

Shadow Report on Chapter 27

2023

PLATFORM 27



27

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1	1	INTRODUCTION
1	1.1	Platform 27
2	2	Horizontal legislation
3	2.1	Overview of progress under the sub-chapter in 2023
5	2.2	Legislation implementation
10	2.3	Recommendations for improvement
17	3	Air
18	3.1	Overview of progress under the sub-chapter in 2023
18	3.2	Legislation implementation
26	3.3	Recommendations for improvement
29	4	Waters
30	4.1	Overview of progress under the sub-chapter in 2023
31	4.2	Legislation implementation
31	4.2.1	Water Framework Directive Implementation
32	4.2.2	EU Urban Wastewater Treatment Directive Implementation
35	4.2.3	EU Drinking Water Directive Implementation
38	4.2.4	EU Groundwater Directive Implementation
38	4.3	Recommendations for improvement
40	5	Waste Management
41	5.1	Overview of progress under the sub-chapter in 2023
42	5.2	Legislation implementation
46	5.3	Recommendations for improvement
47	6	Industrial Pollution and Risk Management
48	6.1	Overview of progress under the sub-chapter in 2023
49	6.2	Legislation implementation
49	6.2.1	Technical and administrative capacities at central and local level
50	6.2.2	Cooperation with the operators and central - local level cooperation
50	6.2.3	Transparency in the area of issued permits, the process of issuing permits and financial resources
51	6.2.4	Methodology for writing A and B permits
52	6.3	Recommendations for improvement
53	7	Nature
54	7.1	Overview of progress under the sub-chapter in 2023
56	7.2	Legislation implementation
60	7.3	Recommendations for improvement
65	8	Climate Change
66	8.1	Overview of progress under the sub-chapter in 2023
67	8.2	Legislation implementation
72	8.3	Recommendations for improvement
74	9	Financing
80	9.1	Administrative capacities

1 Introduction

1.1 Platform 27

Platform 27 is an informal network of more than 20 organizations working in the environmental protection and climate change sector, established in 2020. The report has been produced based on a previously developed methodology by which four organizations (Centre for Climate Change, Eko-svest, Milieukontakt Macedonia and the Macedonian Ecological Society) work on monitoring the harmonization of national legislation with European legislation, but also on the legislation implementation at the national and local level and analyze the progress and summarize the main findings in one report entitled Shadow Report on Chapter 27.

This report covers only the sub-chapters of “horizontal legislation”, “water quality”, “waste management”, “ambient air quality”, “industrial pollution and risk management”, “nature protection”, and “climate change”, that is, those sectors showing progress and including several Directives. In the Shadow Report for Chapter 27 - 2023, we analyzed the progress in the last year, that is, the period from December 2022 to December 2023, and its preparation was made possible by the project “CSOs Action for Climate” implemented by Eko-svest, MYLA and CNVP funded by the Government of Sweden.

The purpose of this Report is to provide a detailed overview of progress in harmonizing national legislation with the EU acquis relating to these sectors which are part of Chapter 27 environment and climate change, but also to analyze the implementation at the national and local level. The report identifies the shortcomings in these processes, emphasizes them, and also analyzes the implementation of the recommendations and manners of how to overcome them.

Among other things, this Report should improve the dialogue between the relevant institutions, the civil society sector, the professional public, the international community and all stakeholders in the legislation harmonization and implementation process, but also ensure continuity in the cooperation among the relevant stakeholders. It is of great significance that the report is being prepared by 4 organizations which have more than 10 years of experience in the environment sector and which constantly monitor the situation in the country in the environment and climate change sectors.

