CURRENT STATE OF GENDER IN THE ENERGY SECTOR IN ALBANIA

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GENDER AND SOCIALLY JUST ENERGY COMMUNITIES IN ALBANIA

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SUMMARY

This report offers a comprehensive analysis of gender aspects in Albania's energy sector and explores the potential for a gender and socially just energy transition. Drawing on insights from a wide-ranging survey involving stakeholders at various levels, including energy agencies, utility companies, NGOs, etc., it provides a detailed examination of current challenges and future opportunities.

Current State of Gender Equality

Albania's energy sector heavily relies on hydropower, constituting around 90% of its electricity generation. However, the sector faces significant challenges, notably water scarcity due to climate change. Despite these challenges, gender considerations are often overlooked in national energy policies, with women representing only about 27% of the workforce. Factors such as historical norms and lack of targeted initiatives contribute to this disparity. Nonetheless, there is a promising trend with a growing presence of women in leadership roles, suggesting potential progress towards gender equality. The sector is witnessing a gradual shift towards renewable energy sources, driven by environmental concerns and technological advancements, which presents opportunities for a more inclusive energy landscape.

Potential of a Gender- and Socially Just Energy Transition

To ensure sustainability and security, Albania needs to diversify its energy sources, embracing solar and wind energy. Renewable energy projects not only offer environmental and economic benefits but also have the potential to empower women and promote social justice. Through targeted financial support, policy incentives, and educational opportunities, Albania can foster a more inclusive energy sector that benefits all members of society. Initiatives such as financial assistance to female project developers, tariff incentives, and increased access to training programs can facilitate this transition towards a gender and socially just energy sector. Moreover, promoting women's leadership and participation in decision-making processes within the energy sector can enhance diversity and contribute to more effective and equitable energy policies. Albania stands at a critical juncture in its energy transition journey, with opportunities to address gender disparities and promote social inclusion. By integrating gender perspectives, fostering women's participation, and supporting initiatives that empower women in the energy sector, Albania can pave the way for a more sustainable and equitable energy future.

INTRODUCTION

The results of this report are based on a wide-ranging survey to provide a status quo of Albania's current state of gender aspects in the energy sector. Further on, the report presents the potential of a gender- and socially just energy transition and prosumer concepts.
The survey included relevant energy stakeholders in and outside Albania, representing a broad scale of institutions from local to national level. The following table gives an overview of the participating stakeholders.

Table 1: Stakeholders participating in the survey

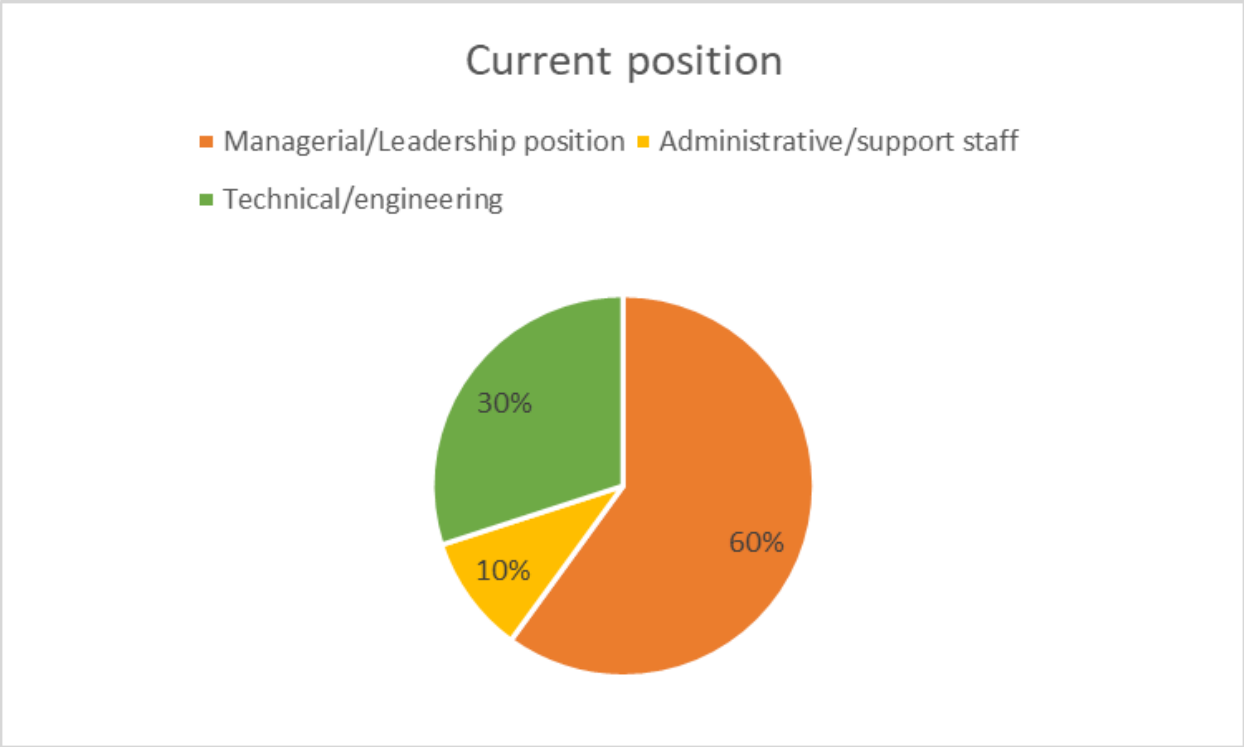
Decision Makers (national and regional)	Energy Agencies	Utility Companies	NGOs	International Projects in Albania
Ministry of Infrastructure and Energy Municipality of Vlora Municipality of Vora	Energy Regulatory Entity Albanian Energy Efficiency Association	Albanian Power Corporation Transmission System Operator (OST)	Environmental and Territorial Management Institute Resource Environment Center	GFA (Center in Hamburg)

The survey structure was – similar like this report – structured in two parts, while the first part focused on the status quo on gender equality in Albaniaś energy sector. The second part analyzed the potential of a gender- and socially just energy transition. Thereby the drivers for gender equality, the potential of prosumer concepts and the potential for democratization of energy supply were elaborated.

