**EN**

**This action is funded by the European Union**

Annex IV

to the Commission Implementing Decision on the Annual action plan in favour of the Republic of North Macedonia 2024

Action Document EU for Reforms and Resilience

**Annual Action plan**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and annual and multiannual action plans and measures in the sense of Article 9 of IPA III Regulation and Article 23(2) of NDICI - Global Europe Regulation.

# SYNOPSIS

# Action Summary Table[[1]](#footnote-2)

|  |  |
| --- | --- |
| **Title** | EU for Reforms and ResilienceAnnual action plan in favour of North Macedonia 2024 |
| **OPSYS**  | [/OPSYS business reference][[2]](#footnote-3): <reference> |
| **ABAC** | ABAC Commitment level 1 number: <reference> |
| **Basic Act** | Financed under the Instrument for Pre-accession Assistance (IPA III) |
| **Economic and Investment Plan (EIP)** | Yes[[3]](#footnote-4) |
| **EIP Flagship** | YesPriorities: “Energy”, “Environment and climate resilience”, “Transport”, Flagships: “I Connect East-West”, II Connect North-South”, “III Connect Coastal Regions”, “IV Renewable Energy, “V Coal Transition”, “VI Renovation Wave” |
| **Team Europe** | No |
| **Beneficiar(y)/(ies) of the action** | The Action shall be carried out in North Macedonia |
| **Programming document** | IPA III Programming Framework |
| **PRIORITY AREAS AND SECTOR INFORMATION** |
| **Window and thematic priority[[4]](#footnote-5)** | Window 3: Green Agenda and Sustainable ConnectivityThematic Priority 1: Environment and climate change (21%)Thematic Priority 2: Transport, digital economy, and energy (79%) |
| **Sustainable Development Goals (SDGs)** | Main SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy for all Other significant SDGs and, where appropriate, targets:SDG 13: Take urgent action to combat climate change and its impactsSDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovationSDG 11: Make cities and human settlements inclusive, safe, resilient, and sustainable |
| **DAC code(s)**[[5]](#footnote-6) | 23110 - Energy policy and administrative management – 43%21011 - Transport policy, planning and administration – 28%74020 - Multi-hazard response preparedness - 21% |
| **Main Delivery Channel**  | 12000-Recipient Government |
| **Targets** | [x]  Climate[x]  Gender[ ]  Biodiversity |
| **Markers[[6]](#footnote-7)****(from DAC form)** | **General policy objective**  | **Not targeted** | **Significant objective** | **Principal objective** |
| Participation development/good governance | [x]  | [ ]  | [ ]  |
| Aid to environment  | [ ]  | [ ]  | [x]  |
| Gender equality and women’s and girl’s empowerment | [ ]  | [x]  | [ ]  |
| Reproductive, maternal, new-born and child health | [x]  | [ ]  | [ ]  |
| Disaster Risk Reduction  | [ ]  | [ ]  | [x]  |
|

|  |
| --- |
| Inclusion of persons with Disabilities |

 | [x]  | [ ]  | [ ]  |
| Nutrition[[7]](#footnote-8)  | [x]  | [ ]  | [ ]  |
| **RIO Convention markers**  | **Not targeted** | **Significant objective** | **Principal objective** |
| Biological diversity  | [x]  | [ ]  | [ ]  |
| Combat desertification  | [x]  | [ ]  | [ ]  |
| Climate change mitigation  | [ ]  | [ ]  | [x]  |
| Climate change adaptation  | [ ]  | [ ]  | [x]  |
| **Internal markers[[8]](#footnote-9) and Tags** | **Policy objectives** | **Not targeted** | **Significant objective** | **Principal objective** |
| EIP | [ ]  | [ ]  | [x]  |
| EIP Flagship | YES[x]  | NO☐ |
| Tags[[9]](#footnote-10): | YES | NO |
| Transport | [x]  | [ ]  |
| Energy | [x]  | [ ]  |
| Environment and climate resilience | [x]  | [ ]  |
| Digital | [ ]  | [ ]  |
| Economic development (incl. private sector, trade and macroeconomic support) | [ ]  | [ ]  |
| Human Development (incl. human capital and youth) | [ ]  | [ ]  |
| Health resilience | [ ]  | [ ]  |
| Migration and mobility | [ ]  | [ ]  |
| Agriculture, food security and rural development | [ ]  | [ ]  |
| Rule of law, governance and Public Administration reform | [ ]  | [ ]  |
| Other | [x]  | [ ]  |
| Digitalisation[[10]](#footnote-11)  | [x]  | [ ]  | [ ]  |
| Tags[[11]](#footnote-12)digital connectivity digital governance digital entrepreneurshipdigital skills/literacydigital services  | YES[ ] [ ] [ ] [ ] [ ]  | NO[x] [x] [x] [x] [x]  |
| Connectivity  | [ ]  | [x]  | [ ]  |
| Tagsdigital connectivityenergytransporthealtheducation and research | YES[ ] [ ] [x] [ ] [ ]  | NO[x] [x] [ ] [x] [x]  |
| Migration[[12]](#footnote-13)  | [x]  | [ ]  | [ ]  |
| Reduction of Inequalities  | [ ]  | [x]  | [ ]  |
| COVID-19 | [x]  | [ ]  | [ ]  |
| **BUDGET INFORMATION** |
| **Amounts concerned** | Budget line: 15.020201Total estimated cost: EUR 18 750 000Total amount of EU budget contribution EUR 18 600 000 |
| **MANAGEMENT AND IMPLEMENTATION** |
| **Implementation modalities (management mode and delivery methods)** | **Direct management** through:Procurement |
| **Final Date for conclusion of Financing Agreement**  | At the latest by 31 December 2025 |
| **Final date for concluding contribution / delegation agreements, procurement and grant contracts** | 3 years following the date of conclusion of the financing agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation |
| **Indicative operational implementation period** | 72 months following the conclusion of the Financing Agreement |
| **Final date for implementing the Financing Agreement** | 12 years following the conclusion of the Financing Agreement |

# Summary of the Action

This Action aims at addressing the climate change challenges by supporting structural reforms in energy, civil protection, and transport in line with the EU policies. To achieve this, the Action will use EU funds to support the energy transition from fossil fuels towards clean energy in line with the Green Agenda for the Western Balkans, improve the administrative and operational capacities for prevention, mitigation, and response to disasters and improve transport safety and connectivity.

More specifically, the Action will strengthen the strategic, institutional, and operational capacity of North Macedonia to lead an energy policy in response of the climate change. This involves aligning the national energy policy with the EU objectives and the undertaken international commitments; streamlining the institutional framework, enhancing the competencies of the authorities at national, regional and local level and building their capacities to implement measures in support of the green and just transition, upscaling the education and awareness on sustainable energy issues in the municipalities and centrally, and promoting the renewable energy and prosumers concept. The action will also improve the analysis of the green energy transition and support future EU investments.

The Action will also support the climate adaptation objectives of North Macedonia. It will improve the legal framework, accountabilities and coordination mechanisms for civil protection and disaster risk reduction, will develop a systematic community engagement approach, including sustainable and authentic volunteering programmes, and will establish a comprehensive Permanent Training Mechanism for protection and rescue forces members. The planned “no regret” investments will strengthen the information management systems and the capacities of the relevant bodies to deal with crisis events and sharing disaster management information across the Government. This involves establishing a unified model of Emergency Management System, implementation of a unified command system, centralising incident notification and response and, improving the functionalities of the Emergency Operational Centre by connecting to the Common Emergency Communication and Information System (CECIS) and E112. This will result into a fully functional 112 Emergency Call (E112), in line with the EU requirements.

Finally, the Action will improve transport policy through strengthening the capacities of the Ministry of Transport and Communication (MoTC) to lead a modern and more effective national transport policy aimed at promoting cleaner, greener, safer, and smarter mobility. It will enhance the alignment with the EU acquis on transport safety, will harmonise the current national standards in the railway infrastructure sector with the TSIs and EN standards and support the enforcement of the safety rules in the country by building the capacity of the new Road Traffic Safety Agency (RSA), which will be established by the end of 2023, and improving the capacities of the Railway Safety Agency to analyse the safety-related challenges and provide adequate response.

## Beneficiary of the Action

The Action shall be carried out in North Macedonia.

# RATIONALE

# Context

**2.1.1 Energy**

North Macedonia's economy faces challenges due to its high energy intensity and low energy production and consumption efficiency. The country heavily relies on coal and imports to meet its energy needs. However, the Government is trying to increase the share of renewable energy consumption and has set annual targets to achieve this goal. The *Energy Law* has transposed the Third Energy Package in the electricity and natural gas sector, along with the Renewable Energy Directive 2009/28/CE. Additionally, the *Energy Efficiency Law* and relevant by-laws are being used to transpose the Energy Efficiency Directive 2012/27/EU and the Energy Performance of Buildings Directive 2010/31/EC. These laws also mandate the preparation of Energy Efficiency Action Plans.

The energy policy in the country is stipulated in the *National Energy Strategy, until 2040,* adopted in December 2019. Additionally, the country has developed a *National Energy and Climate Plan* (NECP) covering 2021 to 2030. Following the Energy Community Ministerial Council Decision of Dec 2022, where more ambitious 2030 targets for greenhouse gas reduction, energy efficiency and renewable energy, both documents needs to be updated.

