

Circular Economy Country Specific Report

Written Contribution for the 2018 Annual Report

Albania

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Table of contentx

1.	Introduction	2
1.1	Circular Economy in the European policy context	2
1.2	Circular economy in Albania	2
2.	Montoring progress	3
2.1	Legislation: general overview and main aspects	3
2.2	Quality of Data	6
2.3	Circular Economy Initiatives in Albania	6
2.3.1	Polis Universiteti	6
2.3.2	Bicycle sharing - Mobike	7
2.3.3	Desing By Pana	7
2.3.4	Riveshim Botën me Solidaritet (Let's Restore the World with Solidarity)	7
2.3.5	Shtëpia e ofertave (Offers House)	7
2.3.6	Green Recycling	7
3.	Findings	8
3.1.	Production and consumption	8
3.2.	Waste Management	8
3.3.	Secondary raw materials	8
3.4.	Competitiveness and innovation	8
4.	Recommandation	8

1. Introduction

The more raw materials is used to generate products, the more waste is produced. Our natural ecosystem is the source of raw materials but also the waste disposal. The economy nowadays is based on the cycle "take-make-dispose-use" known as linear economy, which is not a sustainable model.

The circular economy aims the opposite, to limit as much as possible the production of the raw material and to minimize as much as possible the production of the waste. This is achieved by recovering and reusing products and materials. The circular economy is a "make/remake - use/reuse" economy.

Applying the circular economy minimizes the need for new inputs of materials and energy, reducing the environmental pressures associated with extracting resources, discharges and production of waste. The circular economy requires that natural resources are managed efficiently and sustainably throughout their life cycle. A circular economy thus provides opportunities to create job growth and reduces environmental pressures (EMcAF, 2018).

1.1 Circular Economy in the European policy context

The European Commission recently has approved the "Circulation Economy Package", an ambitious document that consists of an Action Plan, which includes measures covering the entire product life cycle. This Action Plan creates a concrete and ambitious program and sets the timeframe until these actions have to be taken. The purpose of the package is to give clear signals to economic operators and society about the road to the circular economy.

Actions at EU level can boost investment at the national level, create an equal playing field and remove existing barriers in the market. Proposed actions should contribute to "close loop" of product life by promoting recycling and reusing, bringing benefits to the environment and the economy. This EU Action Plan is also accompanied by tools to monitor progress towards the circular economy. For this purpose, a series of indicators was developed that will use the most recent data gathered, while taking the necessary steps to improve the quality of these data. This indicator framework complements the "resource efficiency value" and "value assessment of raw materials" that have been developed in recent years by the European Commission.

1.2 Circular economy in Albania

Regarding the situation in the Republic of Albania, the concept of "circular economy" is still at an early stage. The concept of circular economy has been used earlier in the draft Strategy of Integrated Waste Management (2018-2023) realised in January 2018. The revised Integrated Waste Management Strategy is developed over the vision or perception of the concept of "zero waste", so that the waste is collected and treated as raw materials and management is done in accordance with the concept of circulatory systems, serving the criterion of use and preservation of raw material resources.

The main principle for waste management is the waste hierarchy (prevention, reuse, recycling, recovery and disposal). The draft Strategy takes into account the importance of waste management according to the principle of the current economy to enable the fullest protection of natural resources and increase the efficiency of the use of products.

The current legal framework, including national regulations and national strategic documents and action plans, does not provide the basis for implementing the concept of the circular economy in the country. Therefore, there is an urgent need for improvements in the current legal framework that will increase the country's ability to better utilize its resources and the lifecycle of materials, products and services.

Meanwhile, civil society organizations, researchers, and the media, but ultimately the Ministry of Tourism and the Environment have expressed their interest in this issue by organizing conferences, meetings and publishing articles in the media. However, their level of knowledge and awareness among all stakeholders is still at a low level.

The purpose of this report is to present the situation of the country in relation to the current economy and to support the efforts of modernizing the economy, making it more future proof, green and competitive.

2. Monitoring progress

The transition to a Circular Economy requires a transformation at local, national and international levels. No single government, organization or business can drive this change alone. Rather, public and private sector stakeholders have to work together to identify and implement a common vision on circular economy, thus “closing the loop”.

2.1 Legislation: general overview and main aspects

No	Name	Relevance	EU levers (examples)	Initial systematization /mapping of key documents in relation to the circular economy in Albania
Production and consumption				
1	EU self-sufficiency for raw materials	The circular economy should help to address the supply risks for raw materials, in particular critical raw materials.	Raw Materials Initiative; Resource Efficiency Roadmap	<ul style="list-style-type: none"> - Draft-National Strategy for Integrated Waste Management, 2018-2023 - Draft-Intergovernmental Environment Strategy, 2015-2020 - National Strategy for Biodiversity Protection, 2016
2	Green public procurement*	Public procurement accounts for a large share of consumption and can drive the circular economy.	Public Procurement Strategy; EU support schemes and voluntary criteria for green public procurement	<ul style="list-style-type: none"> - National Environment Strategy for the Environment, 2014 - National Strategy for Development and Integration, 2015-2020 - Cross-cutting Strategy for Rural and Agricultural Development, 2014-2020
3a-c	Waste generation	In a circular economy waste generation is minimised.	Waste Framework Directive; directives on specific waste streams; Strategy for Plastics	<ul style="list-style-type: none"> - Draft Strategy for Integrated Waste Management, 2018-2023

