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Circular economy in Albania

Opportunities for reusable packaging systems and women's participation

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List of abbreviations

AIDA	Albanian Investment Development Agency
BMZ	German Federal Ministry for Economic Cooperation and Development
CCL	Circular City Labs - Testing reusable packaging systems in cities (project implemented by GIZ)
CE	Circular Economy
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
DCM	Decision of Council Members
EPR	Extended Producer Responsibility
GADC	Gender Alliance for Development Center
GHG	Greenhouse gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
HACCP	Hazard Analysis and Critical Control Point System and Guidelines
HDPE	High Density Polyethylene
ICT	Information and Communication Technology
INSTAT	Albanian Statistics
MTE	Ministry of Tourism and Environment
NDC	Nationally Determined Contribution
RCC	Regional Cooperation Council
SMEs	Small and medium-sized enterprises
WEEE	Waste from Electrical and Electronic Equipment
WPP	Waste Prevention Program

Executive Summary

This baseline study focusses on possibilities for implementing reuse business models in the circular economy of Albania and on the role of women entrepreneurs in the circular economy sector. It was conducted through desk and online research and interviews with relevant stakeholders. The interviews were conducted with private businesses, public institutions, and NGOs to gain insights into the level of innovation and potential for reuse options for packaging and the stakeholders' knowledge, perceptions, and behaviors related to circular economy development in Albania.

This report presents a concise analysis of the current state of the waste management sector in Albania, identifies the enablers and barriers in waste prevention and reuse efforts, and proposes approaches to incentivize the existing city and business efforts to introduce actionable measures towards reuse business in Albania. It explores the potential for reuse systems in packaging, with a focus on Tirana.

Circular economy and reuse are in early stages, but being an EU continent country, Albania is influenced by the circular economy packaging changes in Europe. The interviews have shown that reuse models are emerging in small and large scales in Albania. Most of these models are located in the city of Tirana.

The businesses implementing reuse models are driven by sustainability goals, although they face challenges such as supply shortages, lack of product knowledge, financing of cleaning systems, and higher costs.

Regarding gender equality, the study examined that gender equality in the Albanian legal framework has a solid legal basis. Nevertheless, women entrepreneurs face obstacles such as stereotypes and discrimination in the Albanian economy.

This baseline study has been conducted by Eduart Cani and financed by the German Federal Ministry for Economic Cooperation and Development (BMZ).

1. Introduction

This baseline study is prepared under the project ‘Circular City Labs – Testing Reusable Packaging Systems in Cities’ (CCL), implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. The project seeks to reduce greenhouse gas (GHG) emissions through waste prevention by promoting economically viable reuse systems. In addition, the project aims at strengthening the role of women as entrepreneurs. It will establish circular city labs in up to four cities in Albania, Colombia, Georgia, Kosovo, and South Africa, inviting local businesses, city administrations, academia, and civil society to elaborate functioning reusable packaging systems. The labs will have demonstrable and long-term positive effects on emission savings, the environment, economic development, and social cohesion in the sense of green recovery and just transition.

In order to serve as a basis for the CCL project in the final selection of cities where the labs shall be conducted, the study at hand identifies the relevant stakeholders, existing initiatives, enabling framework conditions, challenges, and sectors suitable for the reuse of packaging in Albania. Apart from this version of the baseline study, there is a more detailed version intended for internal use only.

The report provides an overview of existing business practices of reuse in the selected city of Tirana, providing examples of successful models in refill and return by user and by business, developed in all four aspects of refill and return (at home, from home, on the go for users and on the go for business).¹ However, the final focus of the recommendations is on return solely.

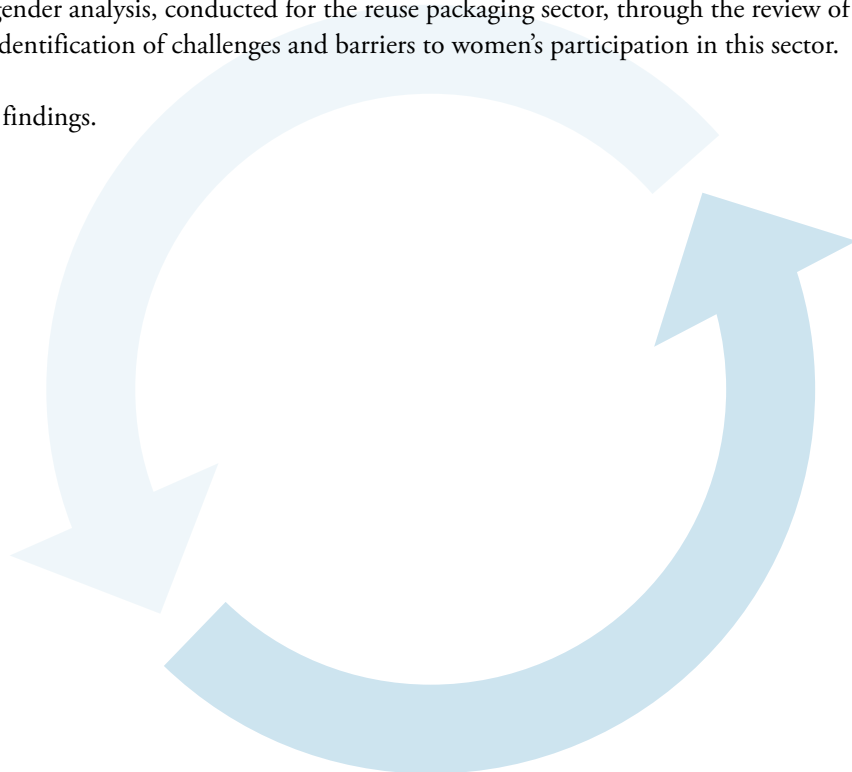
This report consists of 5 sections. The first and present chapter corresponds to the introduction, where the object of the study and the structure of the report are presented. The following subsection presents the methodology and limitation of the work.

The second chapter presents the context on waste pollution and management in Albania, as well as its relationship with GHG emissions. This section also provides an overview of current female economic representation in the country.

Chapter three presents the main findings of the study, addressing the enabling legal framework for reuse, the description of the initiatives characterized and the challenges for implementation.

The fourth chapter presents the results of the gender analysis, conducted for the reuse packaging sector, through the review of the legal and institutional framework and the identification of challenges and barriers to women’s participation in this sector.

The last chapter gives an overview of the main findings.



¹ Ellen MacArthur Foundation. (2019). Reuse – Rethinking Packaging.

1.1 Methodology and limitations of the baseline study

The following methodology was implemented in developing this baseline study.

1. Desk and Online Research: The first step in the methodology involved conducting desk and online research to analyze existing reuse systems and willingness in the context of Albania. This research included an examination of the current legislation and regulatory framework related to waste management and reuse. Additionally, potential businesses that have promoted their reuse systems through online channels were studied. The research was focused on sectors such as gastronomy, tourism, large-scale events or local beverage industry, retail and logistics. The potential reuse systems in agriculture sector were also considered and reviewed.

2. Stakeholder Identification and Preparation: To ensure a comprehensive analysis, a list of major cities, including Tirana, Durrës, Lezhë, and Elbasan, was initially considered based on criteria such as population density, business activity, and potential project impact. Subsequently, a list of major stakeholders was compiled, comprising main national and local government institutions, the business community, ongoing projects in the reuse sector, and relevant NGOs. The selection of stakeholders was carefully agreed upon to ensure diverse perspectives.

3. Stakeholder Interviews: Interviews were conducted with the identified stakeholders and business operators to gain insights into their views, experiences, and contributions to the reuse systems in Albania. Key stakeholders included the Ministry of Tourism and Environment (MTE), Directorate for Circular Economy, Municipality of Tirana, and the General Directorate for Environment and Sustainable Development. These interviews were crucial in understanding the existing waste prevention and reuse policy framework in the country and the commitment of authorities towards establishing a sustainable reuse framework.

The main questions (tailored based on the interview) were:

- a) Are you aware of reuse concept in packaging?
- b) Can you mention some products in which your business implementing this model or exist without you specifically using the model for that purpose?
- c) What is the main reason you introduced the reuse models?
- d) What are the key challenges you encounter in this specific business model?
- e) How is the overall consumer behavior?
- f) How do you find the role of the Municipality in supporting you in this respect?
- g) How do you find the role of CCL in supporting you?
- h) Do you implement gender policies in your business?
- i) Do you face gender related barriers in running your business?

