendation 2.2:
The Ministry of Finance and Economy should continue the process of fiscal decentralization by issuing appropriate legislation and accompanying measures as a way to achieve significant progress in performance of the public utilities managed at the level of local government units.

Statistics for environmental expenditures and measuring green growth

The implementation of the National Strategy for Integration and Development for the period 2015–2020 and several other documents in line with the SDGs of the 2030 Agenda for Sustainable Development requires investment in environmental infrastructure and services such as landfills, water, sewerage systems, protected areas and others. To date, INSTAT has not adopted an international classification of environmental expenditures (such as CEPA), which would facilitate the international comparability of national statistics. Another challenge is to develop statistics for the measurement of green growth indicators, which are designed for, inter alia, gauging improvements in environmental and resource productivity and the extent to which economic growth has been decoupled from economic growth (SDG target 8.4).

Recommendation 2.3:
The Institute of Statistics should develop:

(a) A statistical information system for environmental expenditures based on the existing international standard, i.e. the Classification of Environmental Protection Activities and Expenditures (CEPA);
(b) Statistics for the measurement of indicators designed to measure progress made towards the greening of economic growth.

Resource efficiency

A significant lack of appropriate infrastructure is evident in the public utilities sector and is considered responsible for some of the inefficiencies in this sector, including water leakage, inaccurate metering, scarce environmental protection efforts and poor waste management. Large investments financed by FDI have been made in the energy sector in the past, which allowed for the setting up of framework conditions that have allowed energy markets to develop and have liberalized alignment with international expectations and the EU acquis.

Recommendation 2.4:
The Government should support the new local government units and the service providers to increase resource efficiency, especially in the waste and water services, and develop appropriate strategies to concentrate public and private investment, particularly from international donors, on infrastructure and plants that can create the basic conditions for cost-effective service provision.

Tourism development

The positive trend in tourism development across the country is being confirmed as one of the most promising sources of revenue for the country in the years to come, which necessitates it being managed carefully, avoiding any harmful impacts on the landscape and environment. NAPA's Short and Midterm Strategic Programme for the period 2015–2020 refers to the potential of sustainable tourism as a possible means to raise funds for financing the operations and maintenance of the network of parks across the country and as a driver of local development and well-being.

Recommendation 2.5:
The Ministry of Tourism and Environment, through the National Agency of Protected Areas, and the Ministry of Finance and Economy should continue their efforts to develop and implement a tourism strategy, especially in high-value natural areas and particularly protected sites, by promoting sustainable forms of tourism.

See Recommendation 9.1.

Energy market liberalization

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.

Recommendation 2.6:
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.

Financial mechanisms to support environmental protection activities

According to the 2011 Law on Environmental Protection, the income from permit fees and fines for not complying with the environmental legislation should be used to finance environmental protection activities. However, no national environmental fund or state budget line for an environment-related purpose has been established in Albania.

Recommendation 2.7:
The Government should establish financial mechanisms to support environmental protection activities, such as an environmental fund under the ministry responsible for environmental issues as prescribed in the 2011 Law on Environmental Protection.

Chapter 3: Environmental monitoring, information, public participation and education

Environmental monitoring

There has been mixed progress regarding environmental monitoring and reporting since 2011. The main improvements include: the increased capacity of the NRL in terms of staff, equipment and accreditation; more monitoring stations and sites for some topics such as water and noise; a new PRTR database and platform for e-reporting; a Corine land cover assessment; a database and platform for organizing air quality data from automated stations; a new agency, NAPA, which may increase biodiversity monitoring capacities; and, through international projects, the future development of a forest inventory for Albania and an IEMS with a focus on the three Rio Conventions.

However, significant challenges remain. The annual environmental monitoring programme is underfunded and, despite being approved, can never be delivered in full or even in a large part based on the available budget. Challenges also remain over annual subcontracts for monitoring, which lead to delays in undertaking the work. Finally, the NRL is not accredited for monitoring and reporting on certain vital parameters, most notably air quality, but also important parameters for water and noise. Biodiversity monitoring is also particularly weak.

Environmental information and public participation

Information on the environment is accessible free of charge to the public through the websites of the Ministry of Environment (as available until September 2017) and the NEA. The extent of environmental information available on the websites is ultimately limited by the amount of monitoring, and hence data and information, that is made available by the NEA and other relevant public institutions, and this is reflected in Albania's relatively poor progress in implementing SEIS principles.

There have been some clear improvements since 2011, namely, the creation of information coordinator roles in the then Ministry of Environment and the NEA, and establishment of an Information Commissioner and an Ombudsperson; a clear process for public consultations, request-for-information and complaints procedures; and a series of new legislation to enhance procedures for making information available to the public and public engagement in environmental decision-making.

Environmental education and education for sustainable development

There has been mixed progress on EE since 2011, yet, with current plans and initiatives, the future prospects look to be brighter. Current constraints to progress include a lack of teaching materials and teacher training, especially at the upper secondary level. Highlights include: the joint national programme on EE established in 2015 between the ministries responsible for environment and for education, which results in on-the-ground teaching at schools across the country; the first signs of citizen-science programmes through web-based applications and including social media; and several projects aimed at curricula reform and the integration of ESD into the educational system.

Conclusion and recommendations

Financial resources for environmental monitoring

The national environmental monitoring programme, which is produced each year and outlines the proposed environmental monitoring, is estimated to cost US$1.5 million. Yet the overall budget of the NEA for monitoring, including staff time, operations and the laboratory is approximately US$150,000. In addition, approximately US$50,000 per year (7 million to 8 million leks) is provided for external contracts to support monitoring activities. Therefore, the NEA receives approximately 3 per cent of the budget needed to implement the national environmental monitoring programme and is required to prioritize activities.

There are no accredited laboratories for analysing air quality data in Albania (and international laboratories are not used) and therefore data remain indicative. This is also the case for noise monitoring. Building the capacity of the NRL and seeking accreditation for more parameters will be fundamental in the future, in order that monitoring data can be compared with EU norms and standards and ultimately inform progress towards policy targets and goals.

Recommendation 3.1:
The Government should:

(a) Substantially increase financial resources for environmental monitoring in order to fully implement the annual national environmental monitoring programme, with a view to complying with the requirements of the European Union environmental acquis;
(b) Continue investment in the National Reference Laboratory at the National Environment Agency to gain accreditation for an increased number of parameters that are being monitored.

Integrated environmental management system

There are challenges in coordination between institutions responsible for monitoring the environment. With the transfer of monitoring responsibilities since 2011 (i.e. air and noise), establishment of NAPA, and external international donors strengthening certain aspects of monitoring, these challenges are likely to continue.

Despite several projects in the period since 2011, as of mid-2017, there is no operational IEMS. Databases and platforms exist but are neither integrated nor connected. IEMS, once fully functional, would require maintenance and further development.

Recommendation 3.2:
The Ministry of Tourism and Environment should:

(a) Develop mechanisms to improve coordination among those responsible for environmental monitoring and increase their efficiency;
(b) Ensure the functioning of the integrated environmental management system (IEMS) with connected databases;
(c) Through IEMS, improve access to information, especially regarding air quality data, and make near-real-time data available to the public.

State-of-environment reporting

While the regular annual indicator reports are important to keep track of the state of and trends in the environment, a regular, comprehensive SoER based on the DPSIR framework is not being undertaken to complement the annual indicator reports. Such an integrated SoER at three- to four-year intervals will be more useful to stakeholders and decision makers and may be used to inform policies, programmes, plans and projects.

Recommendation 3.3:
The Ministry of Tourism and Environment, through the National Environment Agency, should strengthen the existing state-of-environment reporting by:

(a) Using the Driver–Pressure–State–Impact–Response (DPSIR) framework in order to be more connected with policy needs;
(b) Complementing the current annual indicator-based reporting with a more comprehensive state-of-environment report every three to four years;
(c) Including an executive summary in the state-of-environment report to better inform stakeholders and decision makers.

Education for sustainable development

ESD has yet to be integrated and delivered in the current educational system. The 2015 National Programme for Environmental Education in High Schools for the period 2015–2017 is a good step to reach target 4.7 of the Sustainable Development Goals aimed at ensuring that all learners acquire, by 2030, the knowledge and skills

needed to promote sustainable development. However, no financial and human resources are dedicated to the implementation of this policy document. In many cases, EE and ESD are still being carried out by international agencies and donors.

The SEEDLING project is aimed to move the ESD forward. It will analyse the current curricula for inclusion of the objectives of the SDGs and undertake a gap analysis and develop supporting materials and e-learning facilities online for each SDG, as well as teacher training.
Albania has not been active under the 2005 ECE Strategy on ESD. Active participation in this process could build capacity and improve implementation of ESD in the country.

Recommendation 3.4:
The Ministry of Education, Sports and Youth, in cooperation with the Ministry of Tourism and Environment, should:

(a) Establish a dedicated provision within the budget for, and develop a regular programme to support, the integration of environmental education (EE) and education for sustainable development (ESD) into the curriculum, with associated learning standards;
(b) Improve teacher training on EE and ESD and the development of learning resources for EE and ESD across all levels of schooling;
(c) Nominate a national focal point and participate in the activities under the ECE Strategy for ESD.

Chapter 4: Implementation of international agreements and commitments

Assessment

The prompt ratification of recent MEAs, such as the Paris Agreement and the Nagoya Protocol, is evidence of the political importance that the Government attributes to being an engaged participant in international cooperation in the environmental domain. The aspiration of EU membership is the main driver for the adoption of environmental legislation in Albania, while the MEAs can be considered a second major impetus.