North Macedonia has taken steps to address the **security of supply** concerns, including enacting the *Law on Compulsory Oil Reserves* in 2021 and implementing legislation and plans for releasing stocks in an emergency. However, the oil stocks only correspond to 57 days of average daily consumption, 63% of the recommended level, which could be a vulnerability if supplies are interrupted. Identified potential risks for the security of supply include limited use of domestic resources in energy production, depleting coal resources, a single interconnection point for natural gas supply, and high dependence on energy imports. To reduce this dependence, increasing the share of Renewable Energy Sources (RES) and improving energy efficiency are crucial, along with the electrification of transport for system flexibility. North Macedonia also plans to diversify supply routes by developing the gas transmission network and using natural gas in the industry sector to reduce GHG emissions and improve air quality.

The electricity and gas sectors are open for competition in the **internal energy market**. The necessary secondary legislation has been adopted, and the process is well-advanced. In September 2020, a subsidiary of MEPSO, the National Electricity Market Operator (MEMO), was designated by the government as the operator of the organised electricity market. The EU acquis unbundles the electricity transmission and distribution network operators. However, the gas transmission system operator is yet to be unbundled in line with the Third Energy Package. There is a need to align legislation with the EU Regulation on wholesale energy market integrity and transparency. In terms of electricity interconnectivity, the country aims to improve the current level of connectivity by completing the new interconnection with Albania, which will enhance interconnectivity in the region. The government also plans to diversify supply routes by establishing a natural gas interconnection with Greece and interconnections with Kosovo and Serbia. These plans will ensure the security of the supply in the region.

The Energy Efficiency Law partially transposes EU Energy Efficiency directive pending the adoption of the corresponding secondary legislation. Implementation has been limited by the lack of human and technical capacity at the Energy Department of the Ministry of Economy and the Energy Agency. The revision of the Law on Energy Efficiency and the establishment of the Energy Efficiency Fund still need to be completed. Also financial initiatives should be provided to support the private sector in the green transition. Household heating exacerbates air pollution and remains a severe problem, and municipalities should fulfil their obligation to develop and implement municipal energy efficiency programmes. Concerning transportation, the country prioritises policies for replacing the road vehicle fleet, including promoting electric vehicles, advanced mobility options such as biking and walking and using collective modes of transportation. The country also seeks to shift freight transport from road to rail.

The national **renewable energy** action plan needs more efforts towards renewable energy deployment to achieve binding targets of 23% and 24% renewable energy sources by 2020 and 2025. The use of feed-in tariffs and premiums to support deployment has been successful, but the government should reconsider supporting small hydropower plants due to adverse environmental impacts. The capacity cap per type of renewable energy technology must be removed to achieve the 2025 renewable energy target. Efforts must also be made to improve the sustainability of biofuels and address administrative obstacles hindering the implementation of renewable energy rulebooks from encouraging electricity prosumers.

The successful implementation of the **Just Transition Roadmap** requires the Government's direct support towards the four pillars. These pillars include promoting private sector investment in renewable energy, investing in green and intelligent infrastructure, developing policies and legal frameworks that support the renewable energy sector's growth, and providing skills development for the population, particularly women and young professionals. The Ministry of Economy must incentivise investments in renewable energy and energy efficiency projects, develop policies and programs to encourage private sector investment in green infrastructure, collaborate with stakeholders to establish necessary policies and legal frameworks for renewable energy, and develop training programs and initiatives to provide skills needed for a low-carbon economy.

**2.1.2 Civil protection and disaster risk reduction**

North Macedonia has established a protection and rescue system regulated by the *Law on Protection and Rescue*[[13]](#footnote-14)*.* This Law aims to protect and rescue people and material goods against natural and technological disasters in peacetime, a state of emergency, or war. The Law describes a comprehensive system for planning, financing, coordinating, mitigating consequences, and preparing for and responding to natural and technological disasters. The *Directorate for Protection and Rescue* (DPR), an independent body, whose Head is nominated by the Government, is responsible for implementing the activities for protection and rescue. Additionally, the Government's Office has a *National Coordinator for Disaster Risk Reduction*. Overall, the Law on Protection and Rescue and the institutional framework should ensure a coordinated and effective response to disasters, whether during peacetime, a state of emergency, or war.

The *Law on Crisis Management[[14]](#footnote-15)* establishes a crisis management system in North Macedonia, which requires a proposal from the President, the Government, or at least 30 MPs to initiate a state of emergency. The Law mandates the management system and institutional set-up to provide prevention and early warning for managing crises resulting from natural disasters, epidemics, or other dangers. It introduced the creation of a Steering Committee, an Assessment Group, and a *Crisis Management Centre* (CMC) to manage crises. The Law also places specific obligations on municipalities and the City of Skopje to conduct risk assessments and plan for efficient prevention and early warning measures to mitigate potential crises.

At the strategic level, the country has adopted the *National Strategy for Protection and Rescue (2022-2025)* and Action Plan, which aims at establishing a comprehensive Disaster Risk Management (DRM) framework, expanding focus into Disaster Risk Reduction (DRR), and enhancing the government's capacity, capability, plans, and operations for effective disaster management.

Objective 1.4 (to improve policy-making and enforcement of laws) of the IPA III strategic response for North Macedonia includes improving the capacities of the civil protection sector to ensure streamlined, coordinated, and efficient disaster mitigation and response action at all levels as well as improving the capacity of the country to actively participate into the European Union Civil Protection Mechanism (UCPM), to establish national disaster strategy, operational plans and systems for management and prevention of floods, fires, earthquakes, and other catastrophic events.

Civil protection and disaster risk reduction are part of Chapter 27 of the EU *acquis* and the Association and Stabilisation Agreements contain dedicated chapters on civil protection, addressing alignment with EU standards. North Macedonia is already a Participating State of the UCPM and, therefore, it enjoys the same rights and obligations as any EU Member States in this particular domain.

Enhanced participation in the UCPM is also in line with the 2020 Communication “Enhancing the accession process - A credible EU perspective for the Western Balkans”, which supports accelerated integration and “phasing-in” to EU programmes. In addition, in line with Article 28 of the enhanced UCPM legislation in force since March 2019, IPA III beneficiaries should be encouraged to reach the standards of the UCPM, as current or future Participating States.

The EU is already supporting civil protection and disaster risk reduction in the country. Recent support included the introduction of the European e-112 emergency number system, which is operational since 2022. The IPA II Multi-country Action Programme 2019 funded the IPA Floods and Forest Fires project, aiming at fostering regional cooperation and exchange of good practices among the local authorities of civil protection and other relevant local agencies and institutions; also, the project aims at improving the legal and institutional framework related to the EUFD, institutional coordination among all the actors involved in the implementation of the EU Floods Directive (EUFD), prevention, preparedness and capacity to respond to forest fires at central, regional and EU level. Furthermore, IPA II budget is earmarked to help the national authorities develop Flood Risk Management Plans for the whole country so to gradually implement the EUFD. Finally, the IPA III multi-country multiannual action plan in favour of the Western Balkans and Turkey for 2021-2022 provides civil protection support for prevention, preparedness and response to disasters such as earthquakes and cross border health threats.

The *Peer Review* conducted in 2018-2019 as part of the scope of the UCPM provided a comprehensive assessment of the current status of national disaster preparedness / response as well as thorough recommendations for potential changes to improve the economy, efficiency and effectiveness of the civil protection and disaster risk management system.

In 2021, the EU Western Balkans Disaster Risk Management Programme, implemented by the Global Facility for Disaster Reduction and Recovery and the World Bank, released an *Emergency Preparedness and Response Assessment*, which largely confirms the persisting needs and gaps identified by the UCPM Peer Review. The Assessment highlights that the country scores particularly low in information management systems and training centres.

Furthermore, the above mentioned Assessment includes a full investment plan to upgrade capacities. The investment plan emphasises that improvements in the legal framework, accountabilities and coordination mechanisms are a **precondition** for effective and sustainable capacity-building of the emergency response actors. Without changes in the legal and institutional system, the investments are expected to be unsustainable and unlikely to generate the desired outcomes.

The 2022 IPA Cross Border Cooperation *VOLUnteer* project with Greece is promoting an integrated framework for the management of natural hazards based on civil protection volunteers towards reinforcing cross-border readiness, prevention, response and improvement of resilience.

Finally, in 2022, PRD inspectors carried out extraordinary inspections of all territorial firefighting units in the Republic of North Macedonia, in connection with their implementation of the provisions of the Law on Firefighting and the Law for Protection and Rescue and in order to review the current situation in relation to the available human, material-technical and spatial resources as well as personal equipment, equipment and installations for protection against fires and explosions and their maintenance in proper condition. Binding recommendations for improvement have been issued.

**2.1.3 Transport**

North Macedonia has developed a comprehensive vision for the transport sector through its *National Strategy for the Transport Sector (NSTS) 2018-2030.* The NSTS covers all modes of transport, except air transport but including air transport infrastructure, and includes clear overall and specific objectives. Despite the allocation of budgets for each measure, and the absence of provisions for updating the strategy before its expiration, along with weak operational and administrative capacities for all modes of transport, impede its proper implementation and the objectives of the Green Agenda for the Western Balkans in transport. While public procurement rules for road transport have been harmonised with the *Transport Community Treaty* (TCT), other relevant fields in transport must accelerate, bringing their frameworks closer to the EU *acquis*. The *Law on Air and Railway Accident Investigation* requires full implementation, and the independent rail accident investigation body is yet to be established. To comply with EU regulations, more efforts are needed to implement passenger rights legislation in all modes of transport, fully transpose the *Intelligent Transport System* (ITS) Directive, and introduce relevant national laws. It is crucial to note that the ITS strategy and accompanying resources still need to be included. North Macedonia is developing a comprehensive ITS strategy to promote sustainable and efficient mobility and ensure that all transport modes align with the latest technological advancements. The country has made significant strides towards developing a robust transport sector. Still, it must take further action to ensure its strategy aligns with EU regulations and its objectives are fully realised.