4	Food waste*	Discarding food has negative environmental, climate and economic impacts.	General Food Law Regulation; Waste Framework Directive; various initiatives (e.g. Platform on Food Losses and Food Waste)	<ul style="list-style-type: none"> - Draft-Intergovernmental Environment Strategy, 2015-2020 - National Strategy for Biodiversity Protection, 2016 - National Environment Strategy for the Environment, 2014 - National Strategy for Development and Integration, 2015-2020 - Cross-cutting Strategy for Rural and Agricultural Development, 2014-2020 - Draft-National Strategy for Integrated Waste Management, 2018-2023 - Draft-Crosscutting Strategy of the Environment, 2015-2020 - National Biodiversity Defense Strategy, 2016 - National Environmental Air Quality Strategy, 2014 - National Strategy for Development and Integration, 2015 - 2020 - Cross-cutting Strategy for Rural and Agricultural Development, 2014-2020 - Strategy on the Right to Information and Protection of Personal Data 2018-2020 - National Strategy on Water Resources Management, 2017 - 2027 (Draft) - Cross-cutting Strategy on Public Administration Reform, 2015-2020 - National Energy Strategy, 2018 - 2030 - National Public Financial Management Strategy, 2014 - 2020 - National Strategy for the Development of the Non Profit Industry, 2016-2025 - National Plan for European Integration, 2017 - 2020 - National Territorial Planning Plan, Albania 2030 - Local Integrated Waste Management Plans - Local Territorial Planning Plans, - Local Development Strategies.
Waste management				

5a-b	Overall recycling rates	Increasing recycling is part of the transition to a circular economy.	Waste Framework Directive	<ul style="list-style-type: none"> - Draft-National Strategy for Integrated Waste Management, 2018-2023, - Regional and Local Integrated Waste Management Plans - Local Territorial Planning Plans, <p>In Albania there are about 38 private recycling companies. The market value of this industry's investment amounts to about 234.2 million Euros. <i>(MTM, 2018)</i></p> <p>In 2016, around 224,115 tons / year were recycled in Albania, or 17 percent of the total urban solid waste. <i>(INSTAT, 2018)</i></p>
6a-f	Recycling rates for specific waste streams	This reflects the progress in recycling key waste streams.	Waste Framework Directive; Landfill Directive; directives on specific waste streams	
Secondary raw materials				
7a-b	Contribution of recycled materials to raw materials demand	In a circular economy, secondary raw materials are commonly used to make new products.	Waste Framework Directive; Eco-design Directive; EU Ecolabel; REACH; initiative on the interface between chemicals, products and waste policies; Strategy for Plastics; quality standards for secondary raw materials	<ul style="list-style-type: none"> - Draft-National Strategy for Integrated Waste Management, 2018-2023, - National Strategy for the Development of Industrial Industries, 2016 - 2025 - Regional and Local Integrated Waste Management Plans - Local Territorial Planning Plans,
8	Trade in recyclable raw materials	Trade in recyclables reflects the importance of the internal market and global participation in the circular economy.	Internal Market policy; Waste Shipment Regulation; Trade policy	
Competitiveness and innovation				
9a-c	Private investments, jobs and gross value added	This reflects the contribution of the circular economy to the creation of jobs and growth.	Investment Plan for Europe; Structural and Investment Funds; InnovFin; Circular Economy Finance Support Platform; Sustainable Finance Strategy; Green Employment Initiative; New Skills Agenda for Europe; Internal Market policy	<ul style="list-style-type: none"> - Strategy for Business and Investment Development, 2014 - 2020 - Action Plan for Business and Investment Development, 2014 - 2020. - National Public Financial Management Strategy, 2014 - 2020 - National Strategy for Employment and Skills, 2014 - 2020 - Cross-cutting strategy, Albanian digital agenda, 2014-2020

10	Patents	Innovative technologies related to the circular economy boost the EU's global competitiveness.	Horizon 2020	
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2.2 Quality of Data

In order to apply and monitor the progress of circular economy of the country, accurate and easily accessible data is needed for each sector, mainly in the sectors that are essential to the development of circular economy. The most important data consist of resource utilization, design, producing and consumption of products, waste generation and treatment, recyclable raw materials and initiatives with focus on competitiveness and innovation.

Generally, the data are scarce, non-representative and published with annual narrative reports in which it is often impossible to process statistical data from them. INSTAT has created a good database, but remains few and in some cases contradictory with other institutions that publish data of the same type.

