



## **Intended Nationally Determined Contribution (INDC) of the Republic of Albania following decision 1/CP.19 and decision 1/CP.20**

This document presents Albania's Intended Nationally Determined Contribution following decision 1/CP.19 and decision 1/CP.20 of the United Nations Framework Convention on Climate Change (UNFCCC), which invited Parties to communicate the UNFCCC Secretariat their INDCs, with the aim to achieve the ultimate objective of the UNFCCC as set out in Article 2 of the Convention.

Albania is a developing country with a per capita GDP of 10 thousand USD. Its total greenhouse emissions are relatively low (8,4 M tons in 2009, of which roughly 60% is of the CO<sub>2</sub> emissions) it is aiming to take its fair share from the efforts to avoid dangerous climate change. The country has unique emission profile as its electricity generation is based on renewable source generation at currently, with hydro power providing dominant part of it. Unfortunately, this hydro power capacity is vulnerable to climate change impacts. The unique electricity mix of Albania is positive in the sense that electricity system is on a level of decarbonisation what other countries aim for only on the long term, but it also means that there is limited opportunity for further policies and measures in this sector to reduce emissions. Maintaining the low greenhouse gas emission content of the electricity generation and decoupling growth from increase of greenhouse gas emissions in other sectors are the primary drivers of the country regarding mitigation contribution as its INDC. Having high uncertainty of data regarding non CO<sub>2</sub> greenhouse gases results that Albania is to provide its INDC regarding CO<sub>2</sub>. If data quality of non-CO<sub>2</sub> greenhouse gases improves, Albania intends to expand its INDC to other greenhouse gases as well.

The INDC of Albania is a baseline scenario target: it commits to reduce CO<sub>2</sub> emissions compared to the baseline scenario in the period of 2016 and 2030 by 11.5 %. This reduction means 708 kT carbon-dioxide emission reduction in 2030.

The emission trajectory of Albania allows to have a smooth trend of achieving 2 tons of greenhouse gas emissions per capita by 2050, which can be taken as a target for global contraction and convergence of greenhouse gas emissions. In the following additional information is provided regarding the INDC in order to facilitate clarity, transparency and understanding.

<b>Mitigation contribution of GHG emissions</b>	
Type	Baseline scenario target: a reduction in GHG emissions relative projected future emissions
Gases covered	Carbon Dioxide (CO <sub>2</sub> )
Target year	2030
Baseline	Business As Usual scenario of emissions projections based on economic growth in the absence of climate change policies, starting from 2016
Sectors covered	The INDC covers the following sectors of the greenhouse gas inventory: <ul style="list-style-type: none"> <li>• Energy</li> <li>• Industrial processes</li> </ul>
Planning process	<p>Planning process of the INDC included the review of available data and modelling work applicable to greenhouse gas reduction pathway as well as consultations with government stakeholders as well as with the public.</p> <p>The scenarios for the INDC were developed taking into consideration draft of the 3rd National Communication of Albania and all available scenario development work related to greenhouse gas emissions.</p> <p>Within the preparation process of the INDC it became clear that significant data uncertainty exist regarding the emissions of greenhouse gases other than CO<sub>2</sub> and in sectors outside of sectors covered by the INDC. Improvements were made on existing modelling work and the scenarios presented are result of this work.</p>
Participation in international market mechanism	Albania intends to sell carbon credits during the period until 2030 to contribute to cost-effective implementation of the low emission development pathway and its sustainable development. Albania foresees that for the utilization of international market mechanism is conditional on having effective accounting rules developed under the UNFCCC to ensure the environmental integrity of the mechanisms.
<b>Fairness, equity, ambition and Means of Implementation</b>	
Fairness, equity and ambition	<p>Albania is a developing country, highly vulnerable to the effects of the climate change. National emissions of the greenhouse gases represent only 0,017 % of global emissions and the net per capita GHG emissions Albania was 2.76 tCO<sub>2</sub>e which is less the a quarter of emissions of high-income countries. .</p> <p>Albania will take into account the ultimate objective of the UNFCCC in its future development and committed to decouple greenhouse gas emissions from its economic growth and embarks on a low emission development pathway.</p>

	The INDC submitted by Albania is fair and ambitious because it aims to secure limited increase of its greenhouse gas emissions while it the country pursues a strong economic development pathway. Moreover, the pathway allows on long term for the convergence of Albania's per capita emissions to the 2 ton/capita level.
Means of implementation	<p>The results of the preparation of the INDC will be reflected in the Third National Communication of Albania and also will form the basis of the Environmental and Climate Change strategy which is in preparation. Development of the strategic directions for energy and transport sectors will take into consideration the INDC.</p> <p>Coordination of activities in relation to the strategy is foreseen to be coordinated by the Ministry of Environment which is the chair of the inter-ministerial body on Climate Change.</p> <p>Albania also transposes and implements parts of the EU legislation, including legislation on climate change and builds capacity for its implementation which supports its ability to reduce greenhouse gas emissions.</p> <p>Albania is a contracting party of the Energy Community Treaty which aims to extend the EU internal energy market to South East Europe and beyond on the basis of a legally binding framework. The overall objective of the Energy Community Treaty is to create a stable regulatory and market framework which also includes legislation aiming to reduce greenhouse gas emissions.</p>
<b>Key Assumptions</b>	
Metric Applied	The metric used for the GHG emissions is the Global Warming Potential on a 100 year timescale in accordance with the IPCC's 2nd Assessment Report
Inventory methodology	IPCC 2006 Guidelines
Approach to accounting for agriculture, forestry and other land uses	Greenhouse gas emissions and removals from agriculture, forestry and other land uses are currently not included in the accounting. Emissions and removals from these sectors can be included in the INDC at a later stage when technical conditions allow for that.

Having relatively high uncertainty regarding emission data in the LULUCF sector and non-CO2 greenhouses gas emissions and removals Albania reserves its right to review its INDC until 2020 upon the availability of more accurate data and improved technical conditions regarding land use, land use change and forestry as well as non-CO<sub>2</sub> greenhouse gases and include it in its nationally determined contribution.

If the agreement or related COP decisions are amended before their entry into force in such a way that they include rules or provisions that in effect alters the assumptions under which this INDC has been developed, Albania reserves the right to revisit the INDC.

Albania requests the UNFCCC Secretariat that this submission is published on the UNFCCC webpage and that our INDC is included in the synthesis report to be prepared by the Secretariat.