North Macedonia's legal framework for **road transport** is mainly in line with the EU *acquis*. However, there is a need to ensure that legislation remains current with changes in the EU *acquis*. While progress has been made in establishing an executive body for road safety, further efforts are required to align with the social and safety *acquis.* The *National Strategy for Improving Road Safety* (NSIRS) 2015-2020 has expired, and a renewed strategy is needed. It is essential to continuously monitor and report on progress towards achieving road safety goals. Establishing a national system for continuous road crash data collection is crucial to tracking road safety performance and developing evidence-based policies effectively. Action plans on road safety inspection and audit must be followed up and implemented. The State Transport Inspectorate needs to strengthen its enforcement and technical capacities to ensure compliance with road safety regulations. The country has made progress in decreasing road fatalities, with a 1.5% yearly reduction from 2010 to 2019. However, additional efforts are necessary to achieve the new zero deaths goal in the European “Vision Zero” strategy for 2050, with an intermediate goal of a 50% reduction in road fatalities from 2020-2030.

North Macedonia's railway safety legislation in **rail transport** is harmonised but not fully implemented. Therefore, establishing an accident and investigation body is critical to ensure the safe operation of the rail transport system.

The Action aims to achieve the objectives of **IPA III Programming Framework's** **thematic priorities 1 and 2**: environment and climate change, transport, digital economy and society, and energy within **Window 3: Green Agenda and Sustainable Connectivity.** It focuses on supporting the protection of the environment, improving its quality, and contributing to actions and policies against climate change to accelerate the shift towards a low-carbon economy, as well as strengthening administrative capacity for disaster risk reduction and management. The Action also promotes intelligent, sustainable, inclusive, safe transport, improved access to digital technologies and services, and the acceleration of the shift towards a low-carbon economy, enabling a clean energy transition and a European integrated energy market. It aligns with the Transport Community Treaty's de-carbonisation and energy institutional reform for the transport sector.

Overall, the proposed Action is aligned with the area of interventions of **IPA III 2021-2027 Strategic Response for North Macedonia**, Objective 1.2: To conserve, restore and manage natural resources and to promote their sustainable use; Objective 1.4: To improve policymaking and enforcement laws; Objective 2.1: To develop a harmonised transport sector, that is internationally compatible and integrated into the TEN-T network that stimulates the economic and social development of the country, promote environmentally friendly infrastructure, preserves the environment, and secures the needs of future generations; and Objective 2.3: To gradually shift towards safe and clean energy.

# Problem Analysis

***2.2.1. Energy transition from fossil fuels toward clean energy***

Short problem analysis

North Macedonia's energy sector faces challenges arising from a fragmented legislative framework. Although the *Energy Efficiency Law* was adopted in 2020, the implementing rules are yet to be fully established. To address this, the draft laws on energy infrastructure and biofuels need to be adopted and harmonised with the relevant EU Regulations. Additionally, measures must be taken to align the country's legislation with the *Clean Energy* package. Furthermore, North Macedonia must prepare an assessment required by the Energy Efficiency Directive and implement PROSUMER-related legislation to support households and small businesses in producing renewable energy.

To achieve the country's goal of generating 38% of gross final energy consumption from renewable sources by 2030, as outlined in the *National Energy and Climate Plan* (NECP), consistent advice on policy actions and incentives must be provided to the Government. Such activities could include support for renewable energy investments, establishing a feed-in tariff system, and promoting energy efficiency measures. By implementing these measures, North Macedonia can successfully work towards meeting its renewable energy targets.

Although there is growing interest in investments in Renewable Energy Sources (RES) based on the PROSUMER concept, the number of households and registered commercial "prosumers" remains insignificant due to administrative and legal barriers. Modifications and amendments should be made to existing legislation, such as the Energy Efficiency Law, the Rulebook on RES, the ERC tariff system for electricity, and the Value Added Tax Law. Recent Energy Community policy documents and stakeholder requests suggest broadening eligibility criteria for prosumers, increasing the maximum installed capacity, introducing advanced forms of prosumer schemes, and improving compensation and billing periods and network cost calculations.

There are concerns about the public sector's limited capacity at central and local government levels to implement or enforce energy management systems (EMS) in public buildings and develop Energy Efficiency (EE) measures. To address this, municipalities must adopt and implement a three-year EE program, as the Energy Efficiency Law requires, with coordination and support from the Energy Agency (EA) under the Ministry of Economy. However, the monitoring system for verifying energy savings needs to be fixed, and there is no obligation for energy audits and issuing efficiency certificates for public buildings.

The Energy Efficiency Fund, which is expected to serve as the primary financial mechanism for energy efficiency (EE) and renewable energy sources (RES) in the public sector and is supported by the World Bank, will be established by Q1 2023. Additionally, the market for energy services needs to be developed in line with the Energy Service Company (ESCO) model, which can help overcome the public sector's financial and technical resource constraints. However, promoting the ESCO market in the public sector requires the development of a contract template and clearly defined procedures that cover everything from public procurement of energy services to accounting procedures, monitoring, and verification of energy savings.

The regional Action Plan for the Green Agenda must include the concept of Just Transition as an essential element to ensure the coexistence of a healthy economy and a clean environment while transitioning away from coal. To achieve this vision, the country is developing a national Just Transition Action Plan with ongoing assistance from the EU. A national Green Agenda Action Plan is currently being prepared. Regarding energy policy, the country must create a strategy that addresses energy poverty, which is a reality given the current energy crises. Therefore, it is vital to assess energy poverty properly at the central and local levels and to develop and implement a well-informed plan and impactful energy poverty projects.

Main stakeholders:

* **Ministry of Economy-Energy Department.** The Ministry is in charge of energy policy-making. Responsibilities include elaborating the energy strategy, preparing and implementing the legislative framework, and coordinating activities in the energy field. Part of the energy-related responsibilities belongs to the Ministry of Environment and Physical Planning and the Ministry of Transport and Communications.
* **Energy Agency (EA).** The EA support the implementation of the government's energy policy by participating in preparing energy strategies, developing plans and programmes, collating and analysing data and drafting reports, fostering the introduction of energy efficiency measures and creating conditions for increased use of renewable energy sources for electricity production.
* **Energy Regulatory Commission (ERC).** The ERC is an independent regulatory body established in 2002 under the Law on Energy. The ERC take care of a safe, secure and quality supply to the energy consumers; nature and environment protection; consumer protection; protection and improvement of the position of those employed in the energy sector; and introduction and protection of a competitive energy market on the principles of objectivity, transparency and non-discrimination.
* **Council of the city of Skopje.** Upon a proposal from the mayor and after acquiring an opinion from the Ministry of Economy, the Council enacts an energy development programme for the municipality of Skopje. They are responsible for the energy activities of public interest and of local significance.
* **Other Municipalities.** Energy planning responsibilities are increasing for all municipalities, including designing and implementing energy efficiency measures for public facilities and central heating and cooling projects.
* **State Statistical Office.** The Office performs customer surveys, gathers energy sector data, performs analysis of energy sector data and publishes data and associated energy reports.
* **Prosumers, including Energy Communities**. Energy consumers are increasingly deciding to install energy production facilities jointly through energy communities.
* **Academy of Science and Arts** supports long-term planning analysis/modelling and provides recommended policies and strategies.

***2.2.2. Civil protection and disaster risk management***

Short problem analysis

North Macedonia is characterised by a highly complex disaster profile, with a high exposure to natural and man-made disaster risks, such as flash floods, landslides and wildfires; moreover, the country is highly vulnerable to emerging challenges such as climate change, migration, and pandemics. The INFORM index indicates that the country’s population and infrastructure are not particularly vulnerable; however, its coping capacity is relatively low[[15]](#footnote-16).

*Problem 1: Complex legal framework, accountabilities and coordination mechanisms*

The National Strategy for Protection and Rescue 2022-2025 has been developed to help upgrade overall coping capacity and practices in Disaster Risk Management (DRM) and begin the process of improving and better integrating DRM roles and functions across the government. However, the strategy is largely unimplemented due to the lack of financial and human resources.

Complex legislative basis for the system of risk and crisis management. The fact that there is no single law regulating civil protection and crisis/disaster risk management result in inadequate secondary legislation, including on clearly delineating various institutions' roles and responsibilities during an emergency. Two central-level institutions share overlapping responsibilities, and the role of the National Disaster Risk Reduction Coordinator is yet to be fully established. Simplifying institutional configurations can improve decision-making efficiency and resource utilisation. In turn, freed resources can be reinvested in implementing the national strategy for protection and rescue.

Insufficient information management system. North Macedonia must improve its systems for collecting, analysing, and disseminating information to enable better decision-making. Although the country has an early warning system, data management and analysis must be strengthened to transform forecasts into adequate early warnings for the public. Public warning procedures exist, but inconsistencies and lack of complementarity in early warning messages are limited by confusion over the responsibilities of the Crisis Management Centre and Protection and Rescue Directorate.