Adequate participation at international negotiations, implementation and compliance remain challenges, due in part to the insufficient capacity and financial resources of the ministry responsible for environmental issues. Effective response to international agreements and commitments will require strengthening the capacity of and ensuring financial resources for the Ministry of Tourism and Environment, as well as other involved entities, in a way that is consistent with the responsibility of being a party to MEAs.

In a context of an increased level of scrutiny associated with environmental matters in the international domain, the same level of political commitment that sustained the decision to ratify a MEA must continue to be shown through its implementation.

Conclusions and recommendations

Capacity and resources

The extended mandate of environmental bodies and units in the public administration to ensure implementation and the country's compliance with the obligations deriving from global and regional agreements has not been matched by an increase in capacity and financial resources.

As of early 2017, the then Ministry of Environment, in particular the Delivery Unit, regularly collected and organized information on projects supported by foreign assistance, but the information collected remained insufficient for adequate monitoring of the development and outputs of the projects.

Recommendation 4.1:
The Government should:

(a) Undertake an in-depth analysis of the administrative and technical capacity and financial needs of the bodies and units charged with the implementation of the obligations deriving from global and regional environmental agreements;

(b) On this basis, prepare an action plan to ensure that the adequate administrative and technical capacity and financial resources are secured for implementation of the obligations deriving from global and regional environmental agreements;
(c) Establish a publicly accessible, up-to-date system for implementation, monitoring and evaluation of environment-related projects.

Access to information and the involvement of NGOs

There is a general absence of information provided by the Albanian environmental authorities to the public on the status of Albania's participation in global, regional and bilateral agreements and on the implementation of those agreements, including the reports submitted. Information on MEAs ratified by Albania and on the reports on implementation under these MEAs is not placed on the website of the ministry responsible for environmental issues or any other public institution, and neither is information on bilateral agreements related to the environment. With the recent exception of the Minamata Convention on Mercury, NGOs are not involved in the decision-making processes with regard to the country's participation in MEAs. Consequently, they are not involved in the implementation of MEAs.

Recommendation 4.2:
The Ministry of Tourism and Environment should:

(a) Ensure access through its website to the texts of global, regional and bilateral environmental agreements, including translations into the national language;
(b) Make the information on the status of the participation of Albania in global, regional and bilateral agreements and on the implementation of those agreements (in particular, national reports on implementation) available to the public through its website;
(c) Increase the involvement of non-governmental organizations (NGOs) in the preparation of national reports on the implementation of multilateral environmental agreements (MEAs);
(d) Further involve NGOs in the decision-making processes regarding participation in MEAs and the implementation of MEAs, namely, by integrating them into coordination groups dealing with international matters and ensuring their effective consultation.

Participation in MEAs that Albania is not a party to

Albania is clearly committed to preventing and combating air pollution and to accession and implementation of international agreements in this domain. Further joint work between Albania and the ECE secretariat of the Convention on Long-range Transboundary Air Pollution would allow the country to become a party to the Protocol on Heavy Metals and the Protocol on Persistent Organic Pollutants, as amended, and to undertake an in-depth assessment of the costs and benefits deriving from accession to the amendments to the Protocol to Abate Acidification, Eutrophication and Ground-level Ozone.

As of early 2017, the then Ministry of Environment has started the ratification process for the Minamata Convention on Mercury, which Albania signed in 2014. The current Ministry of Tourism and Environment is expected to continue this work.
Albania is working on the introduction and implementation of the Strategic Approach to International Chemicals Management (SAICM).

Being a party to the Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention), Albania has not yet ratified the 2005 Almaty Amendment on Genetically Modified Organisms.

Recommendation 4.3:
The Ministry of Tourism and Environment should:

(a) Promote the ratification of the Protocol on Heavy Metals and the Protocol on Persistent Organic Pollutants to the ECE Convention on Long-range Transboundary Air Pollution and their amendments;
(b) Facilitate the conclusion of the ratification process for the Protocol to Abate Acidification, Eutrophication and Ground-level Ozone;

(c) Undertake a cost-benefit analysis for the ratification of the amendments to the Protocol to Abate Acidification, Eutrophication and Ground-level Ozone;
(d) Facilitate the conclusion of the ratification process for the Minamata Convention on Mercury;
(e) Engage actively in the intersessional process to develop recommendations on the Strategic Approach to International Chemicals Management (SAICM) and the sound management of chemicals and waste beyond 2020;
(f) Promote the ratification of the Almaty Amendment on Genetically Modified Organisms to the Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention).

Chapter 5: Climate change mitigation and adaptation

Assessment

As a party to the UNFCCC and Kyoto Protocol, Albania participates in international activities and processes under this framework. The country has already submitted three national communications under the UNFCCC and started to prepare a biennial update report. In 2016, the country ratified the Paris Agreement.

Albania is progressing in developing its legal, policy and institutional framework on climate change. In particular, the country drafted a law on climate change and DCM on monitoring and reporting of GHGs. Albania has finalized the first draft of the national strategy on climate change.

Conclusions and recommendations

Impact of anthropogenic climate change on components of nature and on economic sectors

Albania lacks data and studies on the impact of climate change on different components of nature, including water resources, land and soil cover, forest and other natural vegetation, biodiversity and ecosystems. Nor are studies and data available on the monetary impact of anthropogenic climate change on the country's economic sectors.

Recommendation 5.1:
The Ministry of Tourism and Environment, in cooperation with other government bodies, should include in relevant studies the impact of anthropogenic climate change on components of nature and on economic sectors.

Resilience of economic sectors

Albania's contribution to global warming is negligible due to the country's low total and per capita GHG emissions. At the same time, the country is vulnerable to impacts of natural and anthropogenic phenomena and hazards, such as floods, precipitation patterns, heat and cold waves, forest fires, landslides and erosion.

The country lacks policies on adaptation of different economic sectors and infrastructure to climate change, as well as to other natural and anthropogenic hazards. The country has few financial resources to invest in actions and measures on either mitigation of or adaptation to climate change. Implementing policies that build and strengthen resilience to climate-related and natural hazards would be an important step towards progress towards Albania's achieving targets 13.1, 11.b and 13.2 of the 2030 Agenda for Sustainable Development.

Recommendation 5.2:
The Government should:

(a) Implement policies and measures to increase the resilience of economic sectors to natural and anthropogenic hazards caused by natural climate variability and anthropogenic climate change;
(b) Ensure that adaptation measures are foreseen in local urban plans.

Awareness

The limited awareness of climate change at the level of policymaking and low public recognition hamper progress on Albania's adaptation to climate change. At the same time, the Government does not implement systematic measures to improve education and awareness-raising on climate change mitigation, adaptation, impact reduction

and early warning, as advocated by target 13.3 of the 2030 Agenda for Sustainable Development. To date, the only activities related to climate change awareness-raising were implemented in the framework of international projects.

Recommendation 5.3:
The Government should regularly implement measures to raise awareness on climate change mitigation, adaptation and impact reduction and early warning on natural and anthropogenic hazards caused by natural climate variability and anthropogenic climate change.

Chapter 6: Air protection

Assessment

Air quality in Albania improved greatly in the course of the last 10 years. Albania reduced the use of fossil fuels in energy production and industrial processes and introduced European standards for fuel quality. The country also imposed a carbon tax on a number of fossil fuels used in the market, including diesel and gasoline, coal, coal coke, heavy and light fuel oil, and kerosene.

Since 2005, emissions of sulphur oxides decreased some 35 per cent, and emissions of ammonia around 10 per cent, while emissions of NOx, NMVOC and PM_{10} increased slightly.

Decreased fertilizer consumption and fewer livestock reduced the pressure on air quality from agriculture. The country's energy production is currently based solely on hydropower. Industrial pollution has substantially reduced since numerous installations with obsolete technology ceased production. Albania moved from heavy industry to other, lighter industrial branches (textiles, leather, food), which have less negative impacts on air quality. On the other hand, the negative impact of transport has increased due to the higher number of vehicles (e.g. the number of passenger cars increased by 94 per cent in the period 2009–2014). Intensive urbanization that is not followed by adequate development of infrastructure (district heating systems, sustainable public transport), poses a major threat to air quality, which is already noticeable in some areas of Albania.

Since 2011, air quality in Albania is monitored by seven automatic stations. The country adopted European standards on air quality and developed a system of reporting through EIONET, enabling international comparability of data. However, data quality, including time and territory coverage, is not satisfactory.

The legal framework on air quality in Albania has been immensely improved through the process of accession to the EU, and is complemented with an adequate national policy framework. Further efforts are needed to build capacity for development of air protection policies on the regional and local levels. The health impact of air pollution in Albania is not monitored and general public awareness of the negative effects of air pollution is low.

Conclusions and recommendations

Accreditation for air quality monitoring and assessment

Until 2011, the competence for air quality monitoring was entrusted to the IPH. Currently, the NEA is the institution responsible for air quality monitoring, but it has limited human, technical and financial capacities to perform this task. On a temporary basis, it engages the IPH, which still runs two monitoring stations in Tirana, and the Institute for Nuclear Physics, for some laboratory analysis. None of these institutions has an accreditation for air quality monitoring and assessment.

Recommendation 6.1:
The Government should ensure that institutions involved in air quality monitoring and assessment are accredited for air quality monitoring and laboratory analysis, in order to provide the public with correct, accurate and validated data that meet data quality objectives.

Air quality monitoring network

The current network for air quality monitoring does not allow for providing a correct picture of air quality in Albania, mostly because the number of monitoring stations is limited and the macro- and microlocations of

existing monitoring stations are not accurate. The current composition of the network does not cover air quality assessment in rural or rural background locations. Regardless of the type of monitoring station, the same parameters are monitored in all stations (e.g. there is no need to monitor O_3 in urban traffic stations).

