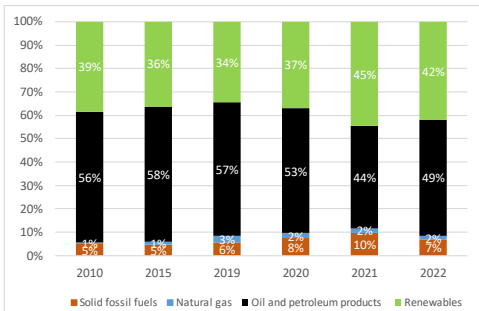




Energy fiche - Albania

Key energy figures

Graph 1: Energy mix



Source: Eurostat

- Comparatively to the other Western Balkan countries, Albania is far **less dependant on solid fossil fuels** and the only one not using coal for electricity production. Still, **fossil fuels**, but mainly **oil and oil products (49%)** account for more than a half of the country's energy mix, with 58%.

Graph 2: Electricity mix



Source: Eurostat

- Albania relies exclusively on renewable energy sources for electricity production, with (large) hydropower plants accounting for 97.7% of

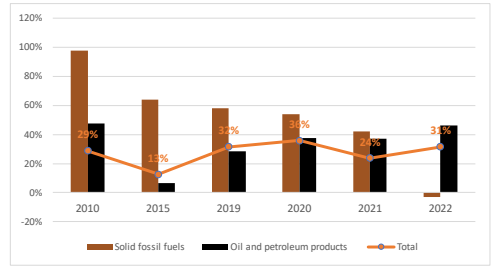
electricity production in 2022, with rest coming from solar PVs.

- The country has seen a sharp uptake in deployment of **solar PV capacities**. According to International Renewable Energy Agency, the capacity installed rose from **23 MW** in 2022 to **163 MW** in 2023. However, no wind power capacities have so far been deployed⁽¹⁾.

Energy security

1. DIVERSIFICATION OF ENERGY SOURCES AND REDUCTION OF IMPORT DEPENDENCY

Graph 3: Import dependency on fossil fuels



- Combustible renewables and electricity are excluded
- The total amount takes into consideration the energy mix of the country

Source: Eurostat

Integrated energy market

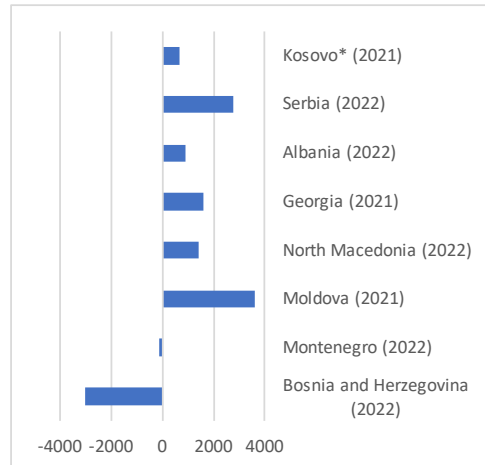
1. ELECTRICITY

- In 2022, the annual gross electricity production in Albania stood at 7,003 GWh. The country was a **net electricity importer** in 2022, with 921 GWh imported more than exported. Albanian electricity balance fully depends on hydrological conditions.

⁽¹⁾ International Renewable Energy Agency (2024). Renewable capacity statistics 2024

- Process of market integration with the EU is ongoing under the **Electricity Integration Package**, adopted in the Energy Community in 2022. Due to the delay in transposition, an infringement procedure has been opened under the Energy Community Treaty.

Graph 4: **Net electricity imports (GWh)**



(1) Net electricity imports are calculated as electricity imports minus exports.

(2) The values for Bosnia and Herzegovina, Montenegro, North Macedonia, Albania and Serbia are from 2022. The 2022 values for Moldova, Georgia and Kosovo* are still not available, so 2021 data was used. Ukraine was not covered in the overview, as the latest available data was from 2020.

Source: Eurostat

2. NATURAL GAS

- There is **no natural gas market** in Albania and the country is not importing gas for domestic consumption.
- Albania has an **insignificant associated gas production** (produced in association with crude oil) in the amount of **0.05 bcm** in 2022, consumed domestically, mainly in the energy sector (85%).