4. Criteria for Focus Area Selection: The methodology employed several criteria to determine the focus area for in-depth analysis. Factors considered included the presence of an established policy framework, the existence of innovation hubs, the level of business activity, the readiness of relevant institutions, and the consultant's expertise in the sector. Additionally, the potential for creating a sustainable impact was also taken into account.

5. Focus Area Selection: Based on the evaluation of the aforementioned factors, the baseline for the analysis was set to focus on the Municipality of Tirana. The decision to concentrate on this area was made due to its suitability for establishing a sustainable reuse system, supported by an already established policy framework, the presence of innovation hubs, and the municipality's commitment to a transformative waste management system.

By following this methodology, a comprehensive understanding of the existing reuse systems and willingness in Albania was obtained. The research and interviews with stakeholders provided valuable insights, and the focus on the Municipality of Tirana allowed for a detailed analysis of the potential for implementing a successful and sustainable reuse system in the country.

Due to time constraints and the availability of selected stakeholders, this report provides a rapid assessment of the existing framework concerning reuse systems, aiming to understand the policy changes required for the transition to a circular economy (CE), with a particular focus on reuse business models. Although the number of businesses represented in this report allows for an understanding of their efforts towards adopting reuse models as successful business opportunities and their commitment towards sustainable development, it is important to acknowledge that this assessment serves as a snapshot and may not encompass all relevant businesses and practices.

While the commitment of governmental institutions is evident and well expressed in the report, it is recommended to conduct further assessment of business practices, commitment levels, and their capacity to embrace more advanced and sophisticated reuse models. The listed businesses that are already implementing reuse models are not exhaustive, but they serve as representative examples of four key concepts of reuse.

It should be noted that chapter four on Gender equality and women's participation in the Albanian economy serves as a general overview. To gain a deeper insight into the topic and identify the primary sectors of women's engagement, providing opportunities for intervention within the circular economy and reuse sectors, an alternative approach could be considered. Therefore, a gender sensitive value chain analysis is recommended.

In conclusion, this rapid assessment provides valuable insights into the policy landscape and the efforts made by businesses towards embracing reuse systems in line with CE principles. However, to gain a more comprehensive understanding, additional in-depth evaluations are recommended to cover a broader spectrum of businesses and their evolving approaches towards sustainability and advanced reuse strategies.



2. Status-quo of circular economy and gender equality in Albania

2.1 Facts & figures about problem of (plastic) packaging waste pollution

Albania has no extended producer responsibility (EPR) system in place. The amount of packaging put on the market is not reported. These data are expected to be collected once Albania adopts the expected new Law on EPR in year 2024 once the obligation for the importers and producers to report data will be enforced².

According to the Albanian Statistics (INSTAT)³, Albania managed about 1.1M tons of municipal waste, of which paper and cardboard represent about 8% of total waste managed in Albania and plastics amount for about 9%. However, these data remain obsolete due to a lack of a proper data measuring and reporting system in Albania.

Albania lacks any separate collection systems. Currently there are only seven small scale plastic collection schemes at seven municipalities in the country⁴, while the amount of dirty material collected by waste pickers is reported to be about 18%, mostly plastics. The city of Tirana has established a two-stream collection scheme in the city (dry and wet, serving 200.000 inhabitants). The system is not operating as planned due to the lack of awareness from the citizens and business.

2.2 Status quo of local waste management system

Municipal waste management is a responsibility of the municipalities in Albania set by the organic law on self-government and the framework law on integrated waste management. Based on legislation municipalities are responsible for adopting waste management plans which should be aligned with the regional and national plans and transpose all legal requirements into measures.

According to INSTAT⁵, in the year 2020, the reported municipal waste generation in Albania amounted to approximately 1.17 million tons⁶, slightly lower than the 1.20 million tons generated in 2019. According to the National Waste Management Strategy, an average of 0.9 kg/day/inhabitant of urban waste is estimated to be generated in Albania, with variations ranging from 0.4 kg/day/inhabitant in rural areas to 1.2 kg/day/inhabitant in urban areas. These estimates are based on expert judgment and some pilot assessments conducted in the country, as there is a lack of comprehensive measurements. Although the strategy does not provide an official forecast, it is generally agreed that there may not be a significant increase in waste generation in the coming years, this mainly related to a significant decrease of the population⁷. The figures indicate a considerable fluctuation in the amount of managed urban waste over the years, making it challenging to project future waste generation accurately.

The above-mentioned yearly report of INSTAT shows that approximately 86.9% of the population in Albania has access to waste management services. Notably, the population coverage has shown significant growth when compared to the reported figure of 68.9% in 2017. This improvement in coverage can be attributed to the increased investments made by municipalities in waste collection infrastructure. The trend of investing in waste management infrastructure continues, with the objective of further expanding coverage and enhancing the overall system.

² The drafting of the Law is initiated by Ministry of Tourism and Environment and supported by the donor community, including SIDA, GIZ and WB. The drafting process is expected to complete by August 2023 and followed by a consultation process with stakeholders. The MTE deadline for adopting the law by the Albanian Parliament is March 2024.

³ https://www.instat.gov.al/media/10524/urban-solid-waste-2021_.pdf

⁴ Number reported by MTE technical staff on the meeting organized on the purpose of this baseline study.

⁵ INSTAT yearly waste reports <https://www.instat.gov.al/en/themes/environment-and-energy/environment/#tab3>

⁶ Data accuracy and reliability have emerged as significant concerns in Albania. The INSTAT yearly reports reveal considerable fluctuations in waste generation, ranging from 800K to 1.4M tons per year. Notably, these fluctuations are not attributed to changes in population patterns but rather to reporting practices, which, in most regions of the country, lack the use of waste weighing at treatment facilities as a basis.

⁷ World Bank reports a decrease of about 200.000 inhabitants from 1990 to 2020. <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=AL>. The projections reported by INSTAT indicate also a decline in population by 4% without counting the high level of emigration which continues to be high in Albania. <https://www.instat.gov.al/en/themes/demography-and-social-indicators/projection/#tab2>.

The same report for 2020 indicated that about 80.2% of the total amount of municipal waste was deposited in landfills and dump sites, marking an increase of 2.2%, compared to the previous year. In recent times, the majority of municipalities in the country have either adopted or are in the process of developing local waste management plans. However, the adoption of these plans is accompanied by challenges and complexities, primarily stemming from the absence of approved regional waste management plans and waste zones plans. This lack of regional plans adds to the delays and uncertainties in the process. Once these waste management plans are finalized, they are typically published on the municipality's website for public access and reference.

The current practices of waste management face several issues which are related to tradition, infrastructure, governance of the sector, financing, and especially public awareness. Systems for collecting and removing waste are both inadequate and inefficient. This inefficiency results in ineffective waste management practices. Additionally, without reliable information, it becomes challenging to make informed decisions about waste collection and disposal choices. This lack of information hinders the ability to implement effective waste management strategies.

Furthermore, there is a lack of established practices and protocols for handling waste in an environmentally responsible manner. Additionally, the insufficient financial and technical resources allocated to waste management pose a significant challenge. Without adequate resources, it becomes difficult to improve waste management infrastructure and implement effective waste treatment methods.

Finally, there is a need for increased public awareness regarding the detrimental effects of poor waste management. Generally, there is a lack of understanding among the public about the damage caused by improper waste disposal. Raising awareness about these issues is crucial for garnering support and promoting positive changes in waste management practices.

2.3 GHG emissions and relevance of waste prevention

Albania submitted its first Nationally Determined Contribution (NDC)⁸ in November 2015, with the commitment to reduce carbon dioxide (CO₂) emissions compared to the baseline scenario in the period of 2016 and 2030 by 11.5%, or 708 kt CO₂ emission reduction in 2030. The revised NDC included data on the waste sector. The revised NDC reports that the emissions of the waste sector amounted to 621 kt CO₂ equivalent (CO₂e) in 2009 and to 838 kt CO₂e in 2016 (+35.1%), showing little notable increase since 2009 and with a mitigation forecast until 2030 of only -1%. The Albania's Fourth National Communication to UNFCCC⁹ estimates that GHG emissions from the waste sector for the years 2009 to 2019 have increased by 42% from 620.90 kt CO₂e in 2009 to 881.56 kt CO₂e in 2019.