As background information it is pivotal to know that Albania has in recent decades heavily relied on its abundant hydro resources to meet its energy needs. While hydroelectric power has been a dependable source of energy for Albania, providing significant contributions to electricity generation, it also exposes the nation to vulnerabilities such as fluctuating water levels due to climate change and seasonal variations. These factors underscore the imperative for Albania to diversify its energy portfolio. While hydroelectricity remains a cornerstone of Albania's energy sector, expanding into other forms of renewable energy, such as wind and solar power, is essential for ensuring energy security and sustainability. Moreover, the democratization of the energy sector is crucial for Albania's sustainable development. At present, municipalities in Albania often lack comprehensive knowledge and expertise in the energy sector, limiting their ability to actively participate in decision-making processes regarding energy policies (Municipal Energy and Climate Action Plans) and projects.

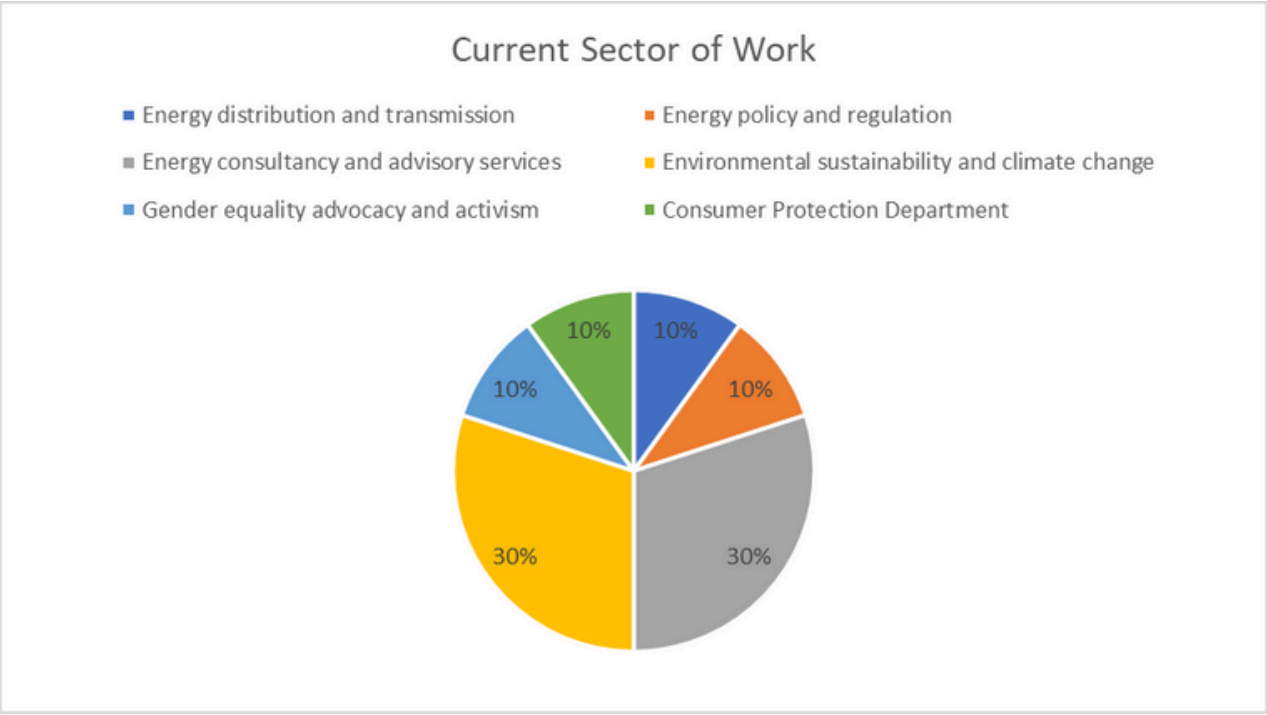
Before presenting the results in the upcoming chapters a detailed description of the survey participants is provided here. In total 10 participants (n=10) filled in the survey, with a gender ratio of 60% women and 40% men. The current position participants holding (figure 1) were mainly managerial or leadership positions (60%) followed by technical or engineering positions (30%) and administrative or support staff (10%).

Figure 1: Current position of survey participants



The current sector of work/expertise was mainly in the environmental sustainability and climate change as well as in the energy consultancy and advisory service sector (both 30%). Further sector of work/expertise were evenly distributed with representation of one person out of the gender equality advocacy sector, the consumer protection department, the energy distribution and transmission sector and energy policy and regulation sector (figure 2).

Figure 2: Current sector of work/experience of survey participants



STATUS QUO ON GENDER EQUALITY IN ALBANIA´S ENERGY SECTOR

Overview

Albania is working towards the implementation of the EU acquis in the energy sector[1], including liberalizing its internal energy market, diversifying its renewable energy production to decrease its dependence on hydropower, tackling climate change, increasing energy efficiency and promoting trans-European and trans-regional networks (European Commission, 2020b and 2021c).