Suboptimal operational and strategic coordination among the police, fire/civil protection and medical forces. An Emergency Operations Centre is necessary to coordinate emergency preparedness and response activities. When a disaster occurs, individuals, communities, governments and international organisations and donors must act very quickly. Effective coordination among different responders is critical to the successful preparation for and response to crises and disasters. The European emergency number e-112 service was activated with EU funds in February 2022 (1st Phase). From the operational side/call takers, however, the system functions only from the Skopje Operational Centre; all the emergency numbers (192: police; 193: Fire Brigade; 194: Medical Services in Skopje; and 195: Crisis Management Centre) are still to be connected to e-112.

Also, the system needs to improve the 112 incident management software in different aspects, namely: (1) Improving the first responders, paramedics, and other emergency agents working on the field with mobile devices and applications to be in permanent contact with the dispatching centres, to collect data and send real-time reports, dematerialising paper reports, etc.; (2) Improving the geolocation services in line with the EU Directive 2018/1972, including location-based services beyond GPS; (3) Designing smartphone apps for citizens to improve communication with emergency services more easily and effectively (location of the caller to the emergency centre, chat with 112 agents, “silent call”, etc.); (4) Integrating the e-112 system with the Mission Critical Radio Communication Network (CRCN), the dispatching platform and the incident management software.

In terms of international cooperation, while North Macedonia is a long standing Participatory State of the UCPM and has widely benefitted of the instrument, it still needs to connect to the Union’s Common Emergency Communication and Information System (CECIS) - the EU-wide real life communication platform for crisis management; to register all equipment in the European civil protection capacity pool (ECCP); to make firm commitment to host *rescEU* capacities. The ECPP enables a faster, better-coordinated and more effective EU response to disasters by pooling emergency response assets for immediate deployment, as part of a collective European disaster response. These are pre-committed by countries participating in the UCPM and include urban search and rescue teams, emergency medical teams, forest fire fighting capacities, among others. The assets are certified and tested in the course of EU-funded exercises to work within the international coordination framework.

*Problem 2: Conducting regular training and exercising, in line with nationally-agreed standards*

One of the most valuable resources for emergency preparedness and response is a well-trained and experienced workforce. Unfortunately, training provision is ad hoc and, while required in the legislation, not consistently enforced – leading to what is likely a wide variation in quality of staff and responses across the country.

North Macedonia does not have a permanent emergency operations centre or a training centre for emergency preparedness and response that can provide regular and integrated training for multiple stakeholders and promote a culture of readiness. To address this gap, a systemic training approach must be implemented that covers all the people involved in emergency preparedness and response at different levels, providing them with the necessary skills, knowledge, and practical experience.

More particularly, it is essential to ensure that all relevant individuals and organisations, particularly the territorial and volunteer firefighters, have sufficient basic equipment and are conducting regular training and exercising, in line with nationally-agreed standards.

A mandatory training programme should be developed, with common content and delivered to a consistent standard, for all territorial and volunteer fire and rescue/civil protection staff, including regular refresher training. Attendance at basic training should be mandatory, and units not adhering to basic standards should be subject to management action and (as necessary) prosecution.

*Problem 3: Limited private sector participation*

Climate change will continue to create significant stress in North Macedonia in spite of mitigation efforts. North Macedonia is one of the countries in Europe most heavily affected by the impact of climate change and this trend is projected to continue. Strengthening the efforts on climate proofing, resilience building, prevention and preparedness in the region is therefore crucial. It should include engaging among others the private sector in resilience investments and developing natural disaster risk transfer mechanisms.

The PRD receives 12 % of insurance premium tax (IPT) receipts on fire insurance policies to fund capabilities. This use of IPT constitutes a good mechanism to supplement tax receipts to fund the state’s activities. There is the need of looking at extending this good practice to cover all risk areas covered by insurance products, with the PRD or other responsible agencies using this funding to develop the capacities it needs to drive risk reduction.

*Problem 4: Limited participation from civil society and communities*

Volunteer services appear to be organisationally inconsistent across the country. The government’s cooperation with civil society organisations (CSOs) and the volunteering sector is limited, with these organisations’ assets often being inefficiently deployed, if deployed and/or requested at all.

Issues for mainstreaming a volunteering programme include earmarking budget for the payment of salaries and insurance – to cover injuries or death while conducting voluntary activities – to those who volunteer. The legislation allows for the payment of salaries to volunteers during civil emergencies however, these payments are rarely made due to lack of resources; insurance for those who volunteer is not covered by the civil protection authorities. This is likely to undermine the potential for volunteers to come forward. Also, volunteers should be more clearly integrated into the fire and rescue services, as part of retained forces.

Main stakeholders

* **Protection and Rescue Directorate (PRD).** The PRD is an independent body responsible for preparing a plan for protecting and rescuing natural and technological disasters and preparing a threat assessment and a national plan for rescue and protection from natural and other accidents.
* **Crisis Management Centre (CMC).** The CMC is an independent state administrative body that provides continuity in inter-departmental and international cooperation, consultations and coordination of crisis management, preparation and assessment of unified assessment of the risks and dangers, proposing measures and providing overall support to the Steering Committee and the Assessment Group. CMC is in charge of the management of the E112 services.
* **Steering Committee (SC).** The SC is a governmental body created to coordinate and manage the crisis management system, composed of the Ministry of Interior, Ministry of Health, Ministry of Transport and Communication, Ministry of Defence, Ministry of Foreign Affairs and the Head of the Assessment Group. The SC's competencies are: to review the proposal for determining a crisis and propose to the Government a determination of the existence of a crisis and a crisis-ridden area.
* **Assessment Group.** A governmental body performing a constant assessment of the risks and dangers to the country’s security and proposing measures and activities for the prevention, early warning and handling of a crisis. It is composed of the Directors of the Public Security Bureau, the Security and Counter-intelligence Directorate (now National Security Agency), the Intelligence Agency, the Directors and the Deputy Directors and the Deputy Directors of the CMC and the Protection and Rescue Directorate, the Deputy Chief of the General Staff of the Army, as well as the Head of the Security and Intelligence Service within the Ministry of Defence.

***2.2.3. Transport safety and connectivity***

Short problem analysis

In 2019, North Macedonia witnessed high fatalities in road traffic accidents, with 63 victims per million inhabitants, significantly higher than the EU average of 42 deaths per million in the same year. However, there has been a positive trend recently, as the numbers decreased to 60 victims per million inhabitants in 2020 and 56 victims per million in 2021. The country must implement a new approach to align with the EU 2030 intermediate and *Vision Zero* target by 2050. This includes promoting a zero-tolerance policy for loss of life due to poor road safety, introducing a *Safe System Approach* that encompasses safe vehicles, infrastructure, road use, and post-crash care, and supporting new driving attitudes and trends that affect attention behind the wheels.

The legal framework for the transport sector is generally aligned with the EU *acquis* but does not fully reflect new EU developments. The National Strategy for Improving Road Safety (NSIRS) 2015-2020 has expired, but no monitoring reports have been prepared to assess its implementation. Road safety management in North Macedonia involves several institutions and bodies, demonstrating a multi-sectoral approach. However, continuous and sustained support is necessary to establish the overall road safety system in the country, including a unified database for road safety features and a national-level road crash data collection system. Action plans for road safety inspections and audits should also be followed up and implemented. Modern public awareness and education measures should be designed and implemented within the newly established Road Safety Agency (RSA). In addition, the inspection bodies responsible for supervising the implementation of relevant laws and rules in the transport sector - the Railway Safety Directorate (RSD) and State Transport Inspectorate (STI) - need to strengthen their enforcement and technical capacities due to understaffing and lack of professional expertise for inspection. Although the legal framework for road transport is broadly aligned with the EU *acquis*, the legislation must keep pace with EU developments.

Main stakeholders:

* **Ministry of Transport and Communication (MoTC).** The Ministry is the central and highest state body in the transport area, including road safety at the national level; also responsible for technical regulations and standards for the design and construction of roads and signalling.
* **Ministry of Interior (MoI).** The MoI establishes and maintains a central registry of identified accidents. Traffic Police are responsible for law enforcement and traffic safety on the roads.
* **Public Enterprise for State Roads.** The Public Enterprise is established as a legal entity, acts independently in the legal operations, and is accountable for the undertaken liabilities with its total assets. Owner of the national and regional road infrastructure, responsible for planning the construction, reconstruction, maintenance, operation and protection of the state roads, monitoring and analysis of the conditions with the construction, reconstruction, maintenance and protection of the state roads.
* **Republic Council on Road Traffic Safety (RCRTS).** The RCRTS is an advisory body of the National Assembly, responsible for promoting traffic preventive measures, monitoring and analysing developments in road traffic safety and promoting different, multi-sectorial and multidisciplinary approaches in addressing related issues to road traffic safety.
* **Public Enterprise for maintenance and protection of main regional roads.** The Public Enterprise is responsible for regular and winter maintenance of state roads, construction and installation of vertical and horizontal signalling, protection of roads, automatic and manual traffic counting, cadastre or roads and bridges, and information service for the state of the roads.
* **State Transport Inspectorate (STI).** The STI is the competent body for inspecting the activities concerning transporting passengers and goods in domestic and international road transport. The STI is independent of the Ministry of Transport and Communication. The scope of activities of STI includes inspection-supervisions in the area of roads, road transport and traffic arrangements on public roads, cable and ski-lifts, carrying out an immediate insight into compliance with laws and other regulations, and taking administrative and administrative and other measures by statutory powers.
* **Railway Safety Directorate (RSD).** The Directorate is responsible for ensuring safety in the railway system as the designated safety authority. It grants certificates and authorisations to all stakeholders involved in the railway system and proposes new legislation related to railway safety. Moreover, it facilitates transparent access to primary and secondary legislation for all participants in the sector.