There is no monitoring station in Fier where exceedances of air quality standards were recorded in the past and realistic concern exists due to the presence of the petroleum industry and a plan to build a new waste incinerator. Monitoring in Tirana often relies on data from measurement by a mobile station, which can only be considered an indicative measurement. Monitoring in Elbasan is affected by the microlocation of the station (too close to municipal building, under the trees).

Recommendation 6.2:
The Ministry of Tourism and Environment should support the National Environment Agency to enlarge the air quality monitoring network and adjust the location of existing monitoring stations where necessary, taking into account the feasible use of equipment according to the type of monitoring station and combining air quality monitoring in rural background locations with the monitoring of the transboundary transport of air pollution (EMEP Programme, level-1 station), if possible.

Impact of air pollution on human health

The main purpose of air quality assessment and protection is to minimize the negative effects of air pollution on human health and the environment. However, the impact of air pollution on human health is not assessed in Albania. In absence of such an assessment, Albania is not able to measure its progress towards target 3.9 (by 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination) in relation to air.

The population, especially vulnerable groups, is not provided with sufficient and timely data on air quality accompanied by recommendations on health protection. Public awareness related to air quality in Albania is very low, since access to information is virtually limited to annual reports on air quality. Nowadays, countries worldwide use different types of air quality indices in order to provide the public not only with nearly-real-time information but also with forecasts of air quality and its impact on health.

Recommendation 6.3:
The Government should ensure that the Institute of Public Health regularly assesses the impact of air pollution on health and supports the raising of public awareness on this topic, including by use of an air quality index.

Organic farming

Although some 40 per cent of the Albanian labour force is employed in the agricultural sector, due to high fragmentation of the arable land, only a limited number of farms, mainly on the coastal plains or close to suburban areas, practise more intensive agriculture that allows them to produce for the market. Organic farming oriented towards quality rather than quantity is not very well promoted.

Recommendation 6.4:
The Government should promote the application of organic farming principles, which include very strict limits on the use of pesticides and synthetic fertilizers and the promotion of composting rather than burning of agricultural waste, which can contribute not only to production of healthy organic food but also to the protection of air quality and other aspects of the environment.

Energy efficiency and use of renewable energy sources

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.

Recommendation 6.5:
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.

Chapter 7: Water management

Assessment

Available monitoring data and assessment criteria do not yet allow for a comprehensive assessment of the environmental state of water bodies. Generally, most of the rivers are polluted in their middle/lower reaches, largely due to the discharges of treated and untreated wastewater. This implies that those river sections will not comply with the WFD criteria for "good" status. Reservoirs – used for irrigation, hydropower and/or drinking water supply – impose hydromorphological pressures, while having to be approached as "heavily modified or artificial surface water bodies". However, there are no monitoring data for substantiating the state and impacts of reservoirs. Lakes Ohrid, Prespa and Shkodër are, possibly, at risk of not achieving the WFD criteria for "good" status. Most groundwaters appear to be still of good quality, although there are insufficient monitoring data to assess their possible pollution with pesticides or heavy metals, among other things.

Since 2011, Albania progressed with adjusting its legislation to meet the requirements of integrated water resources management, simultaneously approximating the environmental policies of the EU. Milestones include the adoption of the Law on Integrated Water Resources Management No. 111/2012 and its subsidiary legislation, such as the regulation on drinking water quality (DCM No. 379 dated 25.05.2016), the list of priority substances in aquatic environments (DCM No. 267 dated 07.05.2014) and the environmental quality norms for surface waters (DCM No. 246 dated 30.04.2014). However, secondary legislation to implement the WFD is still lacking. Transposition of several water-related EU Directives is still in an early stage.

Albania keeps adjusting its institutional structures in order to find optimal solutions for integrated water resources management.

Conclusions and recommendations

Enhancement of water monitoring

The current monitoring data on the quality (including the WFD's "ecological status") and quantity (including the WFD's "hydromorphological status") of water resources are insufficient. Monitoring and assessment of the state of water resources is required not only for preparing RBMPs but also for tracking the results of implementation of programmes of measures. Furthermore, water management has to take into account flood protection and climate change.

The NEA and the Albanian Geological Service do not have laboratories equipped with all the analytical instruments, methods and consumables required for analysis of water samples for the assessment of the chemical status of surface water and groundwater bodies. Their respective staff capacity and expertise for monitoring and assessment are not yet aligned with WFD requirements. The Albanian Geological Service does not have data loggers for monitoring groundwater levels. The Institute of Geosciences, Energy, Water and Environment is not able to retrieve and store all its hydrological and meteorological monitoring data in unified databases and to update the Q_h rating curves for all rivers.

Recommendation 7.1:
The Government should allocate adequate budgets for enabling monitoring and assessment of the status of surface water, coastal water and groundwater bodies, in line with the European Union Water Framework Directive (WFD) requirements.

WFD-compliant classification schemes

Assessment of WFD-compliant ecological status is arguably the most complicated challenge for surface water monitoring programmes. Monitoring of biological quality elements is not yet routinely performed, while

establishing classification schemes requires many field data. Since Albania has to start from scratch, establishing WFD-compliant classification schemes could easily take 6–10 years.

Water bodies have not been identified, delineated and characterized in accordance with WFD Annex II. The NEA, Albanian Geological Service and Institute of Geosciences, Energy, Water and Environment have not yet developed WFD-compliant classification schemes.

Recommendation 7.2:
The Government should prepare WFD-compliant schemes for assessment of the status of surface water, coastal water and groundwater bodies.

River basin management plans

Fully fledged WFD-compliant monitoring and assessment of the status of water bodies is deemed not to be feasible in the short to medium term. Nevertheless, a useful first generation of RBMPs can be developed, with a preliminary focus on general physico-chemical quality elements and generic water quantity requirements. Of key interest are, notably, the formulation, reaching of consensus and actual implementation of programmes of measures. Furthermore, by focusing on these, the robustness of the legal and institutional settings can be tested. The first RBMP was prepared for the Mati River basin in 2010, but it has not yet been implemented. RBMPs are under development for the Drini-Buna, Semani and Shkumbini River basins. The lack of RBMPs prevents Albania from progress towards achieving target 6.5 of the 2030 Agenda for Sustainable Development.

Recommendation 7.3:
The Government should develop and implement river basin management plans compliant with the WFD.

Water supply and sewerage

Implementation of the National Strategy of Water Supply and Sewerage for the period 2011–2017 is behind its scheduled targets. Meanwhile, the 2016 World Bank report "Albania Water Supply and Sanitation Sector Financing Strategy" underlines the difficulties in reaching ultimate water supply and sewerage targets. The adoption and implementation of a strong policy framework to support further progress on water supply and sewerage is crucial for Albania to make progress towards the achievement of targets 6.2 and 6.3 of the 2030 Agenda for Sustainable Development.

Recommendation 7.4:
The Government should:

(a) Ensure the adoption of a strong policy framework to support further progress on water supply and sewerage following the expiration of the National Strategy of Water Supply and Sewerage for the period 2011–2017;
(b) Based on analyses of administrative reform, elaborate a strategy for water utilities to ensure that they are able to cover the relevant costs, while also taking into account social concerns.

Chapter 8: Waste and chemicals management

Assessment

Waste management has undergone profound improvements during the last years in terms of legislative background by transposing 19 EU directives and regulations, fully or partially, by the end of 2015; these represent the most important part of the EU acquis related to waste. This means Albania currently has laws, which, in principle and from a technological and methodological viewpoint, would ensure waste management that is sustainable in the long term and would allow the country to work towards the continuous reduction of waste to be landfilled and move towards being a "recycling society".

However, the implementation and enforcement of these laws is at a very low level. The reason for this mostly lies in the fact that the financing of the costs of waste management is still unresolved, due to the lack of a comprehensive and evidence-based cost and tariff system. This seriously hinders the willingness to further invest in the waste infrastructure.

Since 2011, there have also been significant legislative developments related to chemicals management, which peaked with the adoption of the new Law on Chemicals Management and related by-laws in 2016. This means that the country now has the essential legal framework for the safe management of chemicals and, by due implementation of the recently adopted (and already envisaged) provisions of the legislation, operations in this field might accord with the standards of the EU and other developed countries.

Conclusions and recommendations

Waste management infrastructure

Much-needed capital investments – mostly funded by foreign donors – have slowed down since 2011; only one new investment in facilities was completed between 2011 and 2016 (the Bajkaj landfill). Since 2011, activities to clean up and rehabilitate old waste and chemical hotspots have almost halted. Albania still lacks the basic infrastructure for proper waste management, which can best be demonstrated by the fact that, currently, only three sanitary landfills are operating rather than the 12 envisaged.

On the other hand, there are numerous, small and mid-scale projects targeting the improvement of waste management at the level of local communities and municipalities, funded by foreign IGOs and implemented by local NGOs. These projects combine technical assistance and capacity-building with small-scale investments and they play an important role in enhancing the efficiency of waste management at local/regional level and in awareness-raising among local decision-makers and stakeholders, as well as the general population.

Albania does not yet measure indicator 3.9.3 (Mortality rate attributed to unintentional poisoning) under the target 3.9 (by 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination) of the 2030 Agenda for Sustainable Development.

Recommendation 8.1:
The Government should strengthen its efforts towards the closure and rehabilitation of legal and illegal dumpsites and the construction of sanitary landfills based on the real needs of the country, taking into account the proposal by the European Commission to phase out the landfilling of recyclable waste by 2025.