3. ENERGY INFRASTRUCTURE

Map 1: **Electricity infrastructure including cross-border interconnections**



Source: ENTSO-E

- While the project of Power Interconnection Albania – North Macedonia (400 kV Elbasan – Bitola) (I): was delayed due to financial issues on both sides, construction is expected to begin in 2024.
- The feasibility study for the project of Interconnection Albania – Greece (400 kV Rashbull – Arachtos) is under way.

Map 2: **Gas infrastructure including cross-border interconnections**



Source: ENTSO-G

- Albania serves as an important transit country for **the Trans Adriatic Pipeline (TAP)**. TAP is part of the Southern Gas Corridor, transporting natural gas to Europe from Azerbaijan (around 10 bcm/year). Albania has also considered becoming a transit route for LNG to Italy, but the terminal project in the port of Vlora has been closed.
- The **Ionian Adriatic Pipeline (IAP)** is a proposed project which would link TAP to the Croatian network (through Montenegro) and may serve as a backbone for a potential future

Albanian transmission network. However, the project has not progressed in several years and its revival is unlikely.

- The preparation of the Feasibility Study and Environmental and Social Impact Assessment for **Dumrea** underground natural gas storage, has been supported under WBIF. The project evaluated the options for the construction of the facility, which could provide gas storage capacity for Albania and the region. Albgaz has signed a Memorandum of Cooperation with an Italian energy infrastructure company (SNAM), on the implementation of the project idea, for the construction of underground natural gas storage in Dumrea but no further progress has been reported on this project.

more ambitious than the target of **2.4 Mtoe** set by the 2022 Energy Community Ministerial Council Decision.

- As for the primary energy consumption, the NECP does not indicate the 2030 target. Hence, the Energy Community Secretariat recommended to Albania to clearly indicate it in its new NECP and follow the 2.6 Mtoe target set by the 2022 Energy Community Ministerial Council Decision.

4. ENERGY POVERTY

Table 1: Energy poverty

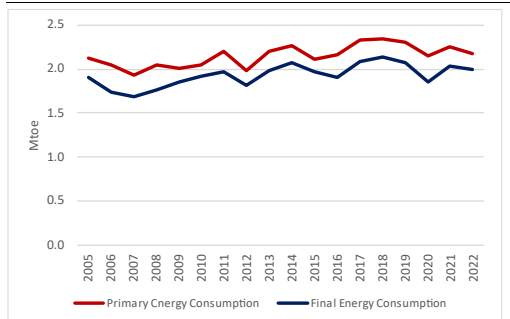
	Albania			EU		
	2020	2021	2022	2020	2021	2022
Arrears on utility bills (households %)	24.6%	26.9%	-	6.5%	6.4%	6.9%
Inability to keep home adequately warm (household %)	35.8%	37.7%	-	7.5%	6.9%	9.3%
Population living in dwelling with presence of lead, damp and rot (population %)	22.0%	-	-	14.8%	-	-

Source: Eurostat

Energy efficiency

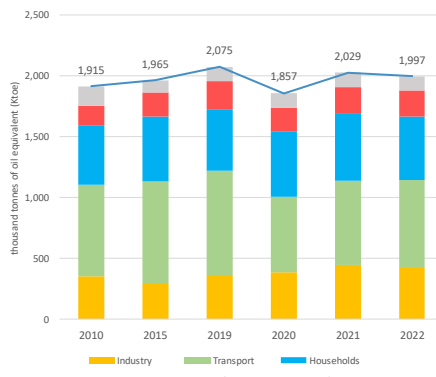
1. ENERGY EFFICIENCY

Graph 5: Primary and final energy consumption



Source: Eurostat

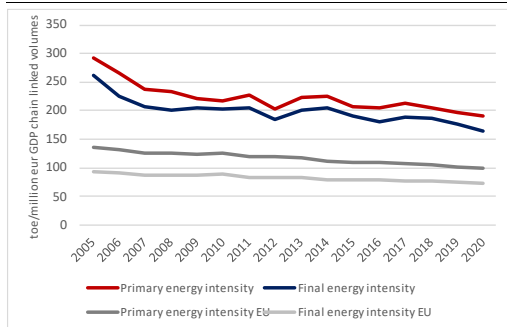
Graph 6: Final energy consumption by sector



(1) Final energy consumption excludes consumption of the energy sector (including transformation and distribution losses) and non-energy use of energy carriers.