Recent developments in the waste management sector have been focused on the implementation of sub legal acts and on the improvement of strategic documents. Currently, the National Waste Management Strategy 2018-2033 has been drafted. The draft strategy aims to establish a minimum standard on waste management in the country's territory and establish a unified methodology to evaluate the costs of providing the integrated waste management service. The adoption of the National Integrated Waste Management Strategy and its implementation is assessed as a key step in improving the waste management situation in the country.

In general, the situation of integrated waste management in the country appears to be extremely problematic. Currently, about 69% of the population receives waste management services, only 30% of waste is dispatched to the landfill, while the rest are disposed on inadequate deposit sites.

Regarding the infrastructure and type of landfills, there are no landfills designed to meet EU standards. Most of the waste is deposited on local and illegal landfills. Meanwhile, three incinerators are being built in the Municipality of Tirana, Elbasan and Fier.

Recycling companies in the country have reduced processing capacities, in 2017 they provide about 38 companies, recycling 17% of the total amount of waste, and it is now somewhat unclear their number and processing capacity.

2.3 Circular Economy Initiatives in Albania

2.3.1 Polis Universiteti

Polis University has developed into a completely ecological approach, both from the point of view of energy efficiency in university environments and in terms of curriculum. University staff and students are in constant effort to increase the environmental performance of this institution every day. Students, in cooperation with university staff, are constantly taking initiatives to raise awareness among communities and to influence policies aimed at improving the environment in the country. Some of the initiatives include the construction of a playground in Tirana, fully reused material, the creation of artistic exhibits with recycled materials, the realization of recycled material clothing, and so on. Among other things, the Baskets with Plastic Bottles in Kashar offers a very good example of creative design and recycling for a cleaner environment. For the

construction of this station, about 10,000 small, recycled plastic bottles collected in five months were used by the team of architects, environmentalists, urban planners, art design experts and many students. Given the originality in design and approach, this project has not been easy to accept locally, despite continued support from Kashar Municipality.

2.3.2 Bicycle sharing - Mobike

In September 2018, the Municipality of Tirana, in the public-private partnership with Mobike, started renting bicycles, known as mobical app. The first usage time is free of charge that has contributed to the popularity of the system and consequently to most of the use of bicycles. Bicycles can be rented by registering the bank card or through the Pay & Go application.

2.3.3 Desing By Pana

Design By Pana is an innovative, creative, ecological and high-sensitivity social company that was founded in November 2013. This company offers a variety of products ranging from home, restaurant and office furnishing. The company's products are entirely made of reused wood, mainly of old furniture and used wood pallets. Currently, the company owns a 500m² small enterprice and a shop for exhibition and sale of products. Desing By Pana wants to increase its activity and other stores in the country, driven by the growing market demand of its products.

2.3.4 Riveshim Botën me Solidaritet (Let's Restore the World with Solidarity)

The Municipality of Tirana, in the framework of environmental protection policies, has undertaken a new initiative, placing 30 baskets at the main points of Tirana for the collection of clothes, bags, shoes, used blanket blankets. "Restoring the world with solidarity" is the initiative aimed at helping the vulnerable groups who can re-use the donated garments. This initiative is expected to yield results in the growth of clothing reuse in the capital.

2.3.5 Shtëpia e ofertave (Offers House)

"Offers House" is already a network of shops that sell a variety of used products, mainly furniture, clothing, household appliances and sports accessories. All citizens who want to change mobile phones or whatever equipment are sent to the "Offers House" shops. The sales agent at these stores evaluates the used goods and puts them into the market at a reasonable price. This initiative is one of the most prominent in explaining the concept of the circular economy, as it bases its entire commercial activity on reuse of products.

2.3.6 Green Recycling

"Green Recycling" mainly collects and recycles paper, glass, plastics, used oils and electronic wastes. All collected wastes, after fitting and, if necessary after processing, the product is sold again to the processing industries in the form of a raw material (secondary) for the reproduction of materials as appropriate.

3. Findings

3.1. Production and consumption

3.2. Waste Management

3.3. Secondary raw materials

3.4. Competitiveness and innovation

4. Recommendation

Albania refers to the principles of the circular economy only in the draft National Strategy for Integrated Management of Waste Management (2018-2023). Addressing the circular economy only with waste management issues shows that the concept of the circular economy is still in its early stages. Ensuring a successful transition to the circular economy, however, requires efforts on many different fronts; the circular economy goes beyond waste management. In order for the Albanian market to consider the possibility of returning the linear economy to circular economy, we are listing some recommendations, such as:

- launching education programmes, mainly at primary school level, to involve the citizens in the waste management operations and the achievement of circular economy.
- provision of economic incentives for producers who bring green products to the market and which support recycling and recovery schemes (eg packaging, batteries, electrical and electronic equipment, vehicles)
- raising economic investments and raising awareness and educate all stakeholders and involve citizens throughout the circular economy.
- There is no integrated approach to the country. It is therefore recommended that Albania has to transpose and implement EU directives related to the current economy.