Cost and tariff schemes

One of the biggest obstacles to the establishment of sustainable MSW management in the long term is the lack of application of a costs and tariffs system that reflects the real costs of the services. This sector and the MSW management services are historically underfinanced due to the low fees, which have not been raised since 2011, in most settlements of the country. Moreover, even these low fees cannot be fully collected from the population. The "polluter pays principle" is not functioning in the current MSW management system.

Recommendation 8.2:
The Government, in cooperation with the municipalities and other stakeholders, should establish cost and tariff schemes for waste management services that reflect the actual costs of municipal solid waste management, and request the municipalities to apply them, taking into account the need for support for vulnerable consumers.

Separate collection and recycling

Despite the legal and regulatory framework, which obliges the local authorities to organize separate collection of waste, and despite the ban on the import of waste effective since 2013, separate waste collection is rarely done systematically. Thus, recycling rates remain low and, despite the presence of a recycling industry, recycling companies fail to acquire enough raw material from the domestic market to operate at full capacity. Enforcing separate collection of waste and mandatory reduction, recycling and reuse of waste would help Albania achieve progress under target 12.5 (by 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse) of the 2030 Agenda for Sustainable Development and measure its performance in accomplishing this target.

Recommendation 8.3:
The Ministry of Tourism and Environment, in cooperation with the Ministry of Finance and Economy, should take measures to establish a viable market for recyclables in which waste collecting and recycling companies will have an economic interest, in order to increase the recycling rate of separately collected waste such as metal, plastic, glass and paper.

Industrial and mining hotspots

There were numerous projects targeting environmental hotspots but there are still numerous industrial and mining sites which present a potentially serious risk to the environment and human health. From 2011 to 2016, there were no significant improvements and works on hotspot rehabilitation. Continuing to remediate these industrial and mining sites might reduce deaths and illnesses from contaminated sites and contribute to achievement of target 3.9 (by 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination) of the 2030 Agenda for Sustainable Development.

Recommendation 8.4:
The Government should put the clean-up and remediation of the existing industrial and mining hotspots high on its agenda, including by developing a specific programme to address this issue.

Capacity-building and organizational development

Due to the recent adoption of the Law on Chemicals Management No. 27/2016 and related by-laws (of which some will come into force gradually in the coming years, by 2020), implementation of the new legislation package is an ongoing process. However, there is a lack of knowledge and awareness about the newly introduced rules and procedures, not only among the companies working in this field but among the different stakeholders in the public administration. The envisaged Chemicals Office has not yet begun operation; thus, it cannot fulfil its role in capacity-building in order to facilitate the implementation of the adopted and envisaged regulations.

Recommendation 8.5:
The Ministry of Tourism and Environment should implement the necessary capacity-building and organizational development activities on chemicals management, following the requirements of the 2016 Law on Chemicals Management.

Data on hazardous waste and chemicals

Despite the legal provisions on the management of specific waste streams that are considered hazardous, the amount and origin of generated hazardous waste is unknown, mostly due to the lack of data collection, which is partly due to the lack of separate collection of hazardous waste. The lack of data hampers the establishment of sound management of hazardous waste. Moreover, Albania is not able to measure progress towards indicator 12.4.2 (hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment) to allow the tracking of progress towards the achievement of target 12.4 of the 2030 Agenda for Sustainable Development.

Recommendation 8.6:
The Ministry of Tourism and Environment, in cooperation with the Institute of Statistics, should establish an effective data collection system on generated hazardous waste and chemicals.

Chapter 9: Biodiversity, forestry and protected areas

Assessment

Since 2011, Albania has progressed in the establishment of protected areas and in improving the institutional framework for their management, in particular through the creation of NAPA.

Biodiversity monitoring shows some progress, but little progress was achieved in forest monitoring. Data about forestry as a sector, forest trends and the extent and status of high-nature-value forests are lacking. Both the NEA and NAPA are responsible for the monitoring of biodiversity in the country, and it is unclear how data are shared

between the two institutions. Of the 76 locations selected for biodiversity monitoring, only 15–20 are monitored due to the lack of funds. Monitoring of marine biodiversity is almost non-existent.

In terms of forestry, Albania is lagging behind in many aspects. The Ministry of Tourism and Environment estimates that 8.2 per cent, or 84,841 ha, of national forests are of high nature value. However, the country still does not have a law for protection of high-nature-value forests. The current legislation related to NTFPs does not provide for quotas/limitations on their collection.

The management of forests and pastures has recently been assigned to the local government units. As of 2016, municipalities are responsible for sustainable management of forests, including monitoring. Generally, there has been little assistance provided to the newly established municipalities in the process of implementation of these new functions.

Conclusions and recommendations

Monitoring of forests and biodiversity

Albania progressed with the establishment of the legal and institutional framework for monitoring and reporting on biodiversity and forestry. However, implementation still lags behind due to a lack of funds and overlap of monitoring responsibilities between the NEA and NAPA with regard to biodiversity monitoring in the protected areas, impeding the analyses of trends.

Recommendation 9.1:
The Ministry of Tourism and Environment should:

(a) Clarify the mandates of the National Environment Agency and the National Agency of Protected Areas in terms of the locations and parameters for the monitoring of biodiversity in protected areas;
(b) Increase funding for the monitoring of forests and biodiversity in order to include all the identified locations and high-nature-value forests, to enable the collection of data on the core set of biodiversity and forestry indicators and make them publicly available.

Forest management by municipalities

During the territorial reform and decentralization, there has not been enough assistance provided to the municipalities to meet their new responsibility for forest management. Most of the training organized at the municipal level was not organized by the Government but took place sporadically as part of international projects, seminars, workshops, etc. Municipalities face difficulties in establishing competent forest management structures. The data on the state of forests reported by municipalities are scarce and largely represent a qualitative description of the situation. This situation needs to be urgently addressed for Albania to be able to make progress towards sustainable forest management in line with target 15.2 of the 2030 Agenda for Sustainable Development.

Recommendation 9.2:
The Ministry of Tourism and Environment should:

(a) Assist newly formed municipalities with the implementation of their forest management responsibilities;
(b) Build the capacity of municipalities on sustainable forest management.

High-nature-value forests and non-timber forest products

Although 8.2 per cent of all national forests are identified as high-nature-value forests, the country still lacks a specific legal framework for the protection of these forests, and, within it, a mechanism for protection. Although the harvesting and export of non-timber forest products have significantly increased over the past decade, the current legislation is inadequate to ensure their sustainable use. It does not cover all NTFPs exported and it does not set quotas for allowed harvesting per area. This poses a risk of overexploitation of NTFPs, which could highly damage the forest ecosystems.

Recommendation 9.3:
The Ministry of Tourism and Environment should improve the sustainable management of forests by drafting legislation for the protection of identified high-nature-value forests and non-timber forest products, including the establishment of quotas for the harvesting of non-timber forest products.

Forest certification

Albania does not have a national forest certification in place.

Recommendation 9.4:
The Ministry of Tourism and Environment should prioritize the implementation of the Programme for the Endorsement of Forest Certification (PEFC) and develop a national forest certification system as an essential element of sustainable forest management practices.

Chapter 10: Transport and environment

Assessment

Road transport accounts for 99 per cent of freight and passenger inland transport volumes and dominates the transport sector. With a share of no more than 1 per cent, rail transport has been falling dramatically in recent years. Maritime volumes and air travel have been growing steadily.
The transport sector received governmental focus through a number of policy initiatives aimed at aligning Albania's policies with the EU. In particular, the National Transport Plan was prepared in 2006 and, subsequently, the First Five-year Review of Albanian National Transport Plan was published in 2010, followed by the 2016 National Transport Strategy and Action Plan for the period 2016–2020.

Albania has benefited from significant investment in the transport sector in recent years. The prioritization of investments is based on SEETO priorities. Although there have been investments in the transport sector, since 2012, Albania has seen a significant deterioration in its Logistics Performance Index scores and rank.

Conclusions and recommendations

Development of sustainable transport

Albania has taken significant steps to improve its transport sector over recent years, with major investment projects and policy changes stimulating the growth of the sector. The number of national investment projects in the road sector has improved the connectivity of the country, as have investments in port facilities. However, to date, not enough has been directed at facilitating the development of sustainable transport. Road transport remains the largest polluter, and in particular, freight transport. Also, the fact that about 60 per cent of newly registered cars are actually second hand means that passenger transport also has a lower environmental performance than it could have. Furthermore, the rail sector suffers from underinvestment, limiting the potential environmental benefits from a modal shift.

The draft sustainable transport plan has been prepared in 2016 to improve the performance of the transport sector by focusing on improving national, road-based, public transport; however, the emphasis is still narrow and multimodal public transport is not the main focus. The draft plan sets out a number of national, road-specific measures that have not yet been implemented to improve the environmental impact of the road sector. These measures are focused on the road sector and but are not supplemented by interventions in other transport sectors. Their implementation would lead to a reduction in CO_2 and energy volumes and would contribute to achieving target 9.1 (Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all) of SDG 9 (Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation).

Recommendation 10.1:
The Government should adopt the draft sustainable transport plan and implement its provisions.

Public transport

The provision of public transport, especially rail services, remains low, even with an urban population that uses significant non-car modes of transport. The rail sector's performance is very poor, with maximum speeds significantly lower than road transport outside the city centres. Work continues on rehabilitating the rail network, and particularly its infrastructure, to improve the competitiveness of rail with other transport modes, as well as other investment projects aimed at reversing such things as the lack of multimodal facilities, which are limiting the potential use of public transport and stifling the use of more sustainable modes of transport. These initiatives would help achieve the requirements set out in target 9.1 of SDG 9 relating to transport infrastructure. Continuing this point, there are not enough measures aimed at ensuring that the railways are made safe through improved signalling and the removal of unauthorized crossings. At a local level, municipalities have yet to complete measures aimed at improving urban public transport services through the introduction and extension of bus lanes and/or cycle lanes.