2

Horizontal legislation



2 Horizontal legislation

2.1 Overview of progress under the sub–chapter in 2023

The latest European Commission Progress Report on the Republic of North Macedonia, of November 08, 2023, has not noted significant progress under the sub-chapter of horizontal legislation:

"In regard to horizontal legislation, North Macedonia needs to intensify the work to achieve full alignment with the cornerstone Directives on Environmental Impact Assessment and Strategic Environmental Assessment. This negatively impacts all other environmental sectors, infrastructure investments and overall public participation and perception. The Law on Environment was amended in July 2022 to introduce a ban on the construction/reconstruction of new installations for heavy and polluting industries less than five kilometers from a settlement or a nature protected area. The country has not yet aligned the Environmental Liability Directive and the Environmental Crime Directive. Lack of specialized staff and weak institutional and administrative capacity are undermining quality control and the performance of Environmental Impact Assessments."

2007/2/EC INSPIRE - Environmental Spatial Data Representation Directive has the purpose of creating a spatial data infrastructure of the European Union (EU) enable the exchange of environmental spatial information among public organizations and easier access by the public to spatial data; and 2001/331/EC RMCEI – Minimum Criteria for Environmental Inspections establishes guidelines for environmental inspections of installations, other plants and establishments that have emissions to air and water or perform waste disposal or recovery activities and are subject to authorization, permitting or licensing requirements ("controlled installations") have not been noted at all in the latest European Commission Report.

The National Program for the Adoption of the Acquis (NPAA) for the period of 2021-2025, in regards to horizontal legislation, will aspire to alignment with the EU acquis presented at the Explanatory Meeting 2019, that is, the following laws will be adopted: Law on Environment, the Law on Environmental Inspection, as well as a new Criminal Code with strengthened provisions in the area of sanctioning environmental violations.

The Draft Law amending the Law on Environment (drafted in November 2020 and adopted in 2022) aimed, among other things, at aligning the status of expert on Environmental Impact Assessment of Projects and expert on Strategic Environmental Assessment. According to these amendments, natural persons in possession of a certificate of passing a professional exam for acquiring the status of an expert on Strategic Environmental Assessment, a certificate of passing a professional exam for acquiring professional knowledge in Strategic Environmental Assessment, as well as a certificate of passing a professional exam for acquiring the status of an expert on Environmental Impact Assessment of Projects and a certificate of passing a professional exam for acquiring professional knowledge in Environmental Impact Assessment, within four months as of the date of entry into force of this law, to the state administration body in charge of conducting affairs in the environment sector submit a request for

the issuance of a certificate for completion of professional exam for acquiring the status of an expert on Environmental Impact Assessment of Projects, that is, an expert on Strategic Environmental Assessment.

The adoption of the amendments relating to the passing of a professional exams in terms of the validity of the certificates of passing a professional exam for acquiring the status of an expert on Environmental Impact Assessment of Projects and Strategic Environmental Assessment, acquired according to the old method of taking the exam, will make possible to align their status with those who passed the exam after the introduction of the new method of passing. The amendment will make possible for everyone who has passed the exam once to obtain equal status and be part of the expert list.

These amendments have not envisaged alignment and finalization of the procedures for the evaluation of the Environmental Impact Assessment and the Strategic Environmental Assessment by an analysis of their implementation and a better implementation of the process of public consultations, which are required by the EIA and SEA Directives.

The Energy Community has provided technical assistance for drafting a Draft Law amending the Law on Environment with the purpose of finalizing and transposing Directive 2014/52/EU into the Law on Environment (Chapter XI – Environmental Impact Assessment of Certain Project). Amendments have been proposed in the Environmental Impact Assessment procedure, in each step of the procedure, in the notices, in the definition of the scope, appropriate assessment, etc. The draft text of the Law is in the process of internal alignment in the MOEPP and has not yet been published on ENER. According to the NPAA, its adoption is planned to happen by the end of 2022, but this deadline has been exceeded.

The IPA Project – “Support in the Implementation of Horizontal Legislation” (expected to start in 2024) envisages activities for an analysis of the national legislation regulating the Environmental Impact Assessment procedure and the Strategic Environmental Assessment procedure with an analysis of their implementation, as well as a better implementation of the public consultation process. The project will draft a new Draft Law on Environment, where the Directives of horizontal legislation will be transposed.