# Lessons Learned

Considerable EU funds have been channelled to infrastructure improvements in North Macedonia, backing up the reform process in the areas of environment and climate change, transport, and energy. Under IPA II and III the EU grants for North Macedonia in these sectors amount to EUR 456 million and are well paired with the EU contributions through the Western Balkans Investment Facility (WBIF), mobilising over EUR 1 billion of additional funds for the country. The country has also benefitted from the EU Civil Protection Mechanism (UCPM). The lessons learnt from the implementation of this assistance have been considered in designing this action:

* The sectors of environment and climate change, energy and transport are fund-intensive; this requires parallel use of different funding instruments and stronger involvement of the private sector and the citizens. To streamline the funding channels, the Government must ensure a single project pipeline, backed by sound methodology for prioritisation of investments on the grounds of needs, relevance and maturity, and established, monitored and updated in an inclusive manner. The bilateral EU-North Macedonia policy dialogue in the context of Cluster 1 and Chapter 22, as well as the multi-lateral dialogue, through the sector working groups, will need to upscale the importance of these structural improvements to back-up the ongoing and the future EU investments
* EU investments in the energy, transport and climate change area must be guided by the Green agenda and conditioned on accelerating the green and just transition, and the alignment with the EU policies. Infrastructure investments should be designed in support of the reform process and must benefit of strong political commitment to reform process. The political commitment needs to be translated into (1). Ensuring the necessary resources to progress on the reforms and the EU assistance; (2). Strong political steer of the reform process and the implementation of the EU assistance and enhanced accountability of the decision-makers and public reporting on the commitments made; and (3). Ensuring the needed coordination among stakeholders at both political and technical level.
* North Macedonia has undertaken important international obligations in the context of the Transport Community Treaty, the Energy Community treaty and Paris agreement on climate change. While the political commitment to align to the EU objectives is undeniable, the implementation is lagging behind. In the area of transport, North Macedonia still needs to implement connectivity reform measures on the rail, open the rail transport market, at least for domestic and regional undertakings, harmonise the legal framework with the Trans European Network Regulation, set up a national system to collect data on road crashes, enhance the inspection services and reduce fatalities along the road and rail infrastructure. In the area of energy, huge delays mark the implementation of energy efficiency measures at national and regional levels. The legislative and institutional framework for civil protection remains strongly fragmented which impedes the establishment of functional crisis management system. To cope with these delays, the institutional and administrative capacity needs to be strengthened. The public administration reform will support the process in mid-term perspective. In parallel, strong investments are needed to build the capacities of the line ministries, the municipalities and the other stakeholders for sector policy making, implementation, monitoring, investments management, and institutional coordination along with upgrading the body of knowledge in the various sectors. This action addresses this need.

# DESCRIPTION OF THE ACTION

# Intervention Logic

The **Overall Objective (Impact)** of this Action is

*To enhance the green transition and the resilient development of North Macedonia in line with the Green Agenda for the Western Balkans*

The **Specific Objectives (Outcomes)** of this action are:

*To accelerate the climate change-related structural reforms in the areas of energy, civil protection, and transport in line with the EU policies*

This Outcome will be achieved through the delivery of the following Outputs:

*Output 1: Strengthened strategic, institutional, and operational capacity for effective energy policy in response to the climate change*

*Output 2: Improved administrative, financial and operational capacities for prevention, mitigation, and response to disasters*

*Output 3: Improved regulatory framework and administrative capacity in the transport sector*

# Indicative Activities

# The Action will be implemented through the following main activities:

***Output 1 : Strengthened strategic, institutional, and operational capacity for effective energy policy in response to the climate change***

This output targets:

**(1). The National Framework**:

* Aligning the national legislation with the new EU *acquis* and improving the effectiveness of the implementing regulations and methodological tools on energy efficiency and renewable energy.
* Advancing specific areas of the energy reforms such as developing a national hydrogen policy as part of North Macedonia’s low-carbon energy solutions; national plan for public buildings reconstruction, stimulating investments of households and businesses and their connection to the grid, especially regarding vulnerable groups and those at the highest risk of energy poverty. The action will assess key aspects of the renovation and construction (EE) and renewables (RE) sectors to determine the critical market, human capacity and other barriers (e.g., the capacity to undertake energy audits, development of technical designs, construction, construction supervision, equipment and material supply, construction workers skills, etc.) hampering the wide deployment of energy efficiency and renewable energy. On the grounds of evidence-based and inclusive consultative process, the action will develop measures and solutions to the existing technical/financial/market barriers and will propose financial mechanisms and incentives to stimulate public and private investment in energy efficiency and renewable energy. The action will build a standardised national catalogue of technical measures and guidelines for buildings renovation. The activity will support the implementation of the National Energy and Climate Plan and de-Carbonisation Road Map on the Energy Community.
* Promoting prosumers concept by reducing the administrative requirements posed by the Construction Law and the Energy Law, simplifying and streamlining the procedures and reducing the required documentation and administrative permits for prosumers, and promoting increased system reliability and energy security by supporting wider use of grid-connected and customer-located energy storage systems. The action will also support awareness-raising measures for community financing of small-scale renewable energy projects.
* Improving the national statistical data and development of energy efficiency and renewable energy indicators to assist policymakers in monitoring the energy efficiency uptake in the national context.
* Establishing a single, transparent depository of energy information and data that ministries, agencies, CSOs, and the general public can access for general information, studies, and analysis.
* Establishing a one-stop-shop (physical, virtual or a combination of both) on energy issues to inform and assist consumers, businesses, and municipalities about renewables, energy efficiency renovations and relevant financial instruments.
* Strengthening the capacity of the Energy department of the Ministry of Economy, the Energy Agency and other relevant government institutions, municipalities, private sector and academia for developing, planning and implementing projects in the framework of Horizon Europe and other relevant EU programmes on Sustainable Energy R&D and deployment.

**(2) Reaching out to municipalities:**

* Enhancing the capacity of municipalities to analyse energy sector issues, plan EE improvements and RE expansion, attract financing for green energy, and promote green energy to businesses and residents. The Action will support the municipalities develop and implement energy efficiency programmes and projects (in street lighting and buildings). It will also assist municipalities in completing (a) the spatial mapping of natural gas distribution that provides a diversity of supply, including for proposed CHPs, industrial customers, and areas unsuitable for central heating and cooling, and (b). the mapping of cities areas where CHPs and central heating and cooling are recommended.
* Establishing a network of regional energy centres in the 8-planning region to facilitate EE and RE uptake and local EE information points in smaller locations. The action will establish the centres, build their capacities to serve the local communities, to implement awareness-raising programmes and exchange best practices and knowledge. The network will be the backbone for developing, promoting and implementing community building and empowerment activities targeting women and members of vulnerable groups with the objective to promote savings of energy and environmental resources, adopting earth-friendly behaviour and changing the mind-set.

**(3) Improved analysis of the green energy transition**

This activity encompasses a limited number of studies to improve the body of knowledge, support the national investment pipeline and prepare future EU investments. The indicative list, which will be further prioritised in an inclusive process, includes:

* Feasibility and technical studies for the potential use of hydrogen, renewables, including wind, geothermal and biomass and small distribution systems, as well as for the national gas network and energy storage, including a component on the socio-economic impacts and risk assessment of the transition regarding women and members of vulnerable groups.
* Developing feasibility and detailed technical studies for the conversion of the lignite power plants, including potential thermal molten salt storage, the production of green gas to be utilised in power blocks or otherwise, the installation of large-scale stationary storage in batteries on-site, energy crops (biomass), conversion to natural gas, and addition of carbon capture and storage (CCS).
* Conducting energy poverty diagnostic on the central and/or local level and creating the necessary action plans, following the EU Energy Poverty Advisory Hub (EPAH) methodology.
* Supporting the Public Utility Companies (PUCs) to prepare feasibility studies for PPP and investment projects to save energy and reduce the emission of GHG. Support the PUCs for enabling electricity smart grids to interconnect energy networks better.

***Output 2 : Improved administrative, financial and operational capacities for prevention, mitigation, and response to disasters***

This output will be achieved through the implementation of the following activities:

**(1) Improving the legal framework, accountabilities and coordination mechanisms for civil protection and disaster risk reduction improved**

* Streamlining and simplifying the legal, institutional, and financial framework applicable to the civil protection and disaster risk management, ensuring clear responsibilities, autonomous financial management and inter-institutional solid cooperation and coordination.
* Support to the establishment of an autonomous (sustainable) financial model for local and national bodies through investment models, renting out of non-usable shelters and inspection roles (by-laws should be developed taking into account possible unified national emergency management Law).
* Support to the Secretariat of the National Advisory Board for streamlining operations. The Board should include also representatives from the private sector, NGOs, religious and civil society organisations, academia, research institutions, and community-based associations.
* Developing a systematic community engagement approach, including sustainable and authentic volunteering programmes.
* Developing the National Protection and Rescue Strategy for the period 2026-2030.
* Supporting the establishment of a comprehensive Permanent Training Mechanism for protection and rescue forces members, including developing a National Emergency/Disaster Management Training Strategy, training needs analysis, training programme, and a national database of trained experts on relevant topics.
* Updating the National Risk Assessment and the emergency and crisis planning procedures based on this Risk Assessment.
* Capacity-building activities for the personnel involved in the fire, rescue, and civil protection tasks to support the implementation of the National Disaster Risk Management (DRM)/Disaster Risk Reduction (DRR).
* Supporting a national public awareness and education campaign on crisis events.
* Addressing other selected criticalities identified in the risk management capabilities assessment of the current UCPM-required national risk assessment (soft measures).