Recommendation 10.2:
The Government should:

(a) Invest in the upgrading of railway lines and related facilities;
(b) Ensure that investments in public transport stations seek to maximize multimodal transport possibilities;
(c) Encourage municipalities to procure public transport services that maximize environmental performance (e.g. by ensuring that private concession companies improve the environmental performance of buses).

Vehicle fleet

The majority of newly registered vehicles are second hand, leading essentially to more polluting cars entering the Albanian market than would otherwise occur. Car scrappage schemes may be difficult and costly to implement, but modifying the taxation and circulation tax structure to better reflect the environmental impact of different cars are steps that would improve the situation. The same also holds true for trucks and other commercial vehicles.

Recommendation 10.3:
The Government should:

(a) Adapt the road and vehicle ownership taxation structure to ensure that owners of vehicles that emit more pollutants pay higher taxes;
(b) Ensure that only vehicles of a level equivalent to the most recent Euro standards are allowed to be imported into the country, with a gradual increase of this level over time;
(c) Ensure that the gap between the number of registered vehicles and the number of vehicles subjected to a technical inspection is closed by introducing strict monitoring and enforcement following the end of an amnesty period.

Road safety

Since the turn of the century, there has been a significant fall in road fatalities and the change in road fatalities has been decoupled from the growth in traffic. In the past two years, the significant fall in the number of deaths on the roads has plateaued and in 2016 the number has actually increased, calling into question whether target 3.6 (by 2020, halve the number of global deaths and injuries from road traffic accidents) of SDG 3 (Ensure healthy lives and promote well-being at all ages) can actually be achieved. A number of actions are currently being undertaken, with international support, to improve road safety through infrastructure and policy initiatives. Albania would benefit from fully implementing these initiatives to ensure that the number of deaths on the roads starts falling again.

Recommendation 10.4:
The Government should:

(a) Dedicate sufficient resources to the enforcement of traffic rules;
(b) Implement all recommendations in relation to road safety as set out in the National Transport Strategy and Action Plan for the period 2016–2020.

Maritime transport

Significant steps forward have been taken in greening the maritime sector in recent years, in particular since 2011. This has come through greater attention being placed on the disposal of waste from ships and the development of contingency plans in case of environmental incidents. However, although investments to install adequate equipment to gather and treat waste from vessels are ongoing, waste is carried by road vehicles to appropriate treatment facilities on land. By becoming a contracting party to Annex VI: Regulations for the Prevention of Air Pollution from Ships of the MARPOL Convention, Albania would further reduce the environmental impact of the sector to help achieve target 14.1 (by 2025, prevent and significantly reduce maritime pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution) under SDG 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development). However, without an increase in the number of resources dedicated to this activity, the implementation of the requirements of this and other conventions will be difficult.

Recommendation 10.5:
The Government should:

(a) Continue the programme of investments aimed at improving the environmental performance of the transport sector in ports (e.g. the treatment of waste);
(b) Complete accession to Annex VI (Regulations for the Prevention of Air Pollution from Ships) to the International Convention for the Prevention of Pollution from Ships.

Chapter 11: Energy, industry and environment

Assessment

Industrial production in Albania makes a limited contribution to total GDP (about 11 per cent in 2015), with a trend of increasing slightly in the period 2011–2015.

Since 100 per cent of Albania's electrical power is produced by HPPs, the country is vulnerable because of its overdependence on a single source of energy. Developing renewable sources of energy other than hydropower is an evident priority in this sector but is progressing very slowly.

Manufacturing industry provides the main contribution to the economic value of production. Investments in modernization and clean technological processes, including waste recycling, are not yet in place.

The oil industry is presently working at low capacity relative to the size of available oilfields. Priority investment should be routed to innovation in production of specific products such as bitumen.

The mining industry is historically a major sector of industrial production. The first environmental priority is the rehabilitation of abandoned mines and associated dumps. For future development, focus should be directed to installation capacity to complete the production chain from the mineral to final metallic product.

Albania is in the process of developing the legal framework for environmental protection. The institutional structure is under development and might require some further years to reach full capacity in terms of organization and resources. The availability of a defined legal framework and functional institutions on environmental protection is likely to help industry identify appropriate activities to develop in order to achieve the best results in reducing environmental impact.

Conclusions and recommendations

Alternatives in energy supply

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.

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.

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 SO_2, NOx and CO from industrial sites.

Recommendation 11.1:
The Ministry of Infrastructure and Energy should promote:

(a) The production of electrical energy from alternative sources to hydroelectric power plants, with particular reference to other renewable sources;
(b) The use of natural gas as a cleaner combustible input for industrial activities, when a natural gas network becomes available in the country.

Oil extraction

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.

Recommendation 11.2:
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.

Permitting

The Law on Mining No. 10304/2010 regulates the mining sector with the objectives to encourage mining activity and to protect the environment and public health from the risks of mining. In order to operate in the market, any legal entity has to obtain a concession permit from the Ministry of Infrastructure and Energy. The Law on the Production, Transportation and Trade of Oil, Gas and their By-products No. 8450/1999 provides the general framework for activities of the oil industry, from extraction to refining and distribution. In order to operate in the market, any legal entity is obliged to obtain a concession permit from the Council of Ministers. The main industrial activities are classified as type A, the category with potential to have the most significant impact on the environment. An application for a type A environmental permit must make reference to the use of BAT.

Recommendation 11.3:
The Government should amend the relevant legislation to ensure that the permitting process includes an environmental permit, an exploration licence and a concession agreement, in line with the European Union Industrial Emissions Directive.

Abandoned industrial sites

Albania has inherited several industrial installations that operated until the early 1990s. The current objective is to attract capital to reuse such industrial buildings for new production, taking advantage of the already existing infrastructure (electrical power supply, water supply) and establish new and greener production activities on former industrial sites. However, the plan lacks specific support in terms of both economic and fiscal incentives and technical assistance on environmental protection.

Albania has millions of tons of sterile soil derived from both the excavation of underground mines and dumpsites resulting from the activity of mineral enrichment (mainly copper). These objects are a source of soil contamination. The rehabilitation of these areas is a priority for environmental protection.

Recommendation 11.4:
The Government, in cooperation with relevant municipalities and the private sector, should develop best practices to use the abandoned industrial sites, at the same time ensuring their environmental rehabilitation and landscape improvement.

See Recommendation 8.4.

Recovery of waste

Industrial waste management in Albania is at a poor level. At the same time, waste (specifically metal and plastics) can be used as a secondary raw material for manufacturing industry. The reuse of waste aims to reduce the direct environmental impact of waste and to potentially reduce the cost of production of specific goods.

Recommendation 11.5:
The Ministry of Infrastructure and Energy, in cooperation with the Ministry of Tourism and Environment and municipalities, should create an enabling legal and institutional framework for the recovery of waste to be used as raw materials in the manufacturing industry.

Innovation in the processing industry

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.

Recommendation 11.6:
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.

Convention on Transboundary Effects of Industrial Accidents

Albania is a party to the Convention on Transboundary Effects of Industrial Accidents since 1994. Albania participates in the Assistance Programme of the Convention and has prepared a self-assessment report in 2015 and an action plan in 2016. In the framework of the Assistance Programme, Albania is eligible to submit a project proposal addressing the current needs and challenges in implementation of its obligations under the Convention. The country currently lacks mechanisms for consultation with neighbouring countries on the identification of hazardous activities with possible transboundary effects and has not notified the neighbouring countries of such hazardous activities. For the reporting periods 2012–2013 and 2014–2015, the country submitted its implementation reports past the deadline.

Recommendation 11.7:
The Ministry of Tourism and Environment should:

(a) Prepare and submit a project proposal in the framework of the Assistance Programme of the Convention on the Transboundary Effects of Industrial Accidents to address needs and challenges in the implementation of the Convention;
(b) Proceed with the identification of hazardous activities with possible transboundary effects and their notification to neighbouring countries;
(c) Ensure timely submission of implementation reports under the Convention.

IMPLEMENTATION OF THE RECOMMENDATIONS IN THE SECOND ENVIRONMENTAL PERFORMANCE REVIEW[2]

Chapter 1: Policymaking framework for environmental protection and sustainable development

Recommendation 1.1:
The Government should ensure that:

(a) Relevant line ministries establish environmental units or designate environmental officers;
(b) The Ministry of Environment, Forests and Water Administration establishes a unit specialized to the tasks of cooperation with sectoral ministries;
(c) An Advisory Council on Sustainable Development is set up with broad stakeholder participation to advise the Government on the future development of its sustainable development policy.

This recommendation has largely not been implemented.

(a) There are no environmental units in sectoral ministries. There is an Environment and Health Department in the Institute of Public Health. As of early 2017, there was a Department of Renewable Energy Sources and Energy Efficiency in the then Ministry of Energy and Industry. In other relevant line ministries, some officers have environmental issues as part of their responsibilities.
(b) The Ministry of Tourism and Environment does not have a unit specialized in the tasks of cooperation with sectoral ministries.
(c) No Advisory Council on Sustainable Development has been set up.

Recommendation 1.2:
The Government should instruct relevant Ministries and public authorities to establish expert groups providing direct support to interministerial working groups, established by the Government, in the preparation of documents to be discussed, and in the transmission of instructions on further steps to be taken by the ministries and governmental institutions.