The Directive on Public Access to Environmental Information and the Directive on Public Participation in Environmental Decision-Making have been fully transposed into the current Law on Environment and the respective by-laws.

RMCEI – Minimum Criteria for Environmental Inspections are incorporated in the Law on Environmental Inspection (LEI), adopted in 2022, according to which it is necessary to develop and adopt a National Environmental Inspection Strategy (within 6 years after the adoption of the law) and an Environmental Inspection Program of the Republic of North Macedonia (within 3 years after the adoption of the law).

The NPAA envisages the adoption of a National Environmental Inspection Plan, which will be developed after the adoption of the Law on Environmental Inspection, in order to conduct multi-year planning of the environmental inspection. This Plan is still in the development stage and has not been adopted.

The Environmental Liability Directive did not bring any passing and adopting legal solutions in the course of 2023.

INSPIRE – Environmental Spatial Data Representation Directive

The Law amending the Law on National Spatial Data Infrastructure (LNSPDI) of the Republic of Macedonia (Official Gazette of the RNM, No. 129 of June 21, 2023), envisaging the summary of the topics of spatial data collections in the Registry of Spatial Data Collections, which should be established within 12 months after the date of entry into force of this law, was passed.

The entities in NSDI that create, that is, own spatial data have the obligation to create, maintain and update the metadata for the spatial data collections and services.

According to the latest amendments, the entities in NSDI have the obligation within two years after the date of entry into force of this law to digitize geospatial data, and within three years after the date of entry into force of this law they have the obligation to provide services for the geospatial data exchange.

Entities in NSDI should fully align with the provisions of this law by December 31, 2024 at the latest.

The Environmental Crime Directive, in the course of the month of September, 2023, the amendments to the Criminal Code were adopted, that is, Chapter 25, referring to crimes against the environment and nature, was revised and supplemented with new articles, such as ecocide, envisaging a penalty from 10 years of imprisonment up to life imprisonment, depending on the damage done.

The insufficient capacities of the Secretariat for Legislation and the inefficiency of the legislative procedure in the Assembly contribute to untimely transposition of laws and by-laws with the EU acquis.

2.2 Legislation implementation

- ↘ **2011/92/EU Environmental Impact Assessment (EIA) Directive**
- ↘ **2001/42/EC Strategic Environmental Assessment (SEA) Directive**

In regard to the implementation of the EIA Directive, the findings are identical as in the previous years, that is, as in the previous two Shadow Reports (2021 and 2022).

The procedures have been generally implemented, yet, despite the remarks in the previous reports, the issues of timely informing and involving the affected public at the earliest stage are still open and present (notices of intention to implement projects are not published on the homepage of the MOEPP, and no date is specified when they had been published), thus preventing public participation in the procedure as stipulated.

On the other hand, Article 2 of the Rulebook on the content of the announcement of notice of intention to implement a project, the decision on the need for Environment Impact Assessment of a Project, Environmental Impact Assessment Study of a Project, the suitability report on the Environmental Impact Assessment Study of a Project and of the decision giving consent or refusing the project implementation, as well as the manner of consulting the public, defines what information should be contained in the announcement of the notice of intention to implement a project (name and surname, address and contact information of the applicant; the project purpose and a project brief; description of the activities planned by the project; the project location, including address and plot number; indication that the request is available on the website of the MOEPP and indicating the place and period in which the public can review it, the manner and procedure of submitting opinions/comments by the public; which is the authority in charge of decision-making and where additional information about the project can be obtained).

Article 81 of the current LE stipulates the procedure for determining the need for an Environmental Impact Assessment of a Project. The notice of intention to implement a project and the request to determine the need for an Environmental Impact Assessment of a Project (that is, the checklist determining the need for an Environmental Impact Assessment of a Project) are usually submitted together to the MOEPP. The state administration body in charge of environmental affairs notifies the investor by a decision about the need for and the scope of the Environmental Impact Assessment of a Project. This decision should be published on the website and be available to the public, but it is not always published.