Based on the Albania's National Greenhouse Gas Inventory Report¹⁰ most of the GHG contribution from the waste sector comes from solid waste disposal of about 78% of CO₂e of the total emissions from the sector counting for 36.29 gigagram (Gg) of methane (CH₄). Followed by Incineration and Open Burning of Waste of about 1.5% of CO₂e of the total emissions from the sector counting for 0.34 Gg of CH₄.

The main factors contributing to emissions, especially methane, are related to solid waste disposed of through open dumping (mostly non-compliant landfills) without methane recovery systems, making methane the largest emitter from the waste sector. Open burning remains a high contributor especially regarding waste burned in rural areas including green and agriculture waste. Open burning of waste in dumpsites remains a practice although has been significantly put under control due to investments in closure and construction of regional sanitary landfills.

Finally, Albanian is investing in constructing three waste to energy plants of a total capacity of municipal waste treatment of 1,300 t/day. Currently there are two plants constructed and one in operation. These plants are projected to shift the quantities of municipal solid waste from landfilling to energy recovery. Therefore, there will be an impact on GHG emissions. Considering

⁸ Albania Revised NDC. (2021). <https://unfccc.int/sites/default/files/2022-08/Albania%20Revised%20NDC.pdf>.

⁹ The Fourth National Communication of Albania on Climate Change. (2022). https://unfccc.int/sites/default/files/resource/Fourth%20National%20Communication%20of%20Albania%20to%20the%20UNFCCC_EN.pdf.

¹⁰ Albania's National Greenhouse Gas Inventory Report. (2021). <https://unfccc.int/sites/default/files/resource/National%20GHG%20Inventory%20Report%20for%20Albania.pdf>.

that incineration of the same amount of carbon landfilling of biodegradable waste will generate more CO₂ but far less CH₄. This means that the global warming potential (CO₂e) for the same amount of carbon will be much less.

In order to mitigate the impact of the mentioned practices, Albanian government has adopted several measures to prevent inappropriate waste management practices, ban burning of green and agriculture waste, construct sanitary landfills and close non-compliant municipal landfills and other actions which increase waste prevention and proper management.

The following legislative and strategic measures are adopted which will contribute to the mitigation of GHG emissions:

- Waste prevention by introducing EPR systems for specific waste streams including packaging of waste: new law on EPR drafted and expected to be adopted in March 2024.
- Waste Prevention Program (WPP) to be developed: Law 10463/2011 “on integrated waste management” as amended, requires the preparation of the Waste Prevention Program. WPP to start drafting process in the year 2025. Funding from EU Green Growth and Circular Economy Project.
- Waste Management Strategy and Action Plan for the period 2020 - 2035, adopts measures and set targets for 35% reduction of biodegradable waste going to landfills by year 2035, compared of the base year 2016.
- Requirements for organic waste management are defined by the Decision of Council Members (DCM) No. 608, dated 17.9.2014 “on determination of the necessary measures for the collection and treatment of bio waste as well as the criteria and deadlines for their reduction”, consisting in procedures for separate collection, treatment, and related targets. The legal act defines that municipalities must reduce the amount of organic waste going to landfills by 50% of the total waste generated in year 2014, by year 2021 and to 35% of the same target year by 2026. These targets and enforcement will be revised starting in the year 2024.
- Facilities for composting at municipal level are constructed with the support of GIZ and are operational in three municipalities. The MTE plans to increase this number to 10 within year 2023, aiming at establishing composting sites in all municipalities in the country, 61 in total.

2.4 Facts & figures about gender equality and female economic contributions

According to data published by the Regional Cooperation Council (RCC)¹¹, female entrepreneurs ran about 31% or 36,917 of the total 118,627 companies of all sizes across Albania as at the end of 2021. The average share of female entrepreneurship in the last five years has been 31.67%. The best year for female entrepreneurship was 2017, when the share of women owners or administrators in active enterprises across the economy was at 34.3%.

Further the report of RCC indicates that out of all active enterprises with 1-4 employees in 2021, 32.4% were led by women, versus 67.6% led by men. Whereas out of all women led enterprises, in 2021, 89.2% had 1-4 employees.

The share of enterprises with more than 10 employees has increased in the past year, while enterprises with 10-49 and 50+ employees, saw an increase by 3.61 and 4.45 percentage points respectively from 2016 to 2021.

INSTAT’s report Women and Men in Albania, 2021¹² indicates that in 2020, there was a noticeable increase in the proportion of women owners or administrators compared to 2019. This rise was observed in both businesses with productive economic activity and those in the service sector. Moreover, the service sector exhibited a higher percentage of women owners or administrators at 33.7% compared to the manufacturing sector, which had 12.6% representation.

¹¹ RCC, Women Entrepreneurship factsheet, 2022. https://www.rcc.int/download/docs/Albania%20FINAL_DEC2022.pdf/c2e839cd543dbfc21d822a10588e59ae.pdf.

¹² INSTAT, Women and Men in Albania, 2021. <https://www.instat.gov.al/media/8713/burra-dhe-gra.pdf>; p.107.

2.5 Awareness for (plastic) waste pollution and climate change

Awareness raising campaign and activities on waste prevention, clean environment, climate change and various aspects of environmental protection have intensified in the last years in Albania. Campaign is delivered by several stakeholders, including MTE and its agencies, different cooperation and development programs including GIZ programs in waste management and marine litter prevention and several civil society organizations.

Education about climate change, waste prevention and 3R (reduce, reuse, recycle) strategies is already in the school curricula in Albania. Children learn about these issues and ways to engage in society.

The most prominent campaign in plastic reduction was launched by the MTE on carrying single-use plastic bags. This campaign was widely supported by the donor community and civil society. The replacement of the shopping bags with textile ones brought from home was the key message delivered and free textile bags were given to citizens at various events. Redesigning the bag, making it very fashionable to wear in the city was highly promoted by many actors including businesses which produced special models of these bags.

The National Environmental Agency regularly organizes nation-wide campaigns to raise awareness of the public and to educate local institutions with regard to waste management services. These campaigns are organized in a door-to-door meetings educating citizens, businesses and visitors on the importance of reducing plastic waste, especially single-use plastic items, and to facilitate recycling through raising public awareness on sorting and separate collection. Most of the municipalities annually organize 'Let's do It' public awareness campaigns promoting responsible environmental behavior and waste reduction, reuse and recycling.

The MTE has recently launched a campaign to separate paper and cardboard in schools of Tirana which will be implemented in collaboration with the Municipality of Tirana and the Albanian Recyclers Association.

Several activities and events are organized by the environmental NGOs in Albania regarding climate change awareness raising, climate action, air pollution prevention, waste prevention and recycling.

GIZ project 'Preventing marine litter in the Western Balkans' implements the Low Plastic Zone initiative in municipalities of Montenegro, Albania and Bosnia-Herzegovina to help reduce plastic pollution.

The aim of the Low Plastic Zone initiative is to encourage and support hotel, restaurant, and café owners to reduce the amount of single-use plastic products handed to customers. Experts engaged by the program meet with the businesses to assess their use of single use plastics, discuss available options to reduce or eliminate the use of these products, and help them implement the most appropriate solutions for their businesses.



Figure 1: Low Plastic Zone Initiative.

3. CE and reuse in Albania

3.1 Legal framework and enabling conditions

Albania has recently adopted a new Waste Management Strategy and Action Plan for the period 2020-2035 to align with the fundamental policy requirements of the EU in the waste management sector. This strategic framework aims to ensure comprehensive municipal waste collection services for all residents across Albania.

Moreover, the strategy defines measures for separate waste collection and sets ambitious targets for recycling and recovery of various waste streams, including packaging waste. The recycling targets for packaging waste are designed to match the EU targets applicable for the year 2008. These targets must be gradually achieved by 2035. However, it is important to note that the strategy does not address the more recent, higher EU targets for packaging waste set for 2025 and 2030.