This recommendation was implemented. All integrated policy management groups (IPMGs) have thematic groups, which meet more frequently. Also, ministries leading the interministerial working groups usually provide secretariat functions to those groups.

Recommendation 1.3:
The Government should consider modifying regulations on the content of progress reports on the implementation of environment-related strategies and action plans in order to include analysis and evaluation.

The implementation of this recommendation is ongoing. The rules for monitoring the implementation of the sector and cross-cutting strategies (Order of the Prime Minister No. 139 dated 01.07.2010), which provide for the use of the Performance Assessment Matrix instrument for monitoring cross-cutting strategies within the Integrated Planning System have not been changed. The work to rethink the system of strategic planning and reporting is ongoing under the SIGMA Programme.

Recommendation 1.4:
The Government should continue to require for all draft environment-related legal documents a feasibility study that includes measures, capital and running costs, investments, technical and human resources available for the implementation and enforcement of these legal documents.

[2] The second review of Albania was carried out in 2012.

This recommendation has been implemented. Two documents – an explanatory memorandum and a budgetary assessment – are to be developed for all draft laws. Their content is prescribed by the legislation (DCM No. 584 dated 28.08.2003). The explanatory memorandum should include: (a) The aims and objectives of the draft legal act; (b) Explanation of how the draft law is related to the country's development strategy and policy objectives; (c) Assessment of possible benefits, economic costs and level of effectiveness; (d) Problems of enforcement; (e) Conformity with existing laws and harmonization with EU legislation; (f) Details of persons and institutions consulted and contributing to the drafting process; (g) Specification of institutions and/or bodies responsible for enforcing the legal act. The budgetary assessment should foresee: (a) The total amount of annual expenses for implementation of the act; (b) Analysis of budgetary expenses for the first three years of implementation; (c) Where public funds are used, an indication of budgetary allocation. However, the system did not progress towards a fully fledged regulatory impact assessment (RIA) system.

Recommendation 1.5:
The Ministry of Environment, Forests and Water Administration should strengthen the capacity of its regional institutions, especially the regional agencies and regional inspectorates.

Efforts to implement this recommendation have been applied to the extent possible. Due to reorganizations, e.g. the dissolution of the 12 regional forestry directorates and the creation of regional administrations of protected areas (RAPAs), the numbers of staff at various environmental institutions at regional level are not indicative. Efforts to enhance the use of IT tools and methods in data collection and processing were applied (e.g. the online reporting tool for the PRTR was established). Efforts were applied to enhance the equipment, although it remains insufficient, especially for environmental and forestry inspectors at regional level and for rangers in the RAPAs. Training activities are taking place but a comprehensive and systematic approach is lacking.

Chapter 2: Compliance and enforcement mechanisms

Recommendation 2.1:
The Ministry of Environment, Forests and Water Administration and other relevant competent authorities should:

(a) Prepare and adopt checklists for inspection and unified reporting forms;
(b) Improve cooperation between the environmental inspection bodies and other control bodies;
(c) Develop an informal network on information exchange and coordination between environmental inspectors at central and local levels, and other control bodies;
(d) Define criteria for public access to inspection reports.

This recommendation has largely not been implemented.

(a) Checklists for type A and B environmental permit inspections and for hospital waste management were prepared with support from the IBECA project but are still to be formally introduced.
(b) The situation has not substantially changed.
(c) No network was developed.
(d) No criteria for public access to inspection reports were established. Only annual inspection reports are publicized.

Recommendation 2.2:
(a) The Government should strengthen the administrative capacity of the Environmental Inspectorate and the regional environment agencies within the Ministry of Environment, Forests and Water Administration, in relation to improving enforcement of the legislation.
(b) The Ministry of Environment, Forests and Water Administration should:
(i) Implement the separation of the permitting and inspection functions;
(ii) Provide appropriate staff training courses for inspectors.

The implementation of this recommendation is ongoing.

(a) The implementation of this part of the recommendation is ongoing.
(b) This part of the recommendation has been implemented.

(i) Since 2014, there is a clear separation of permitting and inspection functions. The State Inspectorate of Environment and Forestry (later transformed into the State Inspectorate of Environment, Forestry and Water) was established as a separate institution subordinated to the Ministry of Environment (later, the Ministry of Tourism and Environment). The National Environment Agency is responsible for the permitting process.

(ii) During the last two years, training was conducted within the ECRAN project of the EU and the IBECA project of the EU, THEMIS and IMPEL Network, but no governmental system of training of the inspectors is in place.

Recommendation 2.3:
The Ministry of Environment, Forests and Water Administration should:

(a) Develop secondary legislation for each of the following instruments: Environmental Impact Assessment, Strategic Environmental Assessment, Integrated Pollution Prevention and Control and environmental audit, and ensure public access to these procedures;
(b) Prepare a list containing all existing industrial installations subject to IPPC and establish a pollutant release and transfer register (PRTR);
(c) Include threshold limit values for pollutants in environmental permits.

The recommendation has been implemented.

(a) Subsidiary legislation was developed to support the implementation of EIA, SEA and environmental audit, and to ensure public access to these procedures (e.g. DCM No. 598 dated 01.07.2015; DCM No. 686 dated 29.07.2015; DCM No. 1124 dated 30.07.2008; DCM No. 994 dated 02.07.2008; DCM No. 16 dated 04.01.2012; DCM No. 247 dated 30.04.2014; DCM No. 219 dated 11.03.2015).
(b) A pollutant release and transfer register was launched in January 2017. The register is managed by the NEA.
(c) According to the Law on Environmental Permits No. 10448/2011, threshold limit values for pollutants are included in environmental permits.

Recommendation 2.4:
The Ministry of Environment, Forests and Water Administration, together with the Ministry of Finance, the Ministry of Justice and the Ministry of Interior, should draft amendments to the legislation for submission to the Government for approval in order to:

(a) Apply appropriate measures for enforcement of sanctions and collection of fines to ensure compliance by operators;
(b) Exclude the possibility of forgiving imposed fines which are not paid in due date or are simply not recovered.

The recommendation has not been implemented.

Recommendation 2.5:
(a) The Government should adopt quality and emission standards for air, water, soil and noise, taking into account internationally agreed standards and guidelines.
(b) The Ministry of Environment, Forests and Water Administration should monitor implementation of and compliance with the standards.

The recommendation has largely been implemented.

(a) Ambient air quality is regulated by DCM No. 352 dated 29.04.2015 "On air quality assessments and requirements concerning certain pollutants". Environmental quality norms for surface waters are adopted by DCM No. 246 dated 30.04.2014. The list of priority substances in aquatic environments was approved by DCM No. 267 dated 07.05.2014. Hygienic-sanitary requirements for bathing water quality are regulated by DCM No. 797 dated 29.09.2010. Soil quality standards are not clearly determined. The protection of human health and the environment against adverse effect caused by noise emissions was strengthened with

adoption of DCM No. 587 dated 07.07.2010 "On the monitoring and control of noise levels in urban and tourist centres".

(b) The NEA and the State Inspectorate of Environment, Forestry and Water are responsible for monitoring implementation and compliance with the environmental standards (NEA during the permitting process, State Inspectorate of Environment and Forestry during the inspections).

Chapter 3: Information, public participation and education

Recommendation 3.1:
The Ministry of Environment, Forests and Water Administration should regularly review existing monitoring programmes and networks with a view of their modernization and optimization, and develop and implement an Integrated Environment Monitoring System.

The implementation of this recommendation is ongoing.

Recommendation 3.2:
The Ministry of Environment, Forests and Water Administration should streamline data and information collected through various monitoring activities and by various institutions and gradually formalize them in regular data flows by gradually developing a shared environment information system having the Environment and Forestry Agency as the central node of the system.

This recommendation has not been implemented.

Recommendation 3.3:
The Ministry of Environment, Forests and Water Administration should ensure sufficient financial and human capacities for good functioning of the environment-related network, EIONET.

This recommendation has been largely implemented. Since 2012, the relationship between the NEA and EEA has become more regularized and Albania has received significant support from the EEA regarding capacity-building, in particular assistance on: the Corine land cover for Albania 2012; installing the software for air quality e-reporting; and technical assistance for water quality reporting. In addition, there has been improvement in the number of people engaged as National Reference Centres (NRCs) and their participation in meetings and workshops organized by EEA/EIONET. However, the EEA still financially supports one staff position at NEA to ensure the linkage to EIONET.

Recommendation 3.4:
The Ministry of Environment, Forests and Water Administration should:

(a) Improve regular reporting on the state of the environment by assessing the entire Driving forces–Pressures–State–Impact–Responses chain in order to be more connected with policy needs;
(b) Review current production of the state of the environment report on an annual basis in favour of annual indicator-based reporting, preferably web-based, followed by comprehensive assessments every three to four years;
(c) Ensure the production of an executive summary of the state of the environment reports to increase accessibility of the information for the general public and for decision-making bodies.

Parts (a) and (b) of this recommendation have not been implemented. As for part (c), the reports include executive summaries, although their quality can be improved.

Recommendation 3.5:
The Government should improve the implementation of the legal framework for the establishment and operation of NGOs in order to enhance their participation in environmental decision-making, policy implementation and awareness-raising.

Some progress has been registered with implementation of this recommendation, although the systemic engagement of NGOs in environmental decision-making and awareness-raising is weak. Regarding the

development of legislation, the extent of public participation is dependent on the topic. In 2016 (DCM No. 653 dated 14.09.2016), amendments were introduced in the Regulation of the Council of Ministers to require that all draft legislation submitted to the Council of Ministers by all public institutions includes, as part of the accompanying information, a summary of public comments and how they were, or were not, addressed. The process for public consultation regarding EIA is perceived to be well established and effective by the governmental officials, whereas public participation in SEA is relatively new.