The major national legislation for the energy sector includes the following:
-Law on the ratification of The Energy Community Treaty (2006) which provides a legal framework for convergence with the EU energy acquis.
-Law No. 43/2015 on the Power Sector,
-Law No. 124/2015 on Energy Efficiency,
-Law No. 24/2023 on Promoting the Use of Energy from Renewable Sources

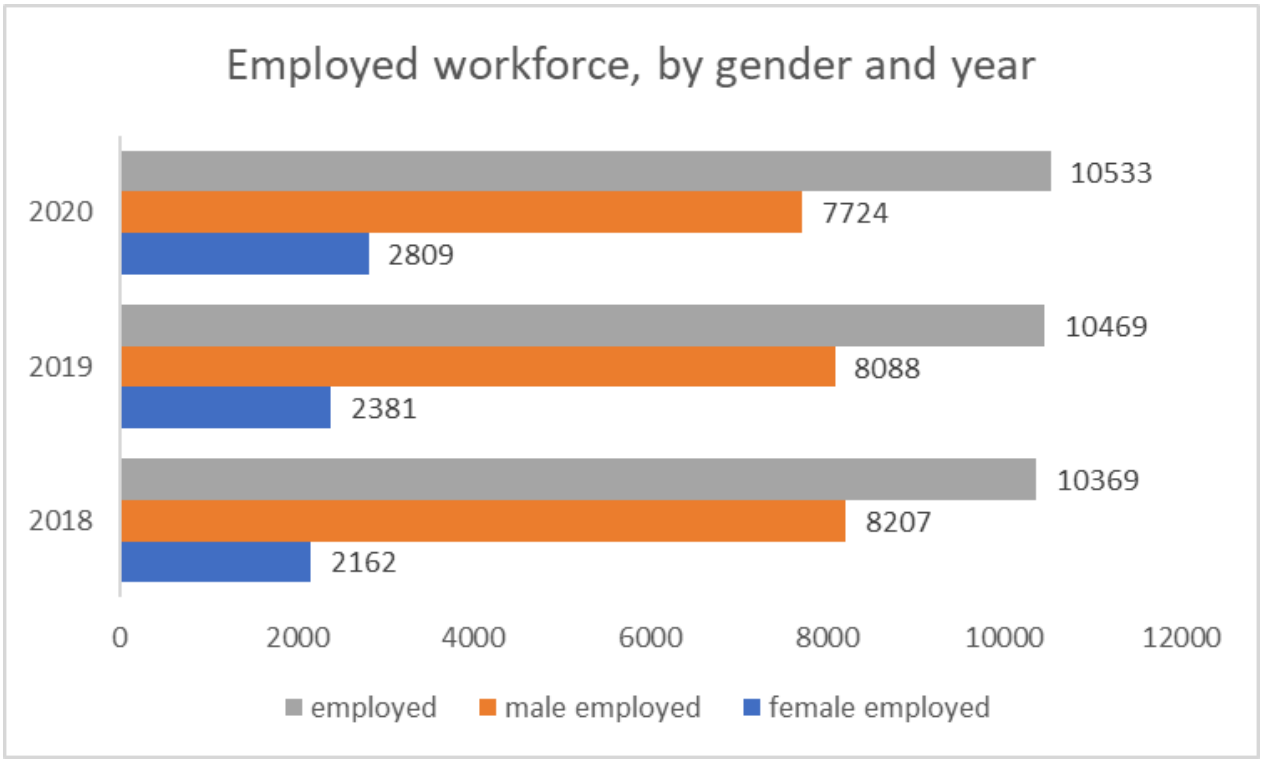
Energy is fundamental in the Economic Reform Programme (ERP) 2021-2023 whose goal is to enable sustainable growth, increase employment and reduce public debt.[2]
In its National Energy Strategy (NES) for 2018-2030 the government defines the country's energy strategy in accordance with other national policies and strategies and the EU Green Deal's objectives. The NES states that the energy sector can be a sustainable source of growth for the country over the short- to medium- and long-term. Electricity imports (around 30% of the annual consumption/need) remain high and call for better utilization of all potentially available energy sources. Basically, Albania has the potential for increasing the amount of electricity produced domestically and therefore decreasing necessary energy imports. In the last years Albania has seen huge improvements in the approach towards renewables.

Historically, the only policy of developing new production capacities has been in the hydro power sector, and this has been at huge environmental cost and increased the dependency on climate and lowered security of supply.
Diversifying the portfolio is the main strategy of the Albanian Power Cooperation by spearheading the process to green energy with different technologies and eliminating any downsides. The energy policy of Albania includes the promotion for the use of renewable energy sources beyond hydropower due to the significant potential the country has for photovoltaic and wind energy production, and its favorable geographical position, climate conditions and high intensity of solar radiation for the use of solar energy.
Almost all participants (90%) have admitted that the shift towards renewable forms of energy is already happening, and which is seen as an inevitable outcome for the future due to the fact that it decreases dependency from already stressed resources, is more economically efficient in the long run despite significant upfront cost and people are already reaping benefits of solar energy in Albania. But on the agenda of the government are also conventional sources of energy, tapping and exploitation of the country's oil and gas potential, by investing in the respective infrastructure - as mentioned by one of the participants.
Further on, Albania has ratified the United Nations Framework Convention on Climate Change (UNFCCC). It is a party of the Kyoto Protocol of the UNFCCC and has signed the Paris agreement. The Government of Albania approved the National Strategy for Climate Change (2019-2030) in 2019 and Law No. 155/2020 on Climate Change in 2020. Albania's revised National Determined Contribution was submitted to the UNFCCC in 2021 and includes actions on gender and adaptation.[3] The country has confirmed its commitment to the Agenda 2030 and the achievement of the UN SDGs.
Despite including gender aspects in the National Determined Contributions, Albania has issued its National Energy and Climate Plan (NECP) for the period 2021- 2030[4], without addressing gender issues (gender neutral)[5]. Moreover, the energy sector lacks a national gender action plan. In this regard, the National Strategy for Gender Equality (NSGE) calls precisely for the inclusion of specific gender equality objectives in environmental strategies and action plans, pursuant to the RIO Conventions, Multilateral Environmental Agreements, and gender mainstreaming in all project documents to be further developed.