In regard to the implementation of the SEA Directive, the findings are again identical as in the previous years, that is, as in the previous two Shadow Reports (2021 and 2022).

Article 65 (Strategic Environmental Assessment) of the current LE states that the body that prepares the planning document is obliged to make a decision to implement or a decision to (not) implement a Strategic Environmental Assessment, explaining the reasons for implementing, or not implementing, the SEA procedure. The decision is made by the person in charge of the body that prepares the planning document, that is, the mayor of the municipality, the mayor of the City of Skopje or the Minister of the body that prepares the planning document, and that decision should be published on the website of the body that prepares the planning document within 15 days. The decision is forwarded to the MOEPP, and in relation to it the Ministry issues an opinion, which should also be made public. The draft SEA Report should be available to the public (published on the website) within 30 days together with the planning document.

The implementation of the procedure is often incomplete. It means that the decision to implement or not (implement) the SEA is not published or it is published together with the opinion of the MOEPP. The draft report is often published without information about an announcement which is precisely stipulated, or a notice is published one or two days before the public hearing is held. The draft SEA Report is not always published together with the planning document. The deadline for close scrutiny and submission of comments is not always 30 days. A very small number bodies that prepare the planning document and are in charge of implementing the SEA procedure publish a public consultation report.

In regard to the implementation of the Aarhus Convention in the Republic of North Macedonia (the Directive on Public Access to Environmental Information and the Directive on Public Participation in Environmental Decision-Making), it may be said that there has been some progress made in terms of updating the provisions on the first and second pillars of the Convention by the Aarhus Center, that is, conducting trainings for representatives of local self-government, citizens associations, youth organizations independently or through projects supported by the OSCE Mission in Skopje, ZELS, Agency for Youth and Sport, etc.

The Aarhus Center cooperates with organizations at the national and regional level. In October 2023, it attended the Annual Meeting of Aarhus Centers, held in Dushanbe, Tajikistan. In November 2023, it attended a two-day training “Compliance Mechanism under Aarhus Convention”, held in Belgrade. According to the Law on Free Access to Public Information, which is in accordance with the provisions of the first pillar of the Aarhus Convention (Directive on Public Access Environmental Information), all information holders have the obligation to act in accordance with this law, that is, to make public information (including environmental information) public, to act upon a request received by a natural person or legal entity, as well as to prepare an annual report on handling requests for public information.

These reports summarize the requests, responses and complaints that have been brought against the information holders by natural persons or legal entities. These reports also include requests for environmental information, represented in a larger number in the recent period, which we could attribute partially to the increased awareness of the public about the exercise of the right to information and partially to the deteriorating quality of the environment.

In regard to the implementation of the Directive on Public Participation in Environmental Decision-Making or the second pillar of the Aarhus Convention, the situation may be equated with the implementation of the EIA and SEA Directives.

The decree on public participation in drafting regulations and other acts, as well as plans and programs in the environment sector, in addition to planning documents for which the public should be informed and involved, also envisages the conditions, method and procedure for public participation in drafting documents at the earliest stage of their adoption, as well as determination of the interested public according to economic, social, environmental criteria. This Decree also envisages informing the public by public notices (the place, time and deadline for close scrutiny of the document; the place and time of the public hearing; the address where comments can be submitted; electronic address from where an electronic version of the document can be downloaded, as well as other information that can contribute to the exercise of the right of interested public participation in decision-making). This Decree also envisages the conditions for the interested public participation (minimum 1 hearing), notice for its holding, deadline and contact person for submitting comments, etc.

The general perception is that public involvement is avoided at the earliest stage or participation is limited, or public hearings are organized and stakeholders are invited, but the public is not given enough time for comments or the comments are not taken into consideration at all. Public consultation reports do not exist in most cases.

The Pollutant Release and Transfer Register (PRTR) Protocol to the Convention on Access to Information, Public Participation in Decision-Making and Access to Justice on Environmental Matters has been established. The Rulebook on the form, the content, the methodology and the manner of maintaining of the Pollutant Release and Transfer Register was also passed and adopted, stipulating all the obligations arising under the EU Regulation (EC) No 166/2006 and the Protocol. PRTR has been established, there is a website and a database, but they are not updated, not sufficiently known and used by the public.