Waste Management Strategy and Action Plan 2020-2035 – targets related to recycling

Targets for 2035:

- Recycling rate: 40%
- Population in urban areas covered by integrated waste management services: 100%
- Recovery rate of packaging waste: 70%

Targets for 2035 for packaging waste:

- 70% recovery of packaging generated at households and similar sources and 60% recovery of total packaging with material-specific targets for paper and cardboard (60%), metals (50%), plastics (22.5%), glass (60%) and wood (15%).

The current intermediate recycling targets established in the Waste Management Strategy fall considerably short, requiring only 10% of the total amount of packaging waste to be recovered by 2025 and 30% by 2030. It is worth noting that the initial targets for packaging waste set by the EU in 1994 demanded a minimum overall recycling rate of 25% and a recovery rate of 45% to be achieved by 2001.

While the strategy acknowledges the implementation of EPR for packaging and other product categories, the specific modalities for its implementation remain undefined. Remarkably, Albania, along with Kosovo, stands as one of the only two European countries without functional EPR systems for packaging waste, waste from electrical and electronic equipment (WEEE), batteries, and accumulators, leading to considerably lower recycling rates being achieved.

The waste management policy of the EU places utmost importance on waste prevention, requiring the development of national-level prevention programs as mandated by the Waste Framework Directive. Furthermore, specific reduction targets for lightweight plastic bags (e.g., 40 lightweight plastic carrier bags per person by the end of 2025, or equivalent targets based on weight) are to be established. By the end of 2023, an EU-wide food waste reduction target is expected to be set for achievement by 2030. Discussions are also underway regarding the establishment of EU-wide prevention/reduction targets for municipal waste.

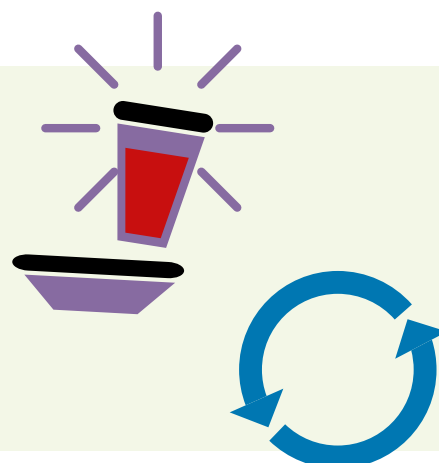
Albania currently lacks a waste prevention program or equivalent planning documents. Although Article 14 of the amended Law 10463/2011 “on integrated waste management” tasks the MTE with developing waste prevention programs by 2017, no such program has been implemented thus far. The strategy includes a measure to support the implementation of the Packaging Waste Management Plan and Waste Prevention Program, falling under the specific objective of integrated waste planning and management based on waste zones serving the entire population. However, no specific timeframe is provided for the implementation of this program.

In June 2022 the Albanian government amended the Law “On integrated waste management” introducing a **ban on carrying plastic bags** under 70 microns per side entered into force. The measures for implementing the ban are defined by the DCM No. 367, dated 30.05.2022 “For the determination of detailed measures and responsible institutions for the ban of the use, putting on the market, production, import or introduction into the territory of the Republic of Albania of carrier plastic bags as well as oxo-degradable or oxo-biodegradable carrier plastic bags”, as amended.

There are two noteworthy deficiencies in the current Albanian strategy.

Firstly, it lacks a defined target for the preparation of reuse and recycling of municipal waste.

Secondly, there is currently no national waste prevention program in place.



Waste prevention is well recognized by the MTE as an option to address waste pollution and therefore is working on policy and framework development which are expected to bring significant progress towards shifting the current linear system toward circularity. Key initiatives include:

1. A new law on Extended Producers Responsibility is expected to introduce EPR schemes for packaging, WEEEs, exposure limited values (ELVs), batteries and accumulators. The draft law is undergoing revision and is expected to be adopted by March 2024. The first Producer Responsibility Organization for packaging waste is expected by the end of year 2024.
2. Mapping of CE in Albania is under drafting process by MTE supported by OECD. The draft report will be presented by the end of year 2023 and is expected to provide the first most comprehensive overview of the CE potential in Albania.
3. Under the EU IPA Window 3, Action “EU for Circular Economy and Green Growth”, the Ministry of Environment will start next year (2024) framed in 4 outcomes which aim advancement with transposition: Prepare waste prevention program; Developing waste information and reporting system; Further alignment of the legislation by developing new Framework Law on IWM; Implement EPR scheme; Incentivize and innovate at business sector for CE and infrastructure development
4. Several other actions and projects by donor community (some of the projects listed in this report) have already started and are expected to further advance the CE in the coming years.

Food Safety and safe packaging is regulated by the Law on Food¹³ and related by-laws¹⁴. The Law on Food regulates the issues related to product safety for human and animal consumption. It also regulates the issues related to safe packaging, labelling and traceability. Albania is member of Codex Alimentarius Commission and therefore adopts the standards of Hazard Analysis and Critical Control Point System and Guidelines (HACCP). The authority responsible for Food and Food safety is the National Food Authority under the Ministry of Agriculture. The specific Instruction on general and special hygiene conditions for food establishments and food business operators, set the standards and controls all aspects related to HACCP standards including the composition, structure and physic-chemical characteristics, processing, packaging, storage, storage and distribution conditions.

Packaging is further regulated by the Law on Metrology which sets the standards and instruments for controlling the packaging and materials used in packaging. A regulation on packaging is adopted by the Albanian government¹⁵ which among other sets the main principles and criteria of packaging and pre-packaging and their control.

¹³ Law no. 9836 date 28.01.2008 “on Food”, as amended.

¹⁴ Instruction no. 22 dated 25.11.2010 “On general and special hygiene conditions for food establishments and food business operators”.

¹⁵ Decision of Council of Minister no. 434 dated 11.07.2018 “On food labeling and consumer information”.

3.2 Necessities for implementation

Challenges for implementing CE in general and reuse models in particular are many as in other countries where the shift is more progressive.

The following can be considered in the case of Albania:

Legislation framework – the current legislation in place does not hinder the shift to a CE, but at the same time it has not been developed to create a very enabling environment. Full transposition of EU legislation related to CE and implementation of measures laid by the Green Agenda for Western Balkans are crucial in allowing the shift.

Health and safety standards – reuse systems require special care in terms of health and safety. Beer bottles return system, a practice which was very common before the 90s, was in practice due to the absence of materials because of total isolation. The system was interrupted after the regime changed in 1992. Today, the return option for citizens rarely exists and one of the reasons is related to needs for investments for the supply of durable packaging and safe washing/sanitizing systems. It is generally known that citizens are skeptical about the aspects of reused bottles as they don't trust the proper hygiene of the product once reused. Some of the businesses contacted during this baseline study have already invested in health and safety systems and ensure high standards of safety in their products.

Skills and knowledge about the reuse systems – one of the challenges presented by the businesses during interviews and also stated in the RCC, Balkan Barometer 2022¹⁶, is the lack of knowledge and skills to establish new reverse systems and other forms of business which can still be profitable.

Innovation hubs – digital innovation is very common and emerging in Albania. Hubs like TUMO Creative Center Tirana, located at pyramid of Tirana, creates great opportunities for businesses to start and grow. However, there is a lack of hubs which provide skills regarding aspects of CE.

Product design – currently there is limited initiative in product design to shift to reusable products. However, with increasing demand from businesses such as the case of Hana Corner Café (see chapter 3.3), which uses stirrers produced from glass from local suppliers, the need for local suppliers is immediate. The lack of local supply of the reusable packaging is mentioned by the interviewed business as a risk which needs to be mitigated through support of local entrepreneurs.

Product supply – reuse products require high standards for durability and food safety. Businesses which implement reuse in systems such as water, yogurt and beer bottling, import high quality glass bottles which come to a higher expense. Therefore, the impact on the availability of the product and price is significant.

Investing in facilities – shifting to new models requires further investments by the business which might require new technologies and systems for collection, handling, treatment and safely preparing for reuse. Incentives and financing for small and medium-sized enterprises (SMEs) are necessary to allow an easy transition with less financial burden, starting from those which have a clear and good business plan.