Gender and employment in the energy sector

Despite the vast opportunities the energy transition presents for both female and male professionals, the energy sector remains largely a male-dominated industry at global level and lags regarding gender equality within its workforce. According to the Albanian Institute of Statistics (INSTAT) the electricity sector in Albania represents around 10,000 employed people whereas 73% of the workforce in the electricity and gas supply sector are men compared to 27% women (as indicated in Figure 3). This disproportion in gender equality is mainly related to demographic, social and cultural factors that affect the population's participation in those areas in the workforce. In the past energy producing plants required mostly hard physical work based on old technology. Due to the mentality, female employment is greatly reduced in the remote locations where the production units are located and the job positions are oriented more by men such as: Turbine-worker, diver, pump-operator or electrician. Also, the pool of engineers in higher education institutions is mostly dominated by males because of the aforementioned reasons. However, with technological breakthroughs and infrastructure investment in the renewable sector, opportunities for gender just employment are improving.

Figure 3: Employed workforce in Albania, by gender and year (electricity and gas)
Source: INSTAT, Economic indicator by economic section



Taking a deeper look at the gender distribution in the energy sector, it is on a positive note that almost 65% of the working positions in the Energy Regulatory Authority (ERE) consist of women, some of whom hold leadership positions and key roles in the institution's progress and decision-making.[6]
But in the energy transmission or distribution sector, both public and private, women are mainly involved in administrative positions and few women are involved in decision-making structures.
Technical nature of work tasks on the field, for all energy subsectors are more inclined to look for and orient themselves towards the male gender. Nevertheless, in Albania there are several women entrepreneurs who are leading Solar PV companies, and they are running successfully. The role of women in the energy sector is growing and is quite optimistic.

Education and wages

Attracting young female and male talents into technical occupations, reskilling employees, as well as developing the local expertise of women and men, are important to avoid possible skill gaps.
The share of males and females having a STEM or technical vocational and education training background varies according to entities. In the Ministry of Infrastructure and Energy (MIE) are more women with a STEM degree than men within the workforce (18% and 13% respectively). In ERE, the opposite occurs with 13% of male employees who studied STEM versus 2% of female employees. In the power production companies, KESH and Statkraft Albania, less than 10% of women hold a STEM or VET degree in the total workforce compared to above 40% of men.
According to INSTAT, the average monthly wage in the electricity, gas, steam and air-conditioning supply sector was ALL 53,510 in 2020. INSTAT (2021) mentions a gender pay gap of 8.2% for the “Mining and quarrying, electricity, gas and water supply” economic activity (no disaggregated data are available for the electricity industry).[7]
It should however be noted that public entities’ employees’ salaries are based on the civil servants’ wage structure and there is no gender imbalance. Salary levels appear to differ between the national public energy authorities and the private power companies. The latter are considered higher wages and benefits, but less convenient working hours and limited job security.

Regarding the research and innovation roles in renewable energy sources, 50% of the interviewees are not sure if there are gender disparities. But the RE sector (except hydro) is too underdeveloped in the country to consider gender disparities. Innovation is making the sector attractive not only for business investments, but also for women for the opportunities that are being offered. Further 20% of the interviewees think that there is a gender disparity due to the high number of male engineers compared to the female engineers in the energy sector. And a minority of 10% think that since innovation and new projects are based on a collective effort of different backgrounds there are no noticeable gender disparities. Due to the largely agrarian nature of rural development in Albania, the gender component may play a significant role in the future education and use of agrivoltaics. Women in many farming communities are already beginning to become accustomed to such renewable sources of energy.

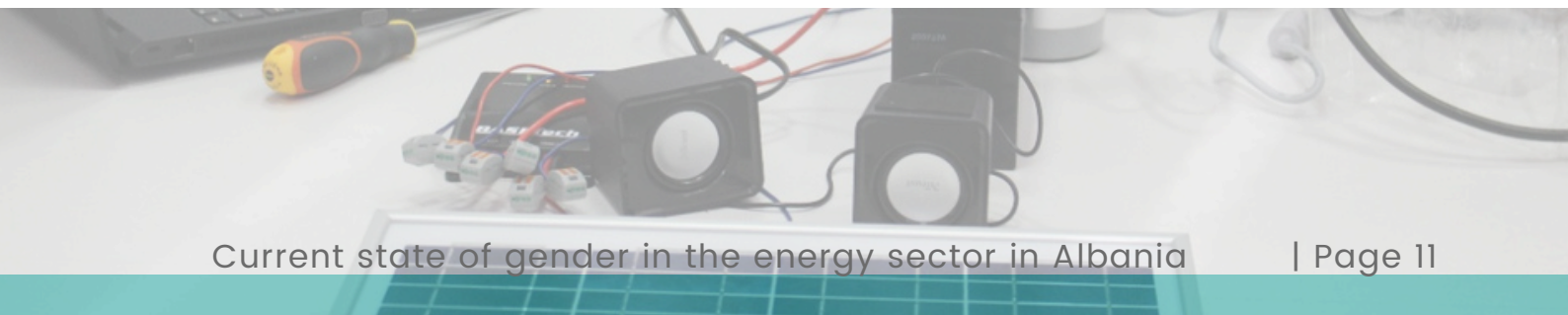
Workplace policies and programs

There is no dedicated gender action plan for the energy sector in Albania. All institutions and companies are bound by the existing legal and policy framework related to gender equality, non-discrimination, harassment, etc.

The 30% gender quota foreseen in the Law on Gender Equality is thus applicable in public administrations but whereas the law provides sanctions in cases of gender discrimination, it is not the case for the non-realization of the gender quotas in public administration.[8]

Energy Companies have zero tolerance for discrimination and harassment, this forms part of their core principles embedded in their code of conduct, ethics code, collective labor agreements or human resource manual. The training programs they offer are gender neutral according to merits and/or annual performance assessment.