Minimum Criteria for Environmental Inspections (RMCEI)

According to the Law on Inspection, two reports are prepared: Semiannual and Annual Report on the Operation of the State Environmental Inspectorate - SEI. The Semiannual Reports on the Operation of the SEI are approved by the Inspection Council and are published on the SEI's website for the purpose of informing the public. The Annual Report on the Operation for the entire 2023 has been prepared and after the approval by the IC, it has been published on the SEI's website.

The European Parliament and the Council's Recommendation on providing for minimum criteria for environmental inspections in the Member States of April 4, 2001, is also the preparation of Environmental Inspection Plans. The Annual Work Plan of the SEI for 2024 has been also published on the SEI's website. The SEI's international cooperation in European networks, projects and other events has not been absent this year either. The SEI is in communication and cooperation with IMPEL, with the sole purpose of preventing illegal cross-border activities that may have significant cross-border impacts.

In regard to the site visits and the reports and conclusions that follow the site visit, the recommendation is that those reports should be publicly available within two months after the inspection has been conducted. SEI publishes some of these reports, and also publishes information on performed inspections, summarized in a table for each past week.

The implementation of the Minimum Criteria for Environmental Inspections (RMCEI), that is, the Law on Environmental Inspection at the local level, faces challenges that need to be overcome, starting from the lack of an authorized inspector at the local level, to the performance of tasks and responsibilities that may have a conflict of interest (such as an inspector conducting an inspection, or environmental inspection, and as part of his work tasks, he also approves elaborates or B-IEP).

The Program Proposals to be prepared by the municipalities and the City of Skopje, the Annual Plans to be prepared by the municipalities and the City of Skopje and the Monthly Plans for environmental inspection are not being prepared by most of the municipalities. These planning documents, which should be publicly published and available on the websites of the municipalities and the City of Skopje, cannot be found in most of the municipalities.

Environmental Spatial Data Representation Directive (INSPIRE)

In regard to the implementation of the INSPIRE Directive, some progress has been made by drafting several regulations for implementation (Metadata Regulation, Data Sharing Specification and Protocols Regulation, as well as Network Services Regulation).

The Ministry of Environment and Physical Planning has been actively involved in the establishment of the National Spatial Data Infrastructure from the very beginning, and has continuously invested in the development of the Web GIS application for collecting, processing and presenting geospatial data of the Ministry's scope of operations, developing the Web based information system and integrating geospatial data in a geo-database according to the INSPIRE Directive, etc.

In the past period, the Agency for Real Estate Cadastre has conducted activities to bring the use of this portal closer to the public, that is, workshops on the topic "Open Data", intended for representatives of government and public institutions.

Environmental Liability Directive

In regard to the implementation of the Environmental Liability Directive, there has not been progress made and it may be said that the situation is identical as in the last year's report. The MOEPP has established a Register of Certified EIA experts. Identically, as in last year's report, there are 4 legal entities that are certified to conduct activities - Environmental Liability Assessment, that is, Environmental Impact Assessment and their quantification, as well as application of measures to reduce environmental damage and determination of their price. To date, there is no information on an Environmental Liability Assessment, that is, there is no Environmental Liability Assessment Report that is available to the public.

In regard to the requirements of the Directive, technical assistance is envisaged in order to strengthen the administrative structure capacity with a procedure for assessing whether the environmental damage has occurred and whether the operator is liable for the necessary remedial actions, the procedures for the stakeholders to draft strategies for prevention, reduction and remediation. Within the framework of the IPA Project "Support in the Implementation of Horizontal Legislation", the MOEPP has envisaged the revision of the provisions on environmental damage liability.

Environmental Crime Directive

There is no progress made in regard to the implementation of the Environmental Crime Directive.