Investment in Information and Communication Technology (ICT) – technology is key to reuse systems when it comes to product labelling and tracking. ICT is very prominent in Albania and there are solutions and opportunities to invest in this direction. Most of the time this service is operated by third parties such as in food delivery companies. They can track the client via apps and extend the potentially the packaging to be taken back.

Higher cost of the product, higher price and competitiveness – in reuse systems the price for products often becomes higher than for the same products which come in single-use packaging. Businesses which are willing to introduce reuse models, need to change also their way of doing business in order to remain competitive and especially attract new customers, focusing on innovation. This requires clear strategies, efforts, information and perseverance.

¹⁶ RCC, Balkan Barometer, 2022, <https://www.rcc.int/balkanbarometer/publications>.

Consumer awareness and willingness to buy – customers like to pay as less as possible for a product, but they also understand the importance of quality and safety in a product. However, there are more and more clients which are willing to pay more for quality and organic/sustainable products. Key to success is good information and awareness raising on the importance of sustainable development. Campaigns on CE are very sporadic in Albania, but in the last year they are becoming more prominent by several groups and institutions. Clear and easy to understand information must be prepared and well disseminated. Businesses which are already engaged in reuse in Albania must promote their initiatives to the citizens, showing the safety and benefits of reuse.

Introduced for the first time into the survey of the RCC, the Balkan Barometer 2022 provides a good overview of the opinion of the business sector in Western Balkans, including Albania on shifting to CE. Businesses are asked about their opinion on different aspects such as climate change, pollution, sustainable consumption and shifting to a CE. The report shows that six in ten respondents (62%) are willing to buy environmentally friendly products even if they cost more. However, a vast majority of over three-quarters (77%) of survey participants are unaware of what CE is. They remain generally skeptical about climate change as an issue with over two thirds (67%) consider climate change a problem and nearly a third (31%) do not see it as a pressing concern.

The Barometer considers the importance of promoting environmental awareness and education of citizens for better understanding of natural environment protection and the activities that can cause harm to the environment as a priority.

Businesses are asked about the capacity of business models to shift from linear to a CE model. Besides in overall the report states that Western Balkan economies are far behind in their efforts to shifting towards a CE, more than 50% of them fall under responses, for *yes*, *not sure* and *it is difficult but could be achieved with proper incentives (technical support/government subsidies, etc.)*. This might indicate that with proper information and support businesses can consider the shift to circular.

20% of businesses in Albania responded yes to the question, 25% are not sure and 16% believe that it is difficult but could be achieved with proper incentives (technical support/government subsidies, etc.), which is above the average of the Western Balkan countries.

64% of respondents see the most significant impediment to moving toward a CE model continues to be the added expenses. High costs and lack of government subsidies appears to be the main pressing issues in Albania.

Further to finance, the respondents from the whole region brought to attention the lack of skills (20%) and competition from incumbents (47%) as the main challenge of scaling up their businesses.

For Albania the respondents who said yes to the shift to CE find as barriers the added costs 38%, *followed by lack of government subsidies* by 33%, further by *lack of skills and experience* 15%, continued by the *lack of regulatory framework* 11%, and finally *lack of consumer demand* 2%.



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3.3 Inventory of existing, proven and/or functioning reuse solutions

It is important to note that being a European continent country, Albania imports its goods from many European countries. In a rapid changing packaging system in Europe, many of the products entering the country are now in refill systems, environmentally friendly packaging, redesigned for multiple use, low plastic content, and more. Therefore, the change in packaging is highly affected by the European tendency and is expected to emerge faster by this outside driving force.

For the purpose of this baseline, preliminary online research was conducted to identify reuse systems already functional in Albania and especially in the city of Tirana. It was further extended in discussion with businesses, which pointed to other initiatives and suppliers, which they integrate in their reuse models.

Reuse as a concept was very common in Albania before 1990 at the time when packaging was scarce and there were financial incentives to reuse especially glass packaging. Therefore, it is easy to discuss the topic with most of the citizens and business representatives.

Models of functional reuse were identified in all four dimensions of reuse models presented by the Ellen MacArthur Foundation. This section is designed to present businesses, which are active in the following models:

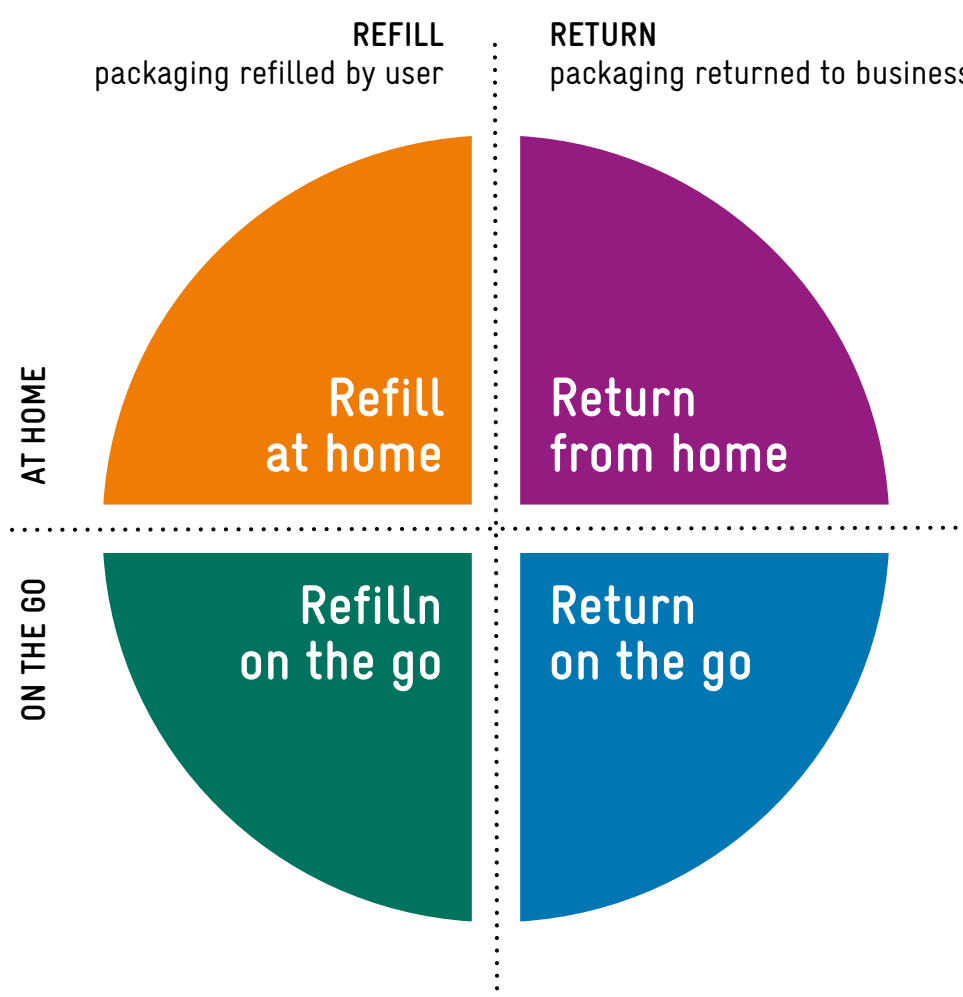


Figure 2: The four reuse models. Ellen MacArthur Foundation. Reuse – rethinking packaging (2019).

Refill at home (customer)

Refill at home is the most found model in Albania when it comes to customer level. The most common model is refill packaging in beauty, perfumes and hygiene. In this model customers are provided with a shop refillable container, often in glass but also in plastic. Customers can buy refill products which come in light packaging and in some cases with biodegradable packaging. The tendency is emerging, and more and more markets and shops provide these opportunities for their customers. It is very common in large retail supermarkets and small neighborhood markets to find these products. The model was first initiated by expensive brand shops in the beauty sector which promoted their concept of sustainable consumption such as *Ada Herbs* which sells most of their products in refill packaging and biodegradable refillable containers.

Model: Local business in Tirana – Ada Herbs



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Two sisters founded *Ada Herbs*, a skincare and haircare company, in April 2012. The company promotes sustainable resource use through the motto “SAVE the future, RECYCLE with us”. *Ada Herbs* started 10 years ago with nature in mind, so they call themselves “the most sustainable business in Albania and a fully sustainable business in the international market”. The customer can buy a glass refillable container which can be refilled with one of the products of *Ada Herbs* such as shampoos and lotions.