Energy companies – as pointed out in the survey – are committed and focusing on cultural and organizational changes to reduce gender inequality. They are trying to close the gender gap and make their workplaces truly inclusive. It is not enough to simply hire more women, although that is a start. They are ensuring that their internship programs are attended by female and male students or graduates. It is not clear whether there are any specific agreements with engineering faculties/vocational education and training institutions providing for



special measures to attract female engineering or technical students/graduates to these programs.

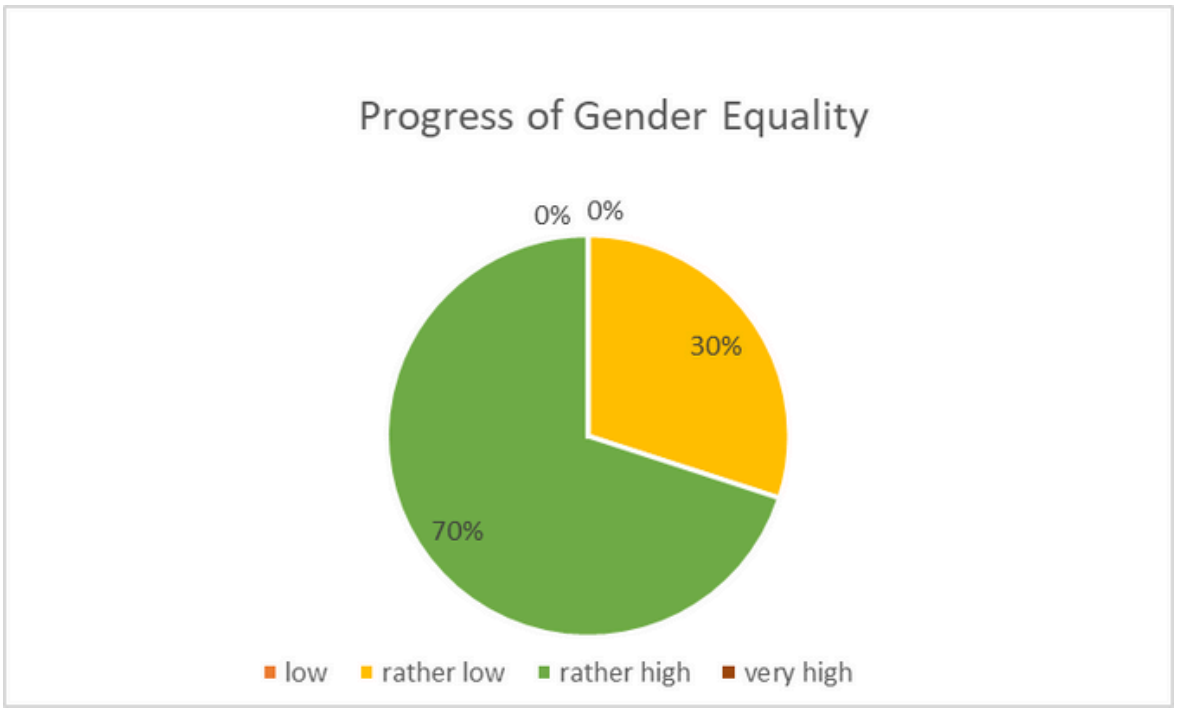
Budget and tender policies

50% of the people interviewed doubt that the budget programs are gender aligned. According to them budget programs do not align with gender targets in the energy sector, because the projects in the energy sector are considered gender neutral. The same applies for tender procedures. 30% of the interviewees think that budget programs align with gender targets especially on capacity building, because training needs and gender objectives are addressed by career development and training departments.

Progress in terms of gender equality

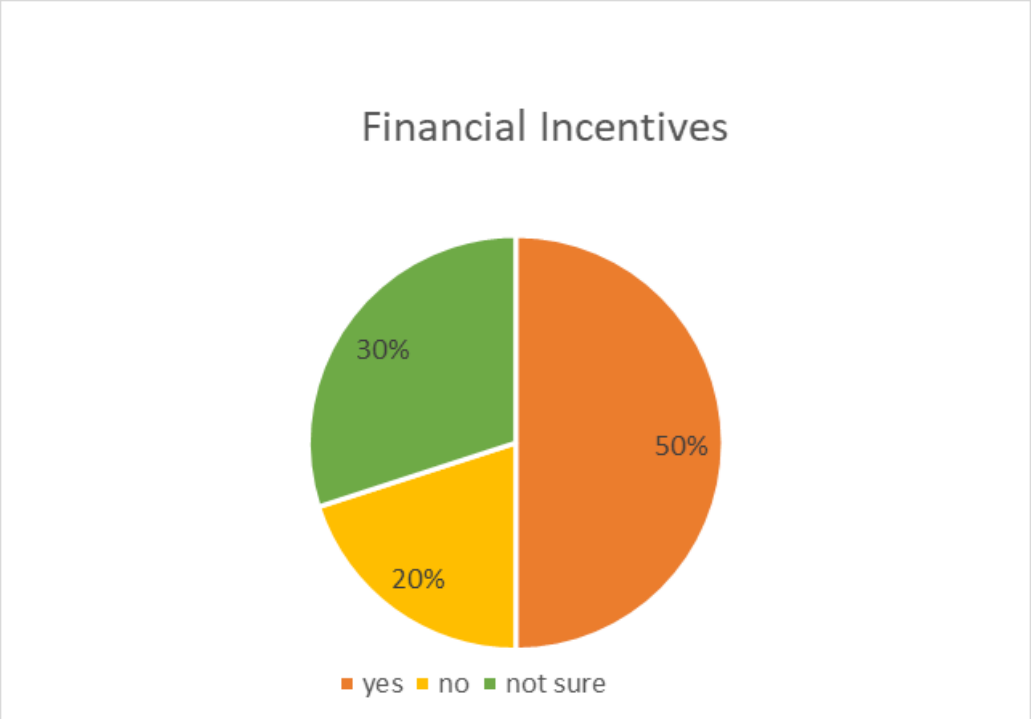
70% of the interviewees think that there is rather high progress in terms of gender equality relying on the number of women entrepreneurs in the energy sector, which is growing. Women involvement in the decision-making process of the sector has increased during the last years. On the contrary 30% of the interviewees think that progress is rather low based on the low interest of women in getting involved in this sector and taking into consideration their academic profile.