The amendments to the Criminal Code were adopted in the course of September 2023 and are very significant. They represent a significant step forward in combating environmental crime. In particular, "ecocide", envisaging a penalty from 10 years of imprisonment to life imprisonment, depending on the damage done, is a penalty provision that is not even envisaged under the Criminal Acts of many EU member states. It remains to be seen how the crimes will be proven and how the offenders of crimes against the environment and nature will be penalized.

2.3 Recommendations for improvement

The recommendations for improvement have been taken from the previous two Shadow Reports, and an analysis of their implementation in the course of 2023 has been made. The table below provides the recommendations, and for each of them, there is an indication of how much it has been implemented, as well as the status of what has been implemented to date in relation to each recommendation is given.

2022 Recommendation	Measures taken (Yes/No/Partially)	Comment/Status
Environmental Impact Assessment (EIA) Directive		
To publish brief information on the project implementation notice, the decision on the scope of the EIA study, the Draft EIA Study, minutes of the public hearing, report on the suitability of the study, approval or disapproval decision, with a link where they can be found.	Partially Only in the EIA Study	Only short information on the availability of the EIA Study is being published.
To publish the specified documents with dates, in order to ensure the legal provision of the days prescribed for comments by the public.	Partially Only in the EIA Study	Only the notice of publication of the EIA Study is published with a date and indicates until when comments can be submitted.
To also publish the draft EIA Study on the website of the municipality on the territory of which the project is planned to be implemented, in order to improve accessibility and involvement of the public.	Not always	There is a very small number of municipalities that publish information on the implementation of the EIA procedure on their websites.
To include information about comments received in writing, whether there are comments or not, with appropriate justification for their acceptance or non-acceptance in the minutes of the public hearings.	Partially	Most often, only comments of citizens who were present at the public hearings are listed in the minutes.
To establish an independent body by a group of experts that will review and evaluate the quality of EIA Studies, with the purpose of their improvement in the future.	No	
To review the Decrees on activities and actions for which it is necessary to prepare an environmental protection elaborate.	No	
To do the procedure for the cross-border Environmental Impact Assessment of a Project that is being implemented on the territory of R. North Macedonia and vice versa (familiarizing the public with a project that is planned in a neighboring country and may have a potential environmental impact in our country).	Not always	The implementation of this procedure depends on the project, whether and what cross-border impacts there are, but it is not always implemented.

Strategic Environmental Assessment (SEA) Directive		
To strengthen the capacities of LGUs in relation to the implementation of the SEA procedure.	Yes	The Aarhus Center, in cooperation with ZELS and the OSCE Mission, has for the past years continuously provided training on the implementation of the Aarhus Convention at the local level with an emphasis on the SEA procedure and public involvement in urban planning.
To organize trainings for employees in urban planning units on the SEA procedure and which documents (plans, programs, strategies) are subject to this procedure.	Yes	
To have greater cooperation at the local level between employees in the environmental and urban planning units.	Partially	In some municipalities there is cooperation, in some municipalities there is not. In the smaller municipalities, most often one person is in charge of both procedures.
To establish joint administration (urban planning and environment) according to the mechanism of inter-municipal cooperation encouraged and supported by the legislator.	Partially	In some municipalities it does exist and it is functional, but in other municipalities it exists only on paper. Very often, even the employees who should be part of this concept do not accept it, primarily due to an increase in the workload, while the financial remuneration remains the same.
To establish an electronic portal at the national level with information on the complete SEA procedure.	No	
To publish a decision on (non)implementation of the SEA and a form on the website of the planning document adopting entity (to be available 15 days as of the day of publication).	Partially	Despite the indications by the Aarhus Center and the explanation procedure at the trainings, some of the bodies producing planning documents do not publish the decision.
To publish the Draft Planning Document and the Draft SEA Report and notice of the date of the public hearing, the method of public participation, the deadline for comments, etc. at the same time.	Partially	A very small number of bodies producing planning documents publish the planning document and the Draft SEA Report at the same time.
To publish Minutes of public consultations, including comments received verbally and in writing.	No	Almost none of the bodies producing planning documents publish the Minutes of public consultations separately. It is usually found within the Final SEA Report.
To publish the Final SEA Report, including comments from the public.	Partially	Only some of the bodies producing planning documents publish the final SEA Report including comments from the public.