Note: Information obtained from company website <https://adaherbs.com/>.

Model: Rossmann retail chain



© Eduart Cani

There are a significant number of refill products which are exposed in the market. This includes products for cleaning, hygiene and beauty. The consumer can buy the container one time and refill it with refill products from the market. The products promote the amount of the plastic saved by the reuse process (about 80% reduction).

The shop manager explained that this practice is becoming more and more present, and more products are coming with refill possibility. This also includes products which are coming in cardboard replacing plastic.



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Refill on the go (customer)

Refill on the go for customers is also present in Tirana and other cities in Albania. Taking coffee or other beverages with your own containers in cafés is provided in Tirana. An excellent example for this is *Hana Corner Café* which is a “zero plastic” business, providing all sorts of refill and reuse models. Customers can take coffee, jars, cakes, beverages using their own container. There are several coffee chains in Tirana which provide this service for customers to take their coffee from their cafés using their own containers such as *Mulliri*, *MonCheri* and *Sophie* coffee chains.

Another model is used by a shop chain which sell in large refill containers detergents used at home. Customers go to the shops which are located in several locations in Tirana and fill their containers which they bring from home.

Additionally, the City of Tirana has also installed public drinking water taps in public spaces, which are used by citizens and visitors in the city to refill their bottles on the go.



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© Eduart Cani, City of Tirana public drinking water taps.

Model: Hana Corner Café



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The owner explained that the café builds on her interest for the environment. She was engaged before in textile repair and resell.

Hana Corner Café is basically a zero plastic business which uses no plastic in all its products and services. Everything is returnable and refillable. *Hana Corner Café* products are procured only from companies which use return products made of glass and other durable materials. Some of the businesses include water bottling companies, fruit processing companies, beverages, etc., which have introduced a returnable fee for their returning bottles.

An example is kombucha or fermented hot sauce, offered by the company *Toka Fermentary*, which produces organic food. They bring the product in returnable glass bottles and take the bottles back.

Customers can bring their container and take most of the products from the café such as coffee, other hot and cold drinks in jars and cakes.

Although it opened just nine months ago, the business became very popular and expanded from four tables, to 40 around the corner and the idea zero plastic and especially organic products attracted a big number of customers.

The café has plans to expand. The idea will be taken further to another café which will be larger and also include a sustainable restaurant where everything will be built around the zero waste and no plastic concept. The next business will be opened in September 2023.

Model: IDS Detergenti – refill systems



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IDS Detergenti is a company with several years of experience in the production of detergents for domestic and industrial use. In continuous search for new and innovative formulas to create products with a fair quality-price ratio. IDS Detergent produces detergents that widely respect quality standards, always with attention and care for nature.

The company is specialized, among other things, in the production and distribution of open detergents “alla spina” with the registered brand Lofty, a brand known both at the national and international level. It operates in Italian, Albanian, Montenegrin, Macedonian and Kosovar territory, etc. with its dedicated distributors.

All products conform to the HACCP standard, concentrated and 90% biodegradable, enabling customers who buy to respect the environment.

The company allows retailers to open shops and use the products which are refillable. Customers can go to the shop with their containers and buy detergents. There are 86 shops operating in Albania, 20 of which are in the city of Tirana.

Note: Information obtained from company website <http://www.idsdetergenti.com/>



Return from home (business)

This model is less applicable at customer level but is more present at business level. The most common one is the water dispensers which are installed by water bottling companies at business premises based on an agreement on amount of order (quantities). Water dispensers use bigger plastic bottles up to 19L. These are replaced by the business at the office, later cleaned, sanitized, refilled, and reused for the same purpose. Large water bottling companies like *Lajthiza* and *Qafshatama*, provide these services in many private and public premises in Albania.

Further to this service, these companies, as well as *Coca Cola Bottling* and other large water bottling companies such as *Teplene water*, *Selita* and *Glina*, provide glass returnable bottles which are collected only at business level on a returnable fee.

This model is provided also by breweries in Tirana such as *Birra Tirana*, *Amstel* and *Peroni* in large size bottles at business level. Markets and restaurants can return the bottles for which they pay a fee at the purchase price.

Other models are found in cafés and restaurants such as the case of *Hana Corner Café* mentioned above, where different organic farming companies bring their products in their own returnable bottles and jars, which are collected back from the store after use.

Return models by these companies are not widely known and less promoted for citizens. Businesses know more about it as they are offered directly to use the service.

Model: Water Bottling Companies (Qafshatama, Lajthiza)

Big water bottling companies in Albania such as *Qafshatama*, *Lajthiza*, *Teplene water*, *Selita* offer water in glass bottles of different sizes. The water dispenser of *Lajthiza* and *Qafshatama* with larger water containers (19L) are offered for offices, restaurants, public buildings, schools, etc.

The large size glass bottles are returnable at business level (markets, cafes, restaurants). A fee is paid by the business, which is refunded when the product is collected.

These companies also provide the office system with refillable polycarbonate plastic containers in large sizes. The product is collected by the company, washed, sterilized, dried and refilled at the factory and sold again.

Lajthiza company offers a range of products, including returnable glass bottles filled with both still and sparkling water. These bottles are packed in plastic crates. Additionally, the company provides a gallon (19L) format, also available in returnable bottles. This specific format incorporates the latest EU filling technology from 2021, boasting an impressive production rate of 2,000 bottles per hour.

Note: Information obtained from companies' websites <https://lajthiza.al/>; <https://qafshatama.com/>



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Return on the go (business)

Return on the go at business level is present in small scale in Tirana although coffee on the go with your own container (refill) is very common. Some of the businesses met during this baseline assessment operate on a small scale in services such as coffee and food service and dairy products. Under this model the customer buys the product such as yogurt in a returnable bottle, uses it at home and returns it at the market, where it is later collected by the supplier for later washing, sterilizing and refill. At *Hana Corner Café* customers can take home cakes in plates, or jam in jars and bring them back to the café once used.

Model: Zepa Natyral Dairy Company yogurt bottles return system

Ms. X N (anonymized), a chief technologist responsible for product quality control at *Zepa Natyral Dairy Company* explained that the company implements the principles of sustainable product and waste prevention in all products they produce and sell. These include recycling for all plastics remaining during processing and packaging process at factory, use of High-Density Polyethylene (HDPE) with the aim to reuse for milk containers, return and reuse of the yogurt glass bottles. The interest of the company is to educate their customers on the importance of sustainable development, preservation of resources, prevention of waste and healthy food.

The glass bottles are imported accompanied by certificates which indicate the durability of the glass for reuse (not allowing chemical migration or other deterioration) and for product hygiene.

The product is sold to markets based on a contract where it is agreed that the market pays a small fee, which will be refunded after the bottle is returned. The company collects the bottles and sends them for washing, disinfection and all other necessary processes before reusing them for the same purpose.

The number of bottles collected and reused is about 5,000 a year and has been increasing. Later, the company will consider promoting and active awareness raising. The company will introduce the reuse of HDPE packaging for other dairy products.



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Model: Goodies Food Service (Bottle return)



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Goodies farm and store is a small shop located in Tirana which is dedicated to healthy and organic food. The store sells products from organic farms including their own farm. The shop sells reusable products such as yogurt, milk, honey and jams in glass bottles and jars.

The shop applies a fee for returning the containers (bottles and jars). They are collected back, washed and sterilized at their farm and refilled with the same type of products and sold again.

Note: Information obtained from a visit to the shop

Reuse of crates in agriculture

Plastic crates are extensively used in agriculture services in Albania. Crates are mostly used at farm level, where the product is packed and sent to the market or collector. Crates are provided by the collector to the market either by renting or returnable without a fee.

Typical systems are organized based on two models:

- 1) farmer → market
- 2) farmer → collector/distributor → wholesale market → small markets.

Throughout these systems crates are provided by the collector which rents the crate to the farmer. Municipalities have no role in this system. Agricultural product markets in the city such as large-scale markets in Tirana, implement the same system of reuse and fees for reuse models in bringing and placing the product on the market.

This reuse model is strictly based on the business benefits and not necessarily on sustainability aspects. It represents a good example of a large-scale reuse model which is used by the farmers and business very regularly and for a very long period. Therefore, crates as a waste are rarely found as the material is very valuable and used for a very long time.