**(2) “No regret” investments to strengthen the information management systems and the** **capacities of the relevant bodies to deal with crisis events**

* Establishing a unified model of Emergency Management System, supported by phase 2 implementation of the 112 Emergency Call (E112), in line with the EU requirements and facilitating implementation of a unified command system, centralising incident notification and response and, more broadly, sharing disaster management information across the Government.
* Improving the functionalities of the Emergency Operational Centre by connecting to the Common Emergency Communication and Information System (CECIS) and E112 and equipping the centre with modern communication technology.

***Output 3 Improved regulatory framework and administrative capacity in the transport sector***

This output will be achieved through the implementation of the following activities:

* Strengthening the capacities of the Ministry of Transport and Communication (MoTC) to lead a modern and more effective national transport policy aimed at promoting cleaner, greener, safer, and smarter mobility. The activity involves policy improvements related to the analysis and monitoring of the transport sector, inclusive definition of strategic orientations and precise measures for enhancing the resilience and sustainability of the transport sector while turning it into a catalyst of the economic development.
* Alignment of the national legislation with the EU *acquis* in the transport sector in the context of negotiation Cluster 4 and the requirements of the Transport Community Treaty (Annex 1), inter alia, the EU *acquis* on transport safety and passengers’ rights (e.g., Regulation 181/2011 concerning the rights of passengers in bus and coach transport, Regulation 1371/2007 for the rights of passengers in rail transport, and Regulation (EU) 2021/782 on the rail passengers rights and obligations, as well as the implementation of the rights of passengers in all modes of transportation.
* Harmonisation of the current national standards in the railway infrastructure sector with the TSIs and EN standards and establishing a verification body in North Macedonia (DeBO).
* Building the capacity of the new *Road Traffic Safety Agency* (RSA), which will be established by the end of 2023, to analyse the safety challenges, define and implement effective measures to upgrade the overall road safety system in the country. The action will support the elaboration of a new Road Safety Strategy and Action Plan, and the establishment of a unified database on road safety; the streamlined data collection process will support the risk management and the definition of effective measures to enhance the road safety. The Action will also improve the communication approach on road safety. It will support the RSA to implement interactive, far-reaching road safety campaigns to raise the public awareness on various road safety issues
* Strengthening the enforcement and technical capacities of the Railway Safety Directorate (RSD) and the State Transport Inspectorate (STI) in their respective competencies.

# Mainstreaming

**Environmental Protection, Climate Change and Biodiversity**

The action is a response to the climate change imperatives; it addresses the need of innovative policies, in line with the EU climate change objectives. Almost 80% of total greenhouse gas emissions of the country are generated by the use of fossil fuels in energy, construction and transport sectors. It is necessary that new policies are adopted by the country in these sectors, backed up by sound analysis and assessments, and strong incentives and measures able to attract citizens and private sectors as contributor to the process with the objective to create a change. The promotion of energy efficiency measures, wider use of renewable source of energy and the prosumer concept will support the decarbonisation of the Macedonia economy. This, paired with strong capacity building for the authorities and other stakeholders at national and regional level, will create an enabling environment to push the green transition forward.

The Action aims also at mainstreaming the decarbonisation in the transport sector by strengthening the policy and the national capacity to promote greener and smarter transport. Continued growth in transport services and traffic volume has led to environmental problems, further accentuated by heavy congestion and system bottlenecks. According to the State Statistical Office, the number of households owning a car in 2021 [has risen by 2.6% in comparison to 2020](https://meta.mk/en/number-of-households-in-north-macedonia-with-cars-twice-bigger-than-those-with-bicycles/) or 15.3% compared to 2011. However, the majority of these cars are used ones – according to the Customs administration, over 160,000 used vehicles were imported in North Macedonia in the past 5 years. The fast motorisation rate of North Macedonia increases the carbon footprint of the transport sector. The action will support the Ministry of Transport and the specialised bodies to put in place new measures (for example a ban on the import of vehicles below the EURO 5 standard of gas emissions), and strengthen existing ones (such as inspection and control on polluting levels) to support decarbonisation. It will also raise the public awareness of the role of transport to pollution and climate change with the objective to support a change in the transport actors’ mind-set, and ensure bottom-up push for improvements.

The action will also support the climate adaptation objectives of the country by supporting the response capacities to disaster and enhancing the crisis preparedness and management.

**Gender equality and empowerment of women and girls**

North Macedonia has established the legal framework to ensure gender equality through the adoption of the Law on equal opportunities for women and men and the Law on the prevention of and protection from discrimination. As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1[[16]](#footnote-17), and is gender-sensitive. The green transition implying a shift towards a low-carbon and sustainable economy, is closely linked to gender equality. Women are often disproportionately affected by environmental degradation and climate change, and they may face specific challenges and barriers in accessing the benefits of the green transition. Research works show that air pollution affects significantly the overall and the reproductive health of women, bringing to a significantly higher mortality of women compared to men due to air pollution. Investing in renewable energies will help decrease air pollution and in longer run – contribute to improving women’s health. Due to the traditional gender roles in Macedonian society, women are more often staying at home and using home appliances in their activities. The high prices of electricity in 2022-2023 tend to support the shift from automated home activities back to manual manipulations, which is more efforts- and time-intense and less-efficient. Increasing the access to cleaner and more affordable energy will support women’s home efficiency at acceptable price, leaving women more time for participation in social, cultural and economic life.

Women and children are also more vulnerable in times of crisis. Strengthening the crisis preparedness of North Macedonia will enhance the chances for adequate response when needed and better coverage of the needs of women and the most vulnerable people in case of natural disaster.

Transport safety is crucial for everyone, but women and girls face unique challenges, such as gender-based harassment, violence and discrimination. The project will support the Ministry of Transport assess the risks for girls and women when designing measures for safer, smarter and greener transport.

**Human Rights**

The Action will support the greening of the economy and the just transition, and will reinforce the principles of social justice, equality, and non-discrimination, which are fundamental human rights values.

**Democracy**

The green energy transition will require the involvement of consumers, prosumers, and local communities in implementing energy efficiency measures, installing new distributed RE generation, and establishing start-up companies to support the green transition. This will result in more control of the country’s energy future than ever before. The action will continue to encourage the involvement of the Civil society in shaping the energy policy through enhanced participation in the Energy Sector Working Group as well as through the platform (ENER) for consultation on the legal and strategic acts.

**Conflict sensitivity, peace and resilience**

Transitioning from conventional fuels, such as coal, to renewable energy requires special attention to maintaining supply, independence, national security and resilience. The resources of energy storage, hydrogen, and energy efficiency will all contribute to replacing coal and other conventional energy production in the region. This Action Document focuses on support of analysing the various options and supporting the implementation of a resilient energy plan.

**Disaster Risk Reduction**

The present Action includes a crucial component focusing on disaster risk reduction (DRR). This means incorporating DRR into policy, planning, and decision-making processes at all levels - national, regional, and local - to recognise that DRR is not solely the responsibility of disaster management agencies but a collective responsibility of all sectors and stakeholders. The primary objective of mainstreaming DRR is to decrease the negative impact of disasters on communities and build resilience to future events. This involves identifying and addressing the underlying risk factors contributing to disasters, such as poverty, environmental degradation, and weak infrastructure. By integrating DRR into development planning, we can create sustainable and resilient communities better prepared to cope with disasters and recover quickly when they occur. Therefore, this Action is a significant step towards mainstreaming DRR.

The Sendai Framework for Disaster Risk Reduction emphasizes also the role of vulnerable groups and advocates for resilient communities and an inclusive all-of-society approach to disaster risk management. The awareness and understanding of the different needs of various groups within the society as well as the cultural specificities will be taken into account. Civil society organisations and local grassroots organisations and movements work in the field of disaster prevention and response. They focus on ensuring that emergency responses take into consideration special needs in the vulnerable situation of a disaster, for disadvantaged groups; widows, adolescent girls, children, disabled, elderly, destitute, or vulnerable because of their work/geographical location, etc.