Recommendation 3.6:
The Ministry of Environment, Forests and Water Administration and the Ministry of Education and Science should:

(a) Increase and expand adult education on environmental matters;
(b) Implement a systematic long-term plan for implementation and monitoring of the National Strategy for Education for Sustainable Development at various levels with the participation of relevant decision-making bodies;
(c) Assist the education of professional environmental journalists by organizing training courses.

Parts (a) and (c) of this recommendation have not been implemented. Some progress was achieved with part (b), as the 2015 National Programme for Environmental Education in High Schools for the period 2015–2017, including an action plan, was approved by the ministers responsible for environment and for education.

Chapter 4: Implementation of international agreements and commitments

Recommendation 4.1:
The Government should:

(a) Establish an advisory body to the Government representing all relevant stakeholders to strengthen coordination and provide more opportunities for mainstreaming global environmental concerns into national planning and development;
(b) Reorganize the National Council for Nature and Biodiversity, and the National Coordination Board for Land Degradation.

This recommendation has not been implemented.

Recommendation 4.2:
The Ministry of Environment, Forests and Water Administration should regularly update its website by uploading:

(a) The texts of various multilateral environmental agreements (MEAs) and most recent reports on their implementation;
(b) Regular reports on the status of implementation of international commitments.

This recommendation has not been implemented.

Recommendation 4.3:
The Ministry of Environment, Forests and Water Administration should adopt a more comprehensive and systematic approach to its international cooperation efforts, requiring:

(a) Strengthening contacts between MEAs' focal points, and conducting regular reviews of the status of implementation of Albania's obligations under various MEAs;
(b) Identifying areas of synergy between related MEAs so that excessive institutional fragmentation is avoided; specifically, a "chemicals bureau" or similar should be established to manage chemicals-related agreements in a coordinated way;
(c) Strengthening administrative capacity for MEAs implementation, essentially by organizational measures including raising human capacity, retaining qualified staff and preserving sufficient institutional memory, thus assuring the necessary continuity in work.

The implementation of this recommendation is ongoing.
The Government has established IPMGs to ensure coordination with broader priorities and objectives associated within six key priority areas, and specifically on integrated water management. The use of IPMGs is expected to strengthen overall government policy coordination, programming and the implementation of EU integration and national development initiatives in priority sectors. An Interministerial Working Group on Climate Change was also created, as well as the National Biosafety Council, the National Biodiversity Council and the Interministerial Committee for Integrated Waste Management. These structures can represent an opportunity to better coordinate the implementation of MEAs.

Although no structure has been created on chemicals management, this coordinated approach is present in the preparatory work being carried out in preparation for the ratification of the Minamata Convention. A Steering Committee has been created, including representatives from several ministries, as well as the academic and non-governmental sectors, which is responsible for the elaboration of the Minamata Initial Assessment for Albania.

Recommendations 4.4:
The Government should:

(a) Strengthen the Regulatory Impact Assessment (RIA) process leading to a more thorough assessment of the financial, economic, social and environmental impacts of new international commitments and related public policies and national laws;
(b) Ensure that staff members dealing with RIA applications receive adequate training, especially staff from the Ministry of Environment, Forests and Water Administration.

The recommendation was not implemented.

Recommendations 4.5:
The Government should systematically consider how the country would fulfil its international obligations in the context of reduced international aid, and aim – within a longer-term perspective – to raise its capacity to act within a scenario in which most of the funds are provided from domestic sources.

The recommendation was not implemented.

Recommendation 4.6:
The Ministry of Environment, Forests and Water Administration should:

(a) Continue passing laws concerning the ratification of the Protocol on Heavy Metals and the Protocol on Persistent Organic Pollutants to the Convention on Long-range Transboundary Air Pollution;
(b) In cooperation with other relevant authorities, assess the costs and benefits of, and promote accession to, the Protocol Concerning Cooperation in Preventing Pollution from Ships and, in Cases of Emergency, Combating Pollution of the Mediterranean Sea to the Convention for the Protection of the Mediterranean Sea against Pollution.

The recommendation was not implemented.

Chapter 5: Economic instruments and expenditures for environmental protection

Recommendation 5.1:
The Ministry of Environment, Forests and Water Administration together with the Ministry of Finance should:

(a) Draft the necessary legislation introducing effluent charges, especially wastewater and air emission charges, in accordance with the "polluter pays" principle;
(b) Adjust the level of environmental charges to make them high enough to have an effect on the behaviour of economic agents;
(c) Consider strengthening tax incentives for more environmentally friendly vehicles.

Implementation of the recommendation is ongoing. Some progress has been made in the water sector, where tariffs are set aiming at balancing the interests of consumers with the financial sustainability of the WSS

companies. Electricity tariffs increased within a process of gradual liberalization of the electricity market, supported by large infrastructural private and public investment in the field. No express application of the "polluter pays principle" was fostered, with the tariffs for public utilities having been set with the ideal goal of achieving full cost recovery and improving company management. Thus, the increase in environmental charges, especially in the field of utilities, is limited and their behavioural effect is complex to detect. No tax incentives for low-emission vehicles have been introduced to date, nor has targeted taxation increased on used vehicles, which still represent a huge proportion of the fleet in circulation and are considered to provide affordable access to individual mobility for large proportions of the population. The limited amount of finance available did not allow for the introduction of any public support scheme for low-emission vehicles.

Recommendation 5.2:
The Government should:

(a) Ensure that tariffs for utilities are adjusted to allow full cost recovery and to help financing investments;
(b) Improve collection rates and strengthen law enforcement and sanctions to discourage illegal behaviours;
(c) Adopt a clear policy for providing affordable access to utilities services to the more vulnerable population groups.

The recommendation is partly implemented. The legal framework was established to allow for setting tariffs aimed at full cost recovery in the utilities sector, taking note of the specific conditions faced by particular companies across the country, even though collection rates appear to be still unsatisfactory and problems such as "non-billed water" persist. Water companies that have applied new tariffs in 2015 across the country failed to increase the share of billed water compared with 2014. There continues to be cross-subsidization in the water sector, as well as differential, although decreasing, rates for electricity according to the user. Fees for environmental services appear to be still below the level of affordability, according to studies.

Recommendation 5.3:
The Government should establish an environmental fund with the main purpose of supporting environmental investments and ensure that:

(a) Adequate transparency and auditing rules are applied;
(b) Its sources of funding incorporate an increased share of revenue from environmental economic instruments;
(c) Its operations are consistent with the country's national accounting system and recommended international guidelines for environmental funds.

This recommendation was not implemented.

Chapter 6: Sustainable management of water resources

Recommendation 6.1:
The National Water Council should:

(a) Upgrade the capacity of river basin councils and river basin agencies to enable them to enforce legal and regulatory procedures, and ensure a sustainable management of water resources;
(b) Strengthen river basin agencies' responsibilities, especially in terms of coordination of local sectors, and establish them as recognized partners in water resources management at the local level.

The recommendation is largely implemented. The legal basis for the responsibilities and the functioning of river basin councils and river basin agencies has been formalized with the 2012 Law on Integrated Water Resources Management No. 111/2012. Capacities (in terms of expertise and numbers of staff) were increased.

Recommendation 6.2:
The Ministry of Environment, Forests and Water Administration should develop secondary legislation to establish legal and institutional provisions for important procedures and approaches in integrated water resources management.

The development of secondary legislation through DCMs supporting the Law on Integrated Water Resources Management No. 111/2012 is ongoing.

Recommendation 6.3:
The Ministry of Environment, Forests and Water Administration should:

(a) Finalize and adopt the national strategy for integrated management of water resources;
(b) Implement the following components of the Mati River Basin Pilot Management Plan: development of specific quality objectives for all water body types, economic analysis of water pollution and water management, stakeholders' involvement, public participation and awareness;
(c) Adopt a special regulation which defines and describes the procedures for drafting, reviewing and approving river basin management plans;
(d) Develop river basin management plans for all river basins.

The implementation of this recommendation is ongoing.

(a) As of early 2017, the draft national strategy for integrated water resources management, designed for the period 2017–2027, has been developed under the leadership of the then Ministry of Agriculture, Rural Development and Water Administration. It is not yet adopted.
(b) The Mati River Basin Management Plan (RBMP) has not yet been implemented accordingly.
(c) As of early 2017, a subsidiary act on the content, development and implementation of national water strategies, RBMPs and flood risk management plans is under development.
(d) Preparation of RBMPs for the Drini-Buna, Semani and Shkumbini River basins commenced in 2016.

Recommendation 6.4:
The Government should ensure the implementation of the 2011 National Strategy of Water Supply and Sewerage Services Sector by:

(a) Restructuring and reforming the existing water utilities, which are not able to cover costs, taking the water utilities in Elbasan and Kavaja as examples of best practice;
(b) Investing in alternative low-cost facilities that are easy to maintain, extend and upgrade, and have low energy consumption;
(c) Implementing integrated land-use planning which takes into account the water supply and sewerage infrastructure system; and connecting road construction activities with construction activities for new water supply and sewerage systems.

The recommendation is not fully implemented. Targets for 2015 of the 2011 National Strategy of Water Supply and Sewerage for the period 2011–2017 were not achieved (chapter 7).

Chapter 7: Waste management

Recommendation 7.1:
The Ministry of Environment, Forests and Water Administration should strengthen its capacity in waste management and work towards increasing waste management expertise.

The recommendation was not implemented.