However, opportunities to introduce reuse models exist in other agriculture activities such as the dairy sector. The GIZ Sustainable Rural Development program has already introduced reuse metallic milk containers replacing plastic ones in several dairy businesses in the country.



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Interim conclusion and alternative approaches and their limitations

The models mentioned above represent some consolidated efforts by business sector which provide solid evidence that reuse is present in Albania and there is a business benefit out of it. These businesses build their effort into the interest for sustainable consumption concept and have embraced the international commitments towards sustainable development. Leading businesses mentioned above such as *Hana Corner Café* and *Ada Herbs* which operate under the zero plastic model indicate also a consumer changing behavior towards low or no plastic awareness in society.

Due to limitation in time and scope, this report cannot be considered as fully representing the reuse ecosystem in Albania and Tirana specifically. It indicates that the system is present and other businesses might also implement these models.

During interviews with stakeholders and business representatives met during the assessment and based on the expert's own knowledge, there are other small-scale models in oil processing and packaging, spirits extraction and packaging, jam-packing, home-made fruit processing, etc.

Reuse systems and models are also a practice in offices and institutions which implement sustainable consumption policies. Such an example is the GIZ Offices in Tirana, which has made available water tap refillable containers and designed personal coffee mugs for the staff and has replaced the plastic bottles by installing water filters at the premises, using water pitchers for meetings and personal use.

Big supermarket retail chains and markets have introduced a fee for thicker bags and sell linen and fabric bags. The use of paper bags has also increased and brand clothes retails markets (such as *Zara*, *Pull & Bear*, *Massimo Dutti*, *LC Waikiki*, and many others) sell their specially designed bags for their customers by completely avoiding plastic bags. There are no current surveys about the success of the ban, but in discussions with the markets, consumers have increased the use of personal bags.

The MTE and all partners including NGOs, encourage the use of linen and fabric carrying bags. Several campaigns and events which promote the slogan “*take your own bag*” are organized. Development Cooperation society and projects which operate in Albania such as GIZ, promote the use of personal bags and have implemented projects with specific focus on reuse such the GIZ Marine Litter Prevention Program which has designed special bags for the purpose. Jointly with MTE these bags are handed for free to citizens with the aim to raise awareness and encourage the use of personal bags avoiding use of plastic.

Clothes retails markets (*Zara*, *Pull & Bear*, *Massimo Dutti*), sell their products also via e-commerce. The purchased products are delivered to the customers in cardboard packaging with information on the importance of waste reduction and suggesting reuse of the cardboard for other purposes. However, there is no return system in place. The e-commerce service is not local – the shipment is made directly from EU countries and therefore EU standards apply.

Food delivery became vibrant and common during and after the Covid-19 pandemic. Several (mostly healthy) food delivery companies emerged in the last 3 years which have expanded and extended their services in Tirana. Currently all of these companies use plastic packaging in large quantities, which is not reusable and cannot be used for any other purpose. Customers discard the packaging creating a significant amount of plastic waste.

3.4 Awareness for CE/reuse of private and public sector and general public

CE is a rather new concept in Albania, well known among professionals. As indicated above, the private sector is approaching the model whenever there is a business opportunity or when there is high environmental consciousness at its leadership.

Currently the MTE has established the Circular Economy Directorate which employs 8 persons, organized in two sectors namely 3R and awareness raising. This represents a major shift from a sector to a directorate with a clear vision towards CE which has already started the agenda for the waste prevention, legislation harmonization including CE concepts, new law on EPR and CE Roadmap. CE is a continuous narrative at the level of the ministry and it is promoted and incentivized by the ministry to all public authorities at national and local level as well as through cooperation with business sector.

Further to the ministry, the Municipality of Tirana has established the General Directorate of Environment and Sustainable Development, designs programs in accordance with the implementation of policies or strategies in the field, which aim to address critical environmental issues and optimize existing resources, in building capacities for a sustainable environmental development.

The Directorate of Environmental Policies, Innovation and Intelligent Solutions administers concrete issues and projects and ensures the coordination of new initiatives undertaken in the field of the environment, including water, land, air pollution, acoustic pollution and projects that deal with innovation and smart city.

The directorate is organized in four sectors respectively: Sector of Environmental Management, Circular Economy and Energy Resources; Sector of Innovation, Sustainable Development and Implementation of Smart-City Projects; Sector of Environmental Coverage of the Territory and Environmental Complaints and Environmental Data, Mapping and Reporting Sector.

In regard to the general public, there are no specific studies in Albania on the level of citizens' awareness on CE. The RCC Balkan Barometer 2022¹⁷ on public opinion provides an overview of the perception and readiness of the citizens to approach circular models. According to the barometer on average, a clear majority, 62% of respondents are willing to buy environmentally friendly products even if they cost more. 29%, only 3% more than in 2020, are not ready to do so. Albanian citizens responded positively to the question if they *are ready to buy environmentally friendly products even if they cost a little bit more*. Specifically, 50% of citizens responded that they *tend to agree* and 17% *totally agree*.

When asked to list a few elements that best describe the term "Circular Economy", respondents at regional level, about 77% said they *do not know* what elements CE consist of, while 10% defined it as *recycling of products/waste/plastic*. The picture remains the same for Albania where most of the respondents said that they cannot name it or refused to respond and most of them related it with recycling with only one responded selecting *circular production/system/movement*.

¹⁷ RCC, Balkan Barometer, 2022. <https://www.rcc.int/download/docs/Balkan%20Barometer%202022%20-%20PO.pdf/21e2192c1d34cc6194ecb029d7b5997f.pdf>.

4. Gender equality and women's participation in the Albanian economy

4.1 Legal framework and enabling conditions.

Albania has introduced the principles of equality and non-discrimination for men and women in its constitution and legislation. Albania is part of several conventions and declarations in support of women rights, among which some of the most relevant are: The European Convention on Human Rights and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), the Beijing Declaration and Platform for Action and its additional protocol.

The law 9970, dated 24.7.2008 “On Gender Equality in society” provides the foundations on gender equality in society. This legislation serves as the fundamental basis for establishing explicit gender equality within the legal framework. It not only provides a comprehensive definition of gender equality but also aims to ensure effective protection against all forms of gender-based discrimination. The law outlines specific measures to guarantee equal opportunities for both women and men and delineates the responsibilities of institutions in drafting and implementing policies that support the development and promotion of gender equality within society. Undoubtedly, this law holds immense significance as it plays a pivotal role in advancing gender equality, women's economic empowerment, and fostering women's entrepreneurship.

According to the law's definition, gender equality entails the equitable participation of women and men across all spheres of life, encompassing equal positioning, opportunities, and chances. It ensures that both genders can exercise their rights and fulfil their societal obligations on an equal footing, while also reaping equal benefits from the achievements of societal progress and development.

Article 4. Law 9970, dated 24.7.2008 “On Gender Equality in society”:

Gender Equality is the equal participation of women and men in all areas of life, equal positioning, chances and opportunities, to enjoy the rights and full the obligations in society, benefiting equally from the achievements of its development.



According to a recent study prepared by the Gender Alliance for Development Center (GADC)¹⁸, there is a general lack of studies in gender-related dimensions of entrepreneurship, gender gaps, participation of women in entrepreneurial activities and their performance. Most importantly, although the official figures are rich in business statistics, this is not always the case for official data disaggregated by gender.

¹⁸ GADC Albania 2023: Assessing the Environment for Women's Entrepreneurship: A Survey on Women Entrepreneurs in Albania. <https://www.gadc.org.al/media/files/upload/Study%20women%20in%20business.pdf>.

Based on limited available studies analyzed by the report, some key drivers and barriers affecting women entrepreneurs can be identified as follows:

Drivers:

- Need for additional income for themselves or their families.
- Desire for freedom and control in decision making.
- Availability of insurance, safety nets, savings, and investments as supportive factors.

Barriers:

- Societal expectations and gender roles that limit women's opportunities in entrepreneurship.
- Multiple and simultaneous roles held by women within society, leading to delayed entry into entrepreneurship.
- Limited ownership rights and lack of collateral, hindering access to finance and resources.
- Dual responsibilities in the household, making it challenging to balance work and family obligations.
- Contextual barriers that limit women's earning ability and business opportunities.