Figure 4: Progress of Gender Equality in the energy sector



Having a look at non-monetary incentives 60% of the interviewees do not think or are not sure if these incentives to encourage women to work within the energy sector are in place. It is a grey area that should be further investigated. A further 40% think that the sector in general offers only short-term incentives such as networking and training.

Figure 5: Financial incentives as support for small-scale RES and gender-sensitive technologies



Financial incentives, e.g. micro-credit schemes and other creative alternative funding mechanisms, exist to support small-scale RES, but are not well related to gender. The EU is also offering financial support through projects under implementation for SMEs in RES (for example support to women-founded and women-led enterprises with a low carbon footprint). This could be also seen in Figure 5 where 50% of the interviewees admit the existence of financial incentives as a support for small scale RES. The other 50% either don't know or are not sure about the fact.

POTENTIAL OF A GENDER- AND SOCIALLY JUST ENERGY TRANSITION

This section focuses on the potential of a gender- and socially just energy transition where our survey results point out the need for a multifaceted approach. From governmental policies to public awareness campaigns, and from educational initiatives to fostering equal advancement opportunities, addressing gender disparities requires comprehensive strategies.

Factors for gender equality

The following factors are seen as essential drivers for achieving gender equality in the Albanian energy sector:

- Government Policies as the Foundation

Policies originating from government bodies, particularly those by the Ministry of Infrastructure and Energy, serve as the cornerstone for promoting gender equality. These policies, when legally binding, establish a framework for enforcing rules and procedures that ensure fairness and equal treatment within the sector.

- Public Awareness and Advocacy

Raising public awareness is essential to garner support for gender equality initiatives. Advocacy efforts play a crucial role in highlighting the importance of achieving pay equity, providing equal advancement opportunities, and standardizing promotion processes within the energy sector. By engaging the public, support for gender equality can be amplified, driving societal change.

- Educational Initiatives

Education emerges as a key driver for achieving gender equality in the energy sector. Universities and educational institutions offering energy-related degrees should prioritize the inclusion of women. Government incentives can further encourage women's participation in energy education, paving the way for increased representation in the sector.

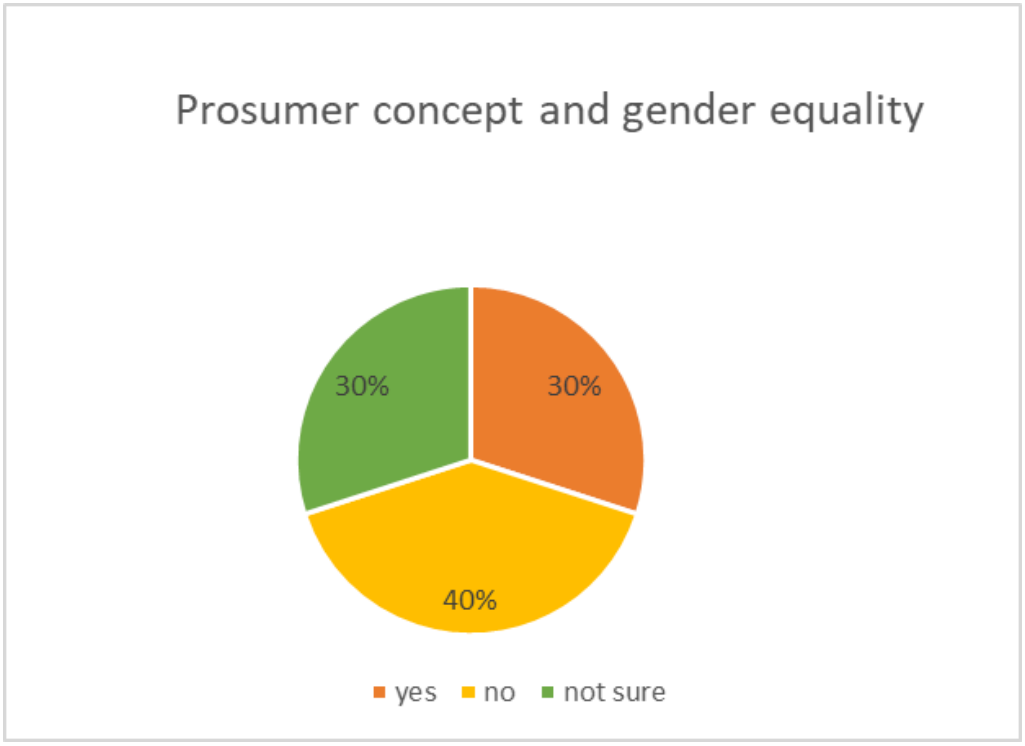
- Equal Advancement Opportunities

Creating a workplace environment that offers equal advancement opportunities regardless of gender is paramount. Implementing fair and transparent compensation programs ensures that employees are rewarded based on merit rather than gender. Continuous training programs play a vital role in educating employees about gender inequalities and fostering inclusivity within the workplace.

Prosumer Concepts and Gender Equality

The role of prosumer concepts in promoting gender equality was not seen as guaranteed as Figure 6 demonstrates. 40 percent of survey participants negated the potential, 30 percent agreed while a further 30 percent were not sure.