Recommendation 7.2:
The Ministry of Public Works and Transport in cooperation with the Ministry of Environment, Forests and Water Administration, the Ministry of Economy, Trade and Energy, local authorities, and other relevant stakeholders should develop:

(a) A long-term scenario to help planning how to meet the needs of future waste management capacities, and securing sufficient funding for their development;
(b) Regional and local waste management plans and identify the facilities required for safe management of industrial and municipal waste.

(a) The recommendation is not yet implemented, although certain steps were already taken that would result in its fulfilment. The lack of a long-term scenario and funding are the most significant factors hindering significant improvement in the field of waste management. This will change with completion of the review and update of the National Waste Strategy and draft national waste management plan. The draft plan is expected to be finished by the end of 2017.

(b) The recommendation is not implemented because of the administrative reform that took place during the assessed period and the lack of both enforcement of related legislation and funding. It is expected that the draft national waste management plan will contain concrete proposals for the new landfill sites and facilities. Likewise, there is no strategy and action plan for the separate management of industrial waste. In most instances, industrial waste is treated together with municipal waste.

Recommendation 7.3:
The Ministry of Environment, Forests and Water Administration should:

(a) Start monitoring generated waste amounts, according to waste classification, from the key industries, including hazardous waste;
(b) Expand the monitoring system to cover medium-size and small industries once satisfactory results are achieved.

The implementation of the recommendation is ongoing.

On part (a), there is a very limited improvement, due to the transposition of the related EU legislation, but official monitoring systems still cannot provide data according to the required specification.

Part (b) was not implemented since the implementation of part (a) has been delayed.

Recommendation 7.4:
The Ministry of Health, with the support of the Ministry of Environment, Forests and Water Administration, should analyse:

(a) The cost of medical waste management and secure sufficient financing to cover the full cost of medical waste management in hospitals and other health-care facilities;
(b) Options for safe disposal of medical waste and submit resulting proposals for action to the Government for adoption.

Part (a) was not implemented, due to the lack of a long-term strategy for the sound management of medical waste. Consequently, the much-needed action plan to prioritize investments needed in this sector is also lacking; thus, part (b) was not implemented.

Chapter 8: Forestry, biodiversity and protected areas

Recommendation 8.1:
The Government should ensure that:

(a) In connection with the transfer of forest land ownership to local government units adequate capacity and technical expertise are provided at the local government units level in order to fulfil new responsibilities related to forest management;
(b) Enhance cooperation with other European countries on management of forests and biodiversity.

Implementation of this recommendation is ongoing.

(a) Forest land ownership is 85 per cent municipal, which is an increase of 15 per cent since 2012. The Government has provided some capacity-building and transfer of knowledge and tools. The 61 municipalities are newly formed, but they still lack operational capacities in the field, geo-informational tools, spatial information and other capacities to be able to gather data, analyse it and make evidence-based decisions.

(b) Since 2014, the NEA produces annual state of environment reports. Cooperation with EU countries – especially in the form of reporting to the EEA – and the European Forest Fire Information System has been enhanced. However, Albania still lacks monitoring of forest biodiversity and monitoring of high-nature-value forests.

Recommendation 8.2:
For sustainable management of forests, the Ministry of Environment, Forests and Water Administration should provide for further increase in the capacities of both the district forest service directorates and the communal users of forests, by training and transfer of technical expertise, which could be largely facilitated by establishing joint support centres.

This recommendation has been partially implemented. Although numerous training events and capacity-building have been organized, overall, the municipalities still lack capacities for sustainable forest management. Furthermore, no joint support centres have been established.

Recommendation 8.3:
The Ministry of Environment, Forests and Water Administration should develop an electronic information system on forests, biodiversity and protected areas, and make it easily accessible.

The recommendation is not implemented. No electronic information system on forests, biodiversity and protected areas was established. However, since formation of the NEA, there have been annual state of environment reports, which include chapters on forestry and biodiversity. These reports are publicly available on the NEA website. They do not contain forestry or biodiversity indicators, but mainly qualitative description of forest health and biodiversity species counts. In terms of reporting to the EEA, Albania only reports one CSI indicator, 008: Protected Areas. The National Agency of Protected Areas established a new biodiversity information system called BIONA, which should start producing a biodiversity database.

Recommendation 8.4:
The Ministry of Environment, Forests and Water Administration should assess the needs and potential for the further extension and appropriate designation of the national ecological network.

The recommendation is not implemented. Albania still does not have a national ecological network and associated management plans. Natura 2000 is currently being implemented in the country.

Chapter 9: Energy and environment

Recommendation 9.1:
The Government should:

(a) Assess changes to rivers' ecosystems (possible changes to fish and wildlife habitats) as environmental impacts possibly caused by hydropower plants (HPPs);
(b) Conduct water quality monitoring in HPP reservoirs;
(c) Improve inter-administration cooperation between hydropower and environmental authorities, particularly on water release issues.

This recommendation was not implemented. The ambient water quality of reservoirs is not yet routinely monitored.

Recommendation 9.2:
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.

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.

Recommendation 9.3:
The Government should:

(a) Continue to give priority to energy efficiency within energy policy;
(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;
(c) Adopt policies to ensure high energy-efficiency standards for industry, construction and housing sectors as well as for efficient equipment, appliances and vehicles;
(d) Continue to enhance diversification of energy sources.

The implementation of this recommendation is ongoing.

(a) The Government continued to give 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).
(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.
(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.
(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.

Recommendation 9.4:
Taking into account environmental sustainability, the Government should:

(a) Conduct a comprehensive study of renewable energy sources (such as solar, wind, geothermal, biomass waste and residues, and agricultural waste);
(b) Develop sound policies to promote the application of renewable energy.

The recommendation is largely implemented.

(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.
(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.

Recommendation 9.5:
The Ministry of Economy, Trade and Energy in cooperation with the relevant stakeholders should ensure:

(a) Implementing a programme to decrease transmission and distribution losses;
(b) Arranging for strict control of consumers, including increased collection of payments, reduction of illegal connections and the installation of electricity meters.

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.

Chapter 10: Human health and environment

Recommendation 10.1:
The Ministry of Health and relevant Government departments should:

(a) Identify priority environmental health issues and health-driven indicators through intersectoral mechanisms involving stakeholders from the environment, transport and public works, food safety, statistical and other sectors;
(b) Set mechanisms for regular policy-oriented monitoring and reporting on the health-and-environment situation, its determinants and trends, and the underlying information exchange among the different data-holding agencies;
(c) Introduce computerised databases in regional and local public health and environmental structures, and implement quality control and quality assurance systems to ensure the validity of the information on exposure to priority environmental health risks;
(d) Continue capacity-building and training in policy-relevant analysis and assessments, as well as in communication and information dissemination on public health and the environment to reach multiple user groups through international collaboration.

(a) A new health strategy for the period 2016–2020 was developed in cooperation with WHO from a Health 2020 perspective. The process involved all relevant governmental line ministries and health agencies, and representatives of international partners, health professionals' and patients' rights organizations, business and civil society. This strategy incorporates all aspects of environmental health without it being explicitly mentioned. The strategy is not yet adopted.
(b) The Ministry of Health and Social Protection relies on the mechanisms already in place, such as the 2016 National Strategy for Development and Integration (NSDI-II), to ensure that health concerns would be taken into account during the drafting of other policy documents.
(c) This part of the recommendation is not implemented.
(d) The implementation of this part is ongoing.

<u>Recommendation 10.2:</u>
The Ministry of Health and the Institute of Statistics should:

(a) Strengthen mortality-based statistics, implement harmonized methods of data collection and processing, and reinforce their systematic reporting to the relevant international agencies;
(b) Enhance morbidity-based statistics to provide reliable data on single disease conditions;
(c) Develop national registers on injuries and traumatism at the workplace and in road transport;
(d) Expand and upgrade the Albanian Early Reporting Tool to include data on the causes and outbreaks of food- and waterborne diseases, and on health conditions related to heat waves.

(a) Over the last three years, the Ministry of Health and Social Protection and the Institute of Statistics have been improving mortality-based statistics by adapting internationally recognized methods of data collection and processing.
(b) Over the last three years, the Ministry of Health and Social Protection and the Institute of Statistics have been improving morbidity-based statistics by adapting internationally recognized methods of data collection and processing.
(c) This part of the recommendation is not implemented.
(d) This part has been implemented by the Institute of Public Health.

<u>Recommendation 10.3:</u>
The Ministry of Health, in cooperation with the Ministry of Environment, Forests and Water Administration and the relevant government bodies, should prepare the secondary legislation and a methodology relating to health impact assessment and submit it for approval to the Council of Ministers.

This recommendation is not implemented.

<u>Recommendation 10.4:</u>
The Ministry of Health, together with the Ministry of Public Works and Transportation, Ministry of Agriculture, Food and Consumer Protection, Ministry of Environment, Forests and Water Administration and relevant government departments, should:

(a) Implement WHO water safety plans progressively across the country;

(b) Undertake a national review of sewage collection and sanitary disposal facilities, in particular in schools and hospitals, and continue designating pilot projects, including hygiene education, with the help of adequate investment;
(c) Conduct a nationwide assessment of the resilience of the water supply and sanitation sector using the WHO methodology.

This recommendation is not implemented.

Recommendation 10.5:
The Ministry of Environment, Forests and Water Administration, together with the Ministry of Health, should:

(a) Strengthen air-quality monitoring, including indoor air quality, establish a database and online data availability, and disseminate air-quality information to the authorities and the public;
(b) Conduct research to quantify the health benefits of reducing air pollution exposure under different traffic change options in urban areas.

This recommendation is not implemented.