Considering female entrepreneurship is key to the country's development, the Albanian government has adopted several key strategic documents alongside the action plans drafted and implemented aiming to reach strategic objectives. These strategic documents include the National Strategy on Gender Equality, Business and Development Strategy, National Strategy on Social Protection, National Employment and Skills Strategy etc.

4.2 Challenges for implementation

Considering an equal opportunities legislation in Albania, both man and women encounter shared challenges for starting and running a business, legally and inspirationally. The recent survey conducted by the GADC¹⁹ illuminated the gender-related dynamics in this landscape. The findings indicate that 44.1% of businesses answered that being a woman, did not influence their ability to get a loan, 23.5% remain uncertain while 32.4% affirmed that gender indeed has influenced loan accessibility.

Despite these challenges, the report also reveals that 91.5% of women entrepreneurs feel they have solid access to the Albanian market. However, the remaining 8.5% face challenges like purchasing power, information gaps, advertising limitations, lower demand, and competition. Notably, businesses in retail and wellness services express positive market access perceptions.

Nevertheless, the report's findings emphasize the enduring stereotypes in Albanian culture, particularly affecting women entrepreneurs. 45% of businesswomen encountered stereotypes from various sources: friends, family, business partners, colleagues, potential investors, and media.

The surveyed women entrepreneurs indicated that potential investors often believe "*business management is incompatible with motherhood*". Similar stereotypes were encountered from business partners, colleagues, and the media. Additional statements included notions like "*women lack the mindset for business*" or "*women lack the determination for entrepreneurial success*".

Addressing these persistent challenges and fostering an environment inclusive to women's entrepreneurship requires a multi-dimensional approach. The survey summarizes by outlining strategic actions and recommendations at different levels to promote gender equality and empower women in entrepreneurship. The following box provides the key takeaways from the survey at the level of entrepreneurship and skills.

¹⁹ GADC Albania 2023: Assessing the Environment for Women's Entrepreneurship: A Survey on Women Entrepreneurs in Albania. <https://www.gadc.org.al/media/files/upload/Study%20women%20in%20business.pdf>.

Women-led Entrepreneurs Takeaways²⁰

- Women entrepreneurs peer awareness raising should be explored as a tool for mentoring, networking and increased engagement of women entrepreneurs in gender-positive policies in and out of their business. Build upon the power of networking, becoming a strong stakeholder to the public.
- Women's Empowerment Principles should be promoted for companies to enroll and initiate a process of having gender equality among their strongest guiding principles.

Capacity Building and Training Needs Takeaways

- Initiatives supporting training of women in business should continue. Additional training should be developed free of charge to introduce women entrepreneurs or aspiring entrepreneurs with basic know-how on HR policies, financial management of a business and personal finances.
- Awareness on positive impact of digital services, alongside training will be crucial to ensure that women-led businesses, particularly small ones, are not strongly affected by technological changes.

4.3 Analysis of women representation in the (circular) economy sector and the potential for supporting women in the reuse sector in Albania

There are no specific data on women in circular business. However, during the preparation of this study about nine business representatives, which implement reuse systems, were contacted and most of them were either led or managed by women. In more than two cases, namely *Ada Herbs* and *Hana Corner Café* the initiative was specifically started by women with environmental consensus.

Further the Director for Circular Economy at the MTE and the General Director for Environment and Sustainable Development at the Municipality of Tirana, are women.

The most prominent women led organization which engages women entrepreneurs in different sectors including those working in sustainable consumption is the Women's Economic Chamber. This chamber is an initiative designed to respond to the needs of women entrepreneurs in Albania, who according to studies still have difficulties in accessing finance and decision-making.

The chamber aims to bring the opinions, concerns, challenges, difficulties of women entrepreneurs. It also aims to further motivate women through achievements and success stories.

Based on the motto "A stronger woman in the economy brings prosperity to the family and society", this chamber will have as its main goal the protection of the economic and social interests of entrepreneurial, professional and self-employed women from all sectors of the economy, providing promotional and development services with training and mentoring, national and regional collaborations, establishing a network of women entrepreneurs, information and support with projects and consultancy.

²⁰ GADC Albania 2023: Assessing the Environment for Women's Entrepreneurship: A Survey on Women Entrepreneurs in Albania. <https://www.gadc.org.al/media/files/upload/Study%20women%20in%20business.pdf>.

Albanian Investment Development Agency (AIDA) supported this important initiative for the country's economy and development, as well as invites all female entrepreneurs in Albania to become part of the Women's Economic Chamber to influence each other's development.

Currently the chamber has 120 members which contribute to a structure forming 10 committees, respectively: Media and Communication Committee; Committee on Laws and Taxes; Social Affairs Committee; Agriculture sector Committee; Tourism Committee; Committee of the construction, infrastructure, energy sector; Food Industry Committee; Services sector Committee; Innovation and technology Committee; and Textile Industry Committee.

The chamber and its members are active in engaging in sustainable developed activities such as healthy food and waste prevention.

Recently (2023) the Women's Economic Chamber with the support of the Embassy of Israel in Albania has launched the project "WOMEN INNOVATIVE START-UPS".

The main goal of this project is to encourage and promote entrepreneurial women and girls, or those who aspire to be involved in entrepreneurship, by organizing a "start-up business" competition exclusively for these girls and women. This project also aims to provide a platform through which women and girls can showcase their business ideas, for which they will receive guidance and support from experienced entrepreneurs and business leaders in Albania and Israel²¹.

4.4 Barriers for female economic participation (in reuse solutions)

Generally, there are no specific barriers for women participation in reuse business directly or transforming their businesses in reuse models. As mentioned above, the businesses met during this assessment (not intentionally picked for gender aspects) are women led and/or managers were women. Specifically, the leading one *Ada Herbs* and *Hana Corner Café* are businesses started by women which had a high commitment towards sustainable development and no plastic concepts.

Under section 4.1 of this report, are listed barriers, which affect women in doing businesses and remain a challenge for the business environment in Albania. These barriers apply generally to the reuse systems but not specifically.

²¹ Dhoma Ekonomike e Gruas, "Women Innovative Start-ups": [https://weca.al/en/women-innovative-start-ups/](https://weca.al/en/women-innovative-start-ups/Application%20form%20for%20businesses)
Application form for businesses <https://weca.al/wp-content/uploads/2023/06/THIRRJE-PER-APLIKIM.pdf>.

5. Conclusions

This report already provides some conclusions and recommendations throughout subchapters.

1. Currently there are no specific reuse policies in place in Albania. However, starting year 2024 a Waste Prevention Plan is envisaged to be drafted by the MTE with EU financing.
2. There is already in place an enabling institutional framework for CE in Albania and city of Tirana. A newly established CE directorate is formed within the MTE with a sector on 3R, responsible to shift the CE agenda of Albania. Further, a Sector of CE within the General Directorate for Sustainable Development is formed under the Municipality of Tirana. This department is directly in charge for forming policies on CE though planning and innovation.
3. CE in general and reuse is at very early stage in Albania. However, being an EU continent country, together with its good, Albania is also importing the CE packaging change happening in Europe. This change is found naturally in markets where a large number of products are coming with the refill concept.
4. Reuse models are present in Albania. They are found all around four concepts of reuse in small and large scale. In recent years the reuse models have expanded, and the interest is growing aligned with an increasing number of more environmentally aware consumers.
5. Most of the reuse models are found in the city of Tirana, which holds the major number of business activity and is a leading city in innovation.
6. Most of the businesses contacted state that the introduction of the reuse models is based on their concept for sustainability which they plan to keep on besides challenges they face being the pioneers of this change.
7. In general businesses are not able to conclude clear challenges they face in introducing the reuse models. However, some of the challenges presented are related to the lack of supply (specific packaging for reuse and continuous availability), knowledge and skills on product lines that can be changed to reuse, financing for installing cleaning/sanitizing systems and a business concept which would mitigate the increased costs occurring in reuse models.
8. Contacted businesses recognize the role of the municipality in policy development, introduction of incentives and financing opportunities, but at the moment remain if this support could be materialized. Trust needs to be built in this respect.

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