Source: Eurostat

Graph 7: Primary and final energy intensity



Source: Eurostat

2. ENERGY SAVINGS IN BUILDINGS

- The NECP of Albania adopted in December 2021 sets an energy efficiency target for planned total maximum level of final energy consumption by 2030 of **2.3 Mtoe**, which is

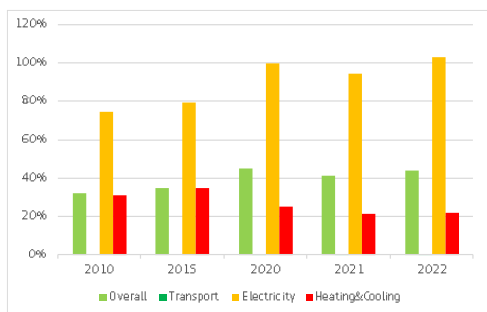
- A **long-term building renovation strategy** has not yet been adopted. Following the adoption of relevant by-laws to implement the 2016 Law on Energy Performance of Buildings, Albania has established an operational energy performance certification system. The Energy Efficiency Agency supports the issuance of energy performance certificates for buildings and oversees the scheme. More than 40.000

audit reports have been issued since its inception, supported by currently 93 energy auditors and 153 energy managers certified by the Energy Efficiency Agency.

Decarbonisation

1. SECTORAL SHARE OF RENEWABLE ENERGY

Graph 8: Share of renewable energy sources



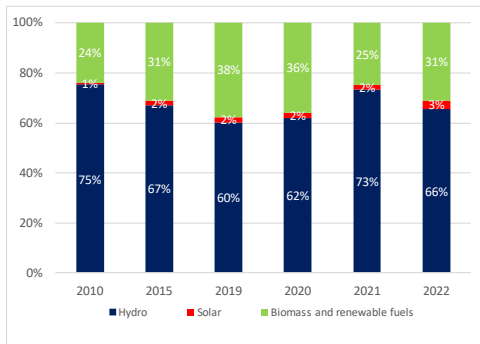
(1) In % of gross final consumption of energy.

Source: Eurostat

- In **2022**, Albania recorded a share of renewable energy in gross final energy consumption of **44.1%**, which is above its 2020 target of **38%**.
- The 2021 draft NECP of Albania set the target for planned minimum share of renewable energy in gross final energy consumption by **2030 at 54.4%**, which is above the target of 52% set by the 2022 Energy Community Ministerial Council Decision⁽²⁾.

⁽²⁾ When Albania adopted its NECP, the Energy Community had not yet committed to 2030 energy and climate targets.

Graph 9: Renewable energy mix



(1) In % of gross final consumption of energy.

Source: Eurostat

Enlargement

- Albania applied for EU membership in **April 2009** and was granted EU candidate status in **June 2014**.
- In **March 2020**, the Council endorsed opening of accession negotiations with Albania and North Macedonia. The first Inter-Governmental Conference on accession negotiations with Albania took place in **July 2022**. The first step in the accession negotiations process, the analytical examination of the EU acquis or the 'screening', was simultaneously launched.
- As regards the green agenda and sustainable connectivity⁽³⁾ (cluster 4), Albania has some level of preparation in the areas of **transport** (chapter 14), **trans-European networks** (chapter 21) **environment and climate change** (chapter 27), and moderate to good level in **energy** (chapter 15)⁽⁴⁾.

Energy Partnerships

- Albania is engaged in a number of regional cooperation initiatives and organizations, such

⁽³⁾ Following the introduction of the revised methodology for the accession negotiations in February 2020, negotiating chapters are now divided in six thematic clusters.

⁽⁴⁾ European Commission (2023), Albania 2023 Report, SWD(2023) 690 final

as the **Energy Community, Transport Community, Central European Free Trade Agreement (CEFTA), CESEC, Union for the Mediterranean, the South East European Cooperation Process (SEECP), EU macro-regional Strategy for the Adriatic and Ionian Region (EUSAIR)** and the **Regional Cooperation Council (RCC)**.

- Albania is also a member of the **IRENA, IAEA** and **Energy Charter**.

National Energy and Climate Plan (NECP)

- Albania adopted its National Energy and Climate Plan (NECP) on 29 December 2021⁽⁵⁾⁽⁶⁾.
- Albania was expected to review and update its NECP in line with the Energy Community acquis by 30 June 2024.

⁽⁵⁾ The Energy Community Secretariat issued its [Recommendations](#) on 17 December 2021.

⁽⁶⁾ The NECP was adopted before the adoption of the Energy Community 2030 targets (December 2022).