Figure 6: Prosumer concept as potential to promote gender equality in the energy sector

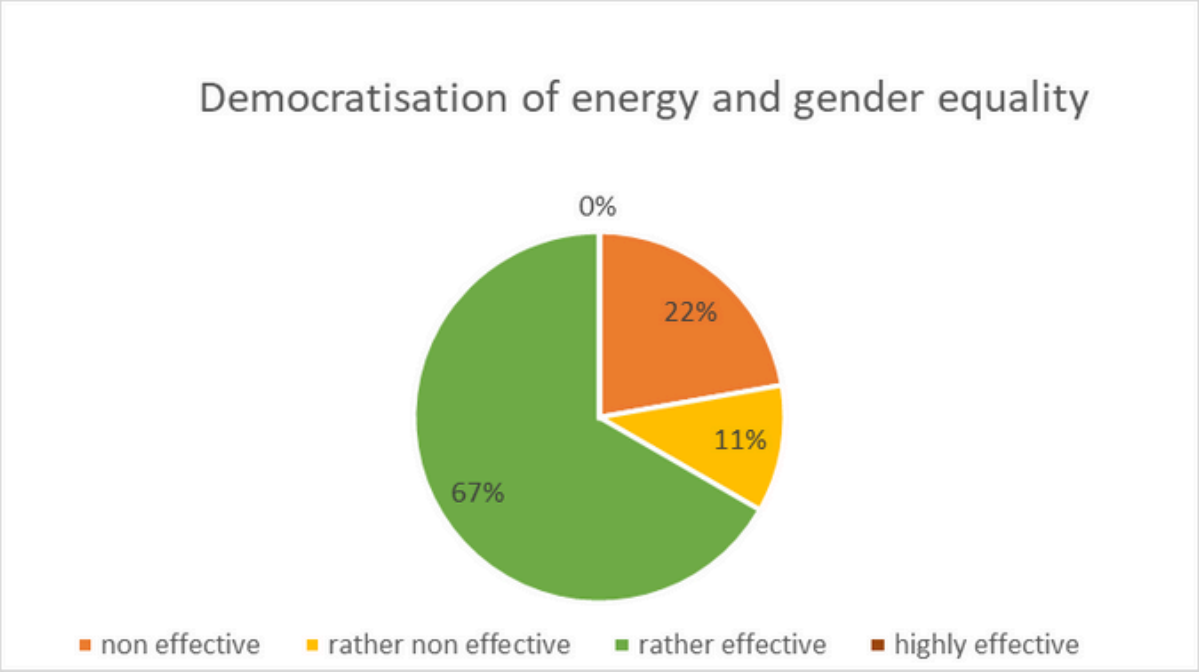


Survey participants who were negating the potential argue with a missing "correlation between being a prosumer and expanding opportunities to promote gender equality" and evaluate the prosumer concept rather gender neutral or see potential in the energy sector but not in the electricity sector. On the other hand, prosumer concepts are seen as promotion of gender equality due to the enhancement of substantive and procedural rights. In particular renewable forms of energy are conducive in this case but with tailored policies and regulatory interventions to foster these outcomes.

Democratization of Energy Supply

The democratization of energy supply was seen mainly rather or highly effective to contribute to gender equality in the energy sector. By providing equal access to energy resources and opportunities, marginalized groups, including women, can participate more actively in the sector. The energy transition presents a unique opportunity to address current gender imbalances by embracing inclusive policies and practices.

Figure 7: Impact of the democratisation of energy supply on gender equality



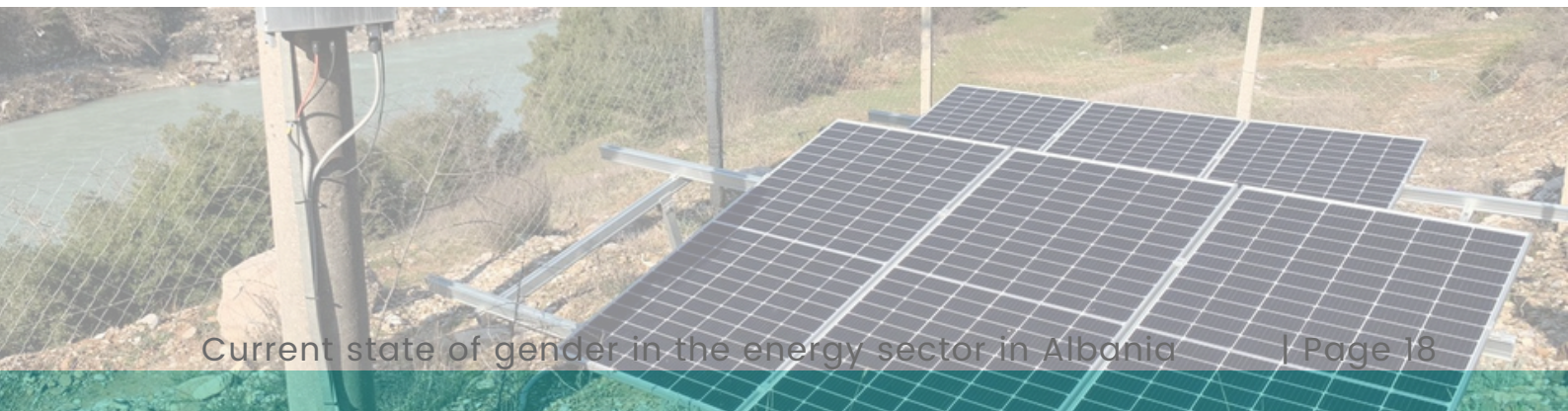
Drivers for Change

Several drivers can enable stronger female participation in the energy sector. These include education policies focused on the energy sector, policy interventions developed and implemented by governmental bodies, comprehensive training and skill development programs, and the involvement of women in decision-making processes. The following table gives an overview of the survey responses to the drivers of change:

Work-Life Balance Initiatives	Companies can reduce stress and support women in the workforce by offering comprehensive benefits like better access to childcare and flexible work arrangements, such as remote or hybrid work options. Overall, gender inclusiveness needs to be embedded in the organizations
STEM Education for Girls	Encouraging girls to pursue education in STEM fields is crucial for preparing them for careers in the energy sector, where there's currently a knowledge gap.
Targeted Training	Implementing specialized training programs in renewable energy technologies and related technical skills can support women for roles in the energy sector. Education and capacity-building programs are highlighted as key drivers for change, empowering women to participate in decision-making processes within the sector.
Networking and Mentorship	Providing networking opportunities and mentorship programs connects aspiring female professionals with experienced women in the industry, facilitating career growth and guidance.
Public Awareness Campaigns	Challenging gender stereotypes and promoting positive role models of women in the energy sector through public awareness campaigns can help shift perceptions and encourage more women to enter the field.
Policy Implementation	Developing and enforcing education policies and opportunity drivers by relevant government bodies, such as the Ministry of Infrastructure and Energy, is crucial for creating an inclusive energy sector.

CONCLUSION

Albania's electricity supply is nearly carbon-free as almost all electricity (90 percent) is generated by hydropower plants. Dependency on hydropower for its electricity supply makes Albania vulnerable regarding security aspects. In recent years, Albania has shifted towards renewable forms of energy which is already happening and is an inevitable outcome for the future due to the fact that it decreases dependency from already stressed resources, is more economically efficient in the long run despite significant upfront cost, and people are already reaping off the benefits of solar energy in Albania. But on the agenda of the government are also conventional sources of energy, tapping and exploitation of the country's oil and gas potential by investing in the respective infrastructure.
The energy sector remains largely a male-dominated industry and lags regarding gender equality within its workforce. Despite including gender aspects in the National Determined Contributions, the Albanian National Energy and Climate Plan (NECP) for the period 2021-2030 is gender neutral.
Energy companies are committed to cultural and organizational changes to reduce gender inequality. They are trying to close the gender gap and make their workplaces truly inclusive. It is not enough to simply hire more women, although that is a start. Innovation is making the sector attractive not only for business through investments in decentralized renewable technologies, but also for women as new opportunities are being offered.
In conclusion, renewable energy projects hold significant potential for promoting gender equality, empowering women and girls in a meaningful way. The potential needs to be realized with targeted policies and measures. Key initiatives should include providing financial assistance to female project developers and gender-responsive projects, offering tariff incentives equally to both women and men, and reserving a percentage of opportunities for women entrepreneurs. Additionally, establishing training centers and knowledge hubs will ensure women have easy access to the education, training, and capacity-building necessary for successful deployment and operation within the energy sector.



REFERENCES

[1] In addition, are also relevant the Economic and Investment Plan for the Western Balkans (October 2020), which aims to spur the long-term economic recovery of the region, support green and digital transitions and foster regional integration and convergence with the EU; the Sofia Declaration on the Green Agenda for the Western Balkans (November 2020) to support and accelerate changes and processes across the region with the overarching goal of addressing climate change (EFT, 2022).

[2] The ERP acknowledges the gender dimension. For example, gender equality is mentioned in the sub-headings on the expected impact of the ERP structural reforms on the social outcomes. However, there is little or no assessment of the impact of these reforms on gender equality. E.g., on the further liberalisation of the energy market, the ERP mentions job creation and stresses that it is a gender-neutral measure, whereas the energy market liberalisation and its associated reforms offer opportunities to increase gender equality in the sector; regarding renewable energy, the ERP document indicates that gender equality is making progress in the renewable industry but there are no further information nor gender-disaggregated data provided to support this statement. For more details, see: ERP 2021-2023

[3] Source: https://www.energy-community.org/implementation/Albania/reporting.html#uv6giw-accordion

[4] Source: NECP (July 2021 version) available at: https://www.energy-community.org/regionalinitiatives/NECP.html

[5] For a definition of gender-neutral policy, see: https://eige.europa.eu/thesaurus/terms/1193

[6] Source: https://www.expertisefrance.fr/documents/20182/881511/Albania+-+Gender+%26+Energy+workshop+-+Presentations+-+January+2023.pdf/76ff0c44-4255-f9bb-6cb4-f8f9db1523ea

[7] Source: https://www.instat.gov.al/media/8293/njoftim-per-media-tregu-i-punes-2020.pdf

[8] Source: Annex-I-for-D1.4-Gender-analysis-Albania-March-2022-FINAL.pdf

ABOUT THE PROJECT

Albania is almost exclusively dependent on hydropower for 90% of its electricity generation and is increasingly exposed to predicted extreme hydrological situations in the future and therefore problems with the security of energy supply. However, as a member of the European Energy Community and an EU accession candidate, the country has committed itself to decarbonizing its economy, increasing energy efficiency, exploiting the potential of renewable energies and diversifying electricity generation from hydropower to other renewable energy sources. Driven by the motivation to increase its own energy security, protect itself from rising energy prices and take an active role in the fight against climate change, citizens and businesses in the region are also increasingly turning to renewable energy, despite facing numerous obstacles.

The project aims to promote renewable energies in Albania, encourage citizen participation in the energy transition and at the same time strengthen gender equality. Specifically, Albanian women entrepreneurs in rural areas, low-income households and young people are to learn to recognize and understand the potential of community energy as well as self-consumption and self-generation of renewable energy for individual action. These target groups should be motivated and empowered to get involved themselves.

Renewable self-consumption can help Albania to utilise its vast renewable energy potential and build resilient and environmentally friendly energy systems by cutting reliance on energy imports and fossil fuels.

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