# Risks and Assumptions

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Category** | **Risks** | **Likelihood****(High/****Medium/****Low)** | **Impact** **(High/****Medium/****Low)** | **Mitigating measures** |
| People and organisation | Lack of political consensus may hamper the reforms in the sectors related to energy transition from fuels towards clean energy; prevention, mitigation and response to disasters; and transport safety and connectivity | H | H | Keeping the dynamics of the accession process is an important leverage tool to align political visions. The progress with the ongoing screening will help enhancing the societal support for the accession process. The active strategic communication on the concrete benefits of the EU accession, including with outreach to smaller locations will support the process.  Enhanced political dialogue with the political actors will be important as well through engaging in continuous policy dialogue with institutions and authorities of North Macedonia through mainly the SWGs, with strong ownership and leadership by the relevant Ministries. |
| Planning, process and system | Insufficient administrative capacity, and lack of adequate number and quality of staffing in the relevant areas due to lack of retention and motivation policy | H | H | The ongoing Public Administration Reform (PAR) is expected to address the high staff turnover in all institutions by proposing a viable retention and merit-based policy and modern human resource management. As intermediate mitigation approach, technical assistance and capacity building measures, including by this action, will be put in place.  |
| People and organisation | Insufficient coordination among the stakeholders involved | M | M | Strengthening the Sector Working Groups channelling the coordination and policy dialogue, and inclusion in the Steering Committee of the projects all the relevant stakeholders. The SWG should also address disaster risk management. Also, it would be extremely useful establishing a specific sub-sector working group, as it is being done e.g. for water |

**External Assumptions**

The following assumptions should hold true to guarantee the success of the intervention:

* The Government, donors and IFIs upscale the investments in energy, civil protection, disaster prevention, and transport.
* Continued political will and commitment of the Government and public administration to the accession process and the application of the EU standards for energy and transport sectors.
* Political commitment of the Government to rationalise and modernise the administrative structures of the civil protection and disaster risk reduction system.
* Progress in the implementation of the ongoing connectivity reform measures in the country.
* Good cooperation and coordination among key stakeholders, including at local level.
* All stakeholders are proactively involved in the implementation of the relevant activities related to energy, civil protection and disaster risk reduction and transport.
* Sufficient personnel is assigned within the municipalities to implement RE and EE programmes.
* Residents will be willing to invest in renewable energy communities, as shown in the cost-benefit analysis.

**Pre-conditions**

1. Upgrade of the premises of the Emergency operational centre to enable the improved functionalities resulting of the EU investments

# Indicative Logical Framework Matrix

| **Results** | **Results chain:****Main expected results**  | **Indicators**  | **Baselines****(values and years)** | **Targets****(values and years)** | **Sources of data** | **Assumptions** |
| --- | --- | --- | --- | --- | --- | --- |
| **Impact** | Enhanced green transition and resilient development of North Macedonia  | Share of renewable energy in the gross final energy consumption[[17]](#footnote-18) | 19,02% (2020) | ≥ 31% (2027) | SSO | *Not applicable* |
| Energy efficiency measured as Intensity of final energy consumption per unit of GDP (Chain linked volumes (2015) millions of Euros)[[18]](#footnote-19) | 1856ktoe/9688. mill EUR0.19 kgoe/EUR (2018) | ≤ 0.16 kgoe/EUR (2027) | SSO |
| Road fatalities (number of road fatalities over population, 1,000,000)[[19]](#footnote-20) | 56,07 (2020) | ≤ 48 (2027) | SSO |
| Rail accidents per year[[20]](#footnote-21) | 63 (2020) | ≤ 43 (2027) | SSO |
| Cubic meters of burned wood mass in the forests between June and September[[21]](#footnote-22)  | 482,106 (2021) | ≤ 300,000 (2027) | SSO |
| **Outcome** | Accelerated climate change-related structural reforms in the areas of energy, civil protection, and transport in line with the EU policies | Level of the progress in implementation and enforcement of energy legislation | Some progress under Chapter 15 (2022) | Well advanced under Chapter 15 (2027) | European Commission reports | Government, donors and IFIs upscale the investments in energy, civil protection, disaster prevention, and transport.Continued political will and commitment of the Government and public administration to the accession process and the application of the EU standards for climate change, energy and transport sectors. |
| Level of the progress in implementation and enforcement of civil protection legislation and UCPM standards | Limited progress under Chapter 27 (2022) | Well advanced under Chapter 27 (2027) | European Commission reportsUCPM Peer-review  |
| Level of the progress in implementation and enforcement of transport legislation | Limited progress under Chapter 14 (2022) | Well advanced under Chapter 14 (2027) | European Commission reports |
| **Output 1**  | Strengthened strategic, institutional, and operational capacity for effective energy policy in response to the climate change  | Number of Strategy, legal acts, Study and Plans for Energy Efficiency and Prosumer prepared | 0 (2023) | ≥ 6 (2027) | MoEProject report | Political commitment of the Government to rationalise and modernise the administrative structures of the civil protection and disaster risk reduction system.Progress in the implementation of the ongoing connectivity reform measures in the country.Good cooperation and coordination among key stakeholders, including at local level.All stakeholders are proactively involved in the implementation of the relevant activities related to energy, civil protection and disaster risk reduction and transport.Sufficient personnel is assigned within the municipalities to implement RE and EE programmes.Residents will be willing to invest in renewable energy communities, as shown in the cost-benefit analysis. |
| Number of Government officials trained | 0 (2023) | ≥ 50 (2027) | MoEProject report |
| Number of in-depth analyses of feasibility of usage of renewables, and proposals of business models which are replicable and sustainable | 0 (2023) |  1 (2027) |  MoEProject report |
| Number of staff trained at regional planning units on energy efficiency and renewable energy  | 0 (2023) | ≥ 6 (2027) | MoEProject report |
| Number of municipalities trained to support RE and EE programme implementation | 0 (2023) | ≥ 10 (2027) | MoEProject report |
| Number of EE and RE projects initiated  | 0 (2023) | ≥ 10 (2027) | MoEProject report |
| Number of energy communities established | 0 (2023) | 5 (2027) | MoEProject report |
| **Output 2** | Improved legal framework, accountabilities and coordination mechanisms for civil protection and disaster risk reduction  | Unified national civil protection and crisis management Law, and related by-laws, established | 0 (2023) | 1 (2027) | Project report |
| Number of National Advisory Boards meetings including representatives from the private sector, NGOs, religious and civil society organisations, academia, and research institutions, and community-based and associations | 0 (2023) | 2 (2027) | Project report |
| Number of volunteers cooperating in events requiring civil protection intervention | 0 (2023) | ≥ 500 (2027) | Project report |
| Unified model of Emergency Management System, supported by phase 2 of the 112 Emergency Call, established | 0 (2023) | 1 (2027) | Project report |
| Number of Emergency Operational Centres, connected with E112 | 0 (2023) | 7 (2027) | Project report |
| **Output 3** | Improved regulatory framework and administrative capacity in the transport sector | Number of EU legislative acts fully transposed in the national legislation  | 0 (2022) | ≥ 4 (2027) | MoTC |
| Number of Road Safety Strategies and action plan prepared | 0 (2023) | 1 (2027) | Project report |
| Number of staff from RSD and STI trained | 0 (2023) | ≥ 50 (2027) | Project report |
| Number of people covered by public awareness activities for road safety | 0 (2022) | ≥ 50,000 (2027) | Project report |

# IMPLEMENTATION ARRANGEMENTS

# Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the North Macedonia.

# Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of conclusion of the financing agreement.

Extensions of the implementation period may be agreed by the Commission’s responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

# Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures[[22]](#footnote-23).

# Direct Management (Procurement)

Procurement will be used to achieving all outputs:

*Output 1: Strengthened strategic, institutional, and operational capacity for effective energy policy in response to the climate change*

*Output 2: Improved administrative, financial and operational capacities for prevention, mitigation, and response to disasters*

*Output 3: Improved regulatory framework and administrative capacity in the transport sector*

# Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

# Indicative Budget

|  |  |  |
| --- | --- | --- |
| **Indicative Budget components** | **EU contribution****(amount in EUR)** | **Indicative third-party contribution, in currency identified** |
| **Methods of implementation –** cf. section 4.3 |  |
| **Output 1: Strengthened strategic, institutional, and operational capacity for effective energy policy in response to the climate change** composed of | **8 000 000** |  |
| Procurement (direct management) – cf. section 4.3.1 | 8 000 000 |  |
| **Output 2: Improved administrative, financial and operational capacities for prevention, mitigation, and response to disasters**composed of | **5 100 000** | **150 000** |
| Procurement (direct management) – cf. section 4.3.1 | 5 100 000 | 150 000 |
| **Output 3: Improved regulatory framework and administrative capacity in the transport sector**composed of | **5 500 000** |  |
| Procurement (direct management) – cf. section 4.3.1 | 5 500 000 |  |
|  |  |  |
| **Grants** | N/A |  |
| **Procurement** – cf. section 4.3.1 | 18 600 000 |  |
| **Evaluation** – cf. section 5.2 | Will be covered by another Decision |  |
| **Audit/Expenditure verification** – cf. section 5.3 | Will be covered by another Decision  | N.A. |
| **Strategic Communication and Public Diplomacy** – cf. section 6 | Will be covered by another Decision | N.A. |
| **Contingencies** |  | N.A. |
| **Totals**  | **18 600 000** | **150 000** |

# Organisational Set-up and Responsibilities

# The Delegation of the European Union (EUD) to North Macedonia is in charge of implementing the Action. It will collaborate with the NIPAC office within the Secretariat for European Affairs, the line ministries, and all stakeholders and implementing partners.

# At the policy level, the implementing partners will be accountable to the SWG on Energy, SW on Environment and Climate Change, and SWG on Transport, well as the IPA Monitoring Committee.

# At the contract level, the implementation arrangements will be discussed through the project Steering Committees having advisory functions and composed of EUD, the relevant national authorities and all relevant implementing partners.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

# PERFORMANCE MEASUREMENT

# Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner’s strategy, policy or reform action plan list (for budget support). The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Arrangements for monitoring and reporting, including roles and responsibilities for data collection, analysis and monitoring: The relevant data will be collected, processed and analysed by the EU Delegation, working closely with the NIPA office/Secretariat for European Affairs. The beneficiaries and contractors will have the obligation to collect, organise, process and submit the relevant data to the EU Delegation and the NIPAC office.

# Evaluation

Having regard to the importance of the Action, a final evaluation will be carried out for this Action or its components via independent consultants contracted by the Commission. It will be carried out for accountability and learning purposes at various levels (including for policy revision).

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least 2 months in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination[[23]](#footnote-24). The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

# Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

# STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union’s support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the 2022 guidance document [*Communicating and raising EU visibility: Guidance for external actions*](https://international-partnerships.ec.europa.eu/knowledge-hub/communicating-and-raising-eu-visibility-guidance-external-actions_en) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

# SUSTAINABILITY

The sustainability of the Action Document can be ensured by implementing specific activities that focus on strengthening the national energy policy and institutional framework, promoting renewable energy, improving energy efficiency and conservation, and facilitating green energy investments and deployment. A key component to achieving this is to improve the analysis of the green energy transition, which can help identify opportunities and challenges, assess the impact of policies and interventions, and guide decision-making towards more sustainable outcomes. However, ensuring the sustainability of these activities will depend on several factors. First, stakeholders must collaborate and coordinate effectively to achieve common goals. This will require strong political commitment and leadership at all levels of government, as well as active engagement from civil society organisations and the private sector. Second, monitoring and evaluation systems must be established to track progress and identify areas for improvement. This will enable decision-makers to make evidence-based decisions and adjust policies and interventions as needed.

It is essential to take a long-term perspective on sustainable energy transitions. These are complex and dynamic processes that require continuous adaptation and innovation. Policies and interventions must be designed to be flexible and responsive to changing circumstances, and stakeholders must be willing to embrace new technologies and approaches. In summary, the sustainability of the Action Document will depend on the practical implementation of specific activities related to sustainable energy, as well as the ability of stakeholders to collaborate and coordinate effectively, maintain solid political commitment, and continuously monitor and evaluate progress towards achieving sustainable energy objectives. A long-term perspective, combined with flexibility and innovation, will be essential to ensure the success of these activities.

To ensure sustainability in civil protection and disaster risk reduction, the Action focuses on building a robust institutional framework to manage crises effectively. This includes providing training and resources to key personnel, developing standard operating procedures, and establishing clear lines of communication and coordination. To make the plan sustainable, involving a wide range of stakeholders such as government bodies, private sector organisations, and civil society groups is crucial. Taking these measures makes it possible to ensure that the civil protection and disaster risk reduction efforts are effective, sustainable, and positively impact the country. Finally, it is crucial to establish a regular and adequate funding mechanism that ensures the maintenance and upgrade of the equipment and software needed for the e-112 service, as well as the training of the staff.

Regarding transport activities, the Action will support the institutional capacity building of relevant stakeholders in the sector, aiming at improving their knowledge and skills. This includes training, technical assistance, and legal harmonisation that support the development of sustainable transport infrastructure. Regarding the transport policy and legal harmonisation to achieve sustainability, the Action will consider the measures that reduce greenhouse gas emissions, promote sustainable transport modes, and ensure transport is resilient to climate change.

**Appendix 1: IDENTIFICATION OF THE PRIMARY INTERVENTION LEVEL FOR REPORTING IN OPSYS**

A Primary intervention[[24]](#footnote-25) (project/programme) is a coherent set of results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

* Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);
* Articulating Actions and/or Contracts according to an expected common chain of results and therefore allowing them to ensure a more efficient and aggregated monitoring and reporting of performance;
* Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

The present Action identifies as

|  |
| --- |
| **Action level** (i.e. Budget support, Blending) |
| [x]  | Single action | Present action: all contracts in the present action |
| **Group of actions level** (i.e: i) top-up cases, ii) second, third, etc. phases of a programme) |
| [ ]  | Group of actions | Actions reference (CRIS#/OPSYS#): N/A |
| **Contract level** (i.e. Grants, Contribution Agreements, any case in which foreseen individual legal commitments identified in the budget will have different log frames, even if part of the same Action Document) |
| [ ]  | Single Contract 1 | N/A |
| **Group of contracts level** (i.e: i) series of programme estimates, ii) cases in which an Action Document foresees many foreseen individual legal commitments (for instance four contracts and one of them being a Technical Assistance) and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other, iii) follow up contracts that share the same log frame of the original contract) |
| [ ]  | Group of contracts | N/A |

1. This section is to be completed by the EU Office/Delegation. [↑](#footnote-ref-2)
2. Depending on the availability of OPSYS at the time of encoding, a provisional CRIS number may need to be provided. [↑](#footnote-ref-3)
3. The share of the priority areas should be linked to the NEAR EIP sub-tags: Transport, Energy, Environment and climate resilience, Digital, Economic development (incl. private sector, trade, and macroeconomic support), Human Development (incl. human capital and youth), Health resilience, Migration and mobility, Agriculture, food security and rural development, Rule of law, governance and public administration reform, Other. [↑](#footnote-ref-4)
4. Indicate the lead window and thematic priority as identified in the relevant programming document. Please indicate for each thematic priority the approximate share (%) of the window budget it represents. [↑](#footnote-ref-5)
5. Development Assistance Committee (DAC) sectors (codes and descriptions) are indicated in the first and fourth columns of the tab ‘purpose codes’ in the following document: [DAC and CRS code lists - OECD](https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/dacandcrscodelists.htm) [↑](#footnote-ref-6)
6. For guidance, see [Development finance standards - OECD](https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/) (Go to “Data collection and resources for reporters”, select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive. If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and indicators). [↑](#footnote-ref-7)
7. Please check the [Handbook on the OECD-DAC Nutrition Policy Marker](https://scalingupnutrition.org/wp-content/uploads/2020/12/OECD_PolicyMarkerNutrition.pdf). [↑](#footnote-ref-8)
8. These markers have a different scope/rationale than the DAC codes. They are drawn from the level of budget allocation and emphasise the action in terms of main objective(s) selected. The definition of objectives and outputs in the description of the action should be in line with this section. [↑](#footnote-ref-9)
9. When a marker is Significant or Principal Objective, please indicate the relevant tags by selecting “YES” or “NO”. [↑](#footnote-ref-10)
10. Please address the digitalisation marker in line with the note ARES(2019)7611708, which provides internal guidelines on the criteria to be used to assess the degree of relevance of the marker for the action (not targeted, significant or main objective). [↑](#footnote-ref-11)
11. When a marker is “Significant Objective“ or “Principal Objective”, please indicate the relevant tags by selecting “YES” or “NO”. [↑](#footnote-ref-12)
12. Please address the migration marker in line with the note Ares(2021)6077013. [↑](#footnote-ref-13)
13. Official Gazette of the Republic of Macedonia no. 36/04, 49/04, 86/08, 124/10, 41/14, 129/15, 71/16, 106/16. [↑](#footnote-ref-14)
14. Official Gazette of the Republic of Macedonia, no. 29/05, 36/11, 41/14, 104/15 and 39/16 [↑](#footnote-ref-15)
15. http://www.inform-index.org. [↑](#footnote-ref-16)
16. Principal objective / significant objective/ not targeted. [↑](#footnote-ref-17)
17. Source: Energy balance 2020, State Statistical Office, table T-01: Energy indicators

 https://www.stat.gov.mk/pdf/2021/6.1.21.60\_mk.pdf [↑](#footnote-ref-18)
18. Numerator: Energy balance 2018, State Statistical Office, Final energy consumption from Table T-02: Total energy balance (<http://www.stat.gov.mk/pdf/2020/6.1.20.59_mk.pdf> )

 Denominator: EUROSTAT, GDP and main components (output, expenditure and income) [nama\_10\_gdp], Chain linked volumes (2015), million euro (<https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=nama_10_gdp&lang=en> ). [↑](#footnote-ref-19)
19. Source of numerator: <http://makstat.stat.gov.mk/PXWeb/pxweb/en/MakStat/MakStat__Transport__SoobrakajniNesreki/325_Trans_MK_T_48_en.px/?rxid=b14b7e4a-3c41-447f-93fa-e9eba26a7167>

 Source of denominator: <http://makstat.stat.gov.mk/PXWeb/pxweb/en/MakStat/MakStat__Naselenie__ProcenkiNaselenie/115_Popis_RM_1Star_Dec_eng.px/?rxid=a1e36641-ae7d-44a4-a868-ed8fb90eef27> [↑](#footnote-ref-20)
20. Source:<http://makstat.stat.gov.mk/PXWeb/pxweb/en/MakStat/MakStat__Transport__SoobrakajniNesreki/125_Trans_Mk_ZelSN_ang.px/?rxid=6263d405-f656-4350-a635-777e57b54850> [↑](#footnote-ref-21)
21. https://www.stat.gov.mk/pdf/2021/5.1.21.15\_mk.pdf [↑](#footnote-ref-22)
22. [EU Sanctions Map](https://www.sanctionsmap.eu/#/main). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails. [↑](#footnote-ref-23)
23. See best [practice of evaluation dissemination](https://europa.eu/capacity4dev/evaluation_guidelines/wiki/disseminating-evaluations) [↑](#footnote-ref-24)
24. For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘Action’ and ‘Intervention’ where an ‘Action’ is the content (or part of the content) of a Commission financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](https://webgate.ec.europa.eu/fpfis/wikis/display/PCM/Concept%2Bof%2Bintervention) *[to access the link an EU Login is needed]*. [↑](#footnote-ref-25)