To develop a guide on the competences of the municipalities, at the local level, envisaging procedures for public participation.	Partially	Within several projects and by several citizens associations, similar manuals have been prepared, which should be simplified and emphasize SEA and urban planning at the local level.
To change by-laws in the area of holding public hearings, public hearing success criteria, notice and publication of information, revision of the content of SEA Reports.	No	The IPA Project – “Support in the Implementation of Horizontal Legislation” is expected to regulate the procedure for Strategic Environmental Assessment by an analysis of its implementation, as well as a better implementation of the public consultation process.
To do the procedure for the cross-border Environmental Impact Assessment of the preparation of a certain planning document in R. North Macedonia and vice versa (familiarizing the public with the preparation of a planning document in a neighboring country, which may have a potential environmental impact in our country).	Partially	For some national strategic documents, it is done, for some not. For SEA Reports on Protected Area Management Plans (National Park, Natural Monument) it is done.
Directive on Public Access to Environmental Information		
To revise the provisions for access to environmental information.	No	
To update the Pollutant Release and Transfer Register - PRTR (News on the website PRTR - News (moepp.gov.mk) are from 2019, the last published Report on the Implementation of the Pollutant Release and Transfer Register Protocol is from 2013.	No	
To update the Strategy for Implementation of the Pollutant Release and Transfer Register Protocol in the Republic of Macedonia.	No	
To implement activities to update the Cadastre of polluters (air, water, noise) and the Pollutant Release and Transfer Register (PRTR).	No	
To develop a Strategy for the Implementation of the Aarhus Convention in R. North Macedonia, providing guidance in the preparation of the National Action Plan for the implementation of the Aarhus Convention in practice.		This is a new recommendation, which needs to be implemented in cooperation with the MOEPP and all relevant entities. There is a need for wide consultations with the public (citizens associations).
To amend the Law on Free Access to Public Information (LFAPI) in accordance with the Directive on Public Access to Environmental Information.		This is a new recommendation, there is continuous cooperation between AFAPI and the Aarhus Center and the will to refine public information in accordance with the Directive on Public Access to Environmental Information.

Directive on Public Participation in Environmental Decision-Making		
To create a new portal, a website that will contain guidelines and advice on how the public can participate in the procedures and what are their rights and opportunities in the environmental decision-making processes.	No	
All comments from the public must be taken into account and at the end of the procedure, the competent bodies should inform the public about the decision made and the reasons for its adoption by preparing a public consultation report.	Partially	A very small number of decision-making bodies prepare public consultation reports and publish them publicly.
To create a guide, with short and clear instructions, when and where the public has the right to participate, when and how to submit comments and to whom, and what in case this right is denied.	Partially	Within several projects and by several citizens associations, similar manuals have been developed, which should be simplified and be purposeful, short and clear, contain steps and deadlines for all procedures that require public participation.
To improve the capacities of CSOs for the opportunities offered by the legislation for public participation in the opinion-making and decision-making process.	Yes	The Aarhus Center and other citizens associations within projects have been continuously working to promote the opportunities for public participation mechanisms offered by the legislation.
To find possible ways of organizing CSOs for joint action for public participation in certain processes.	Yes	Informal organizing of citizens associations which have common interests in networks, as well as preparing joint comments, opinions and views on certain legal solutions, is done more and more.
To involve the public and to ensure participation in the procedures of the cross-border Environmental Impact Assessment of Projects or planning documents that are planned/prepared in the territory of R. North Macedonia.	Partially	The MOEPP publishes Decisions on the need to conduct cross-border consultations on its website, but they are not on the home page, that is, they are not visible and easily accessible to the public.
To apply the Maastricht Recommendations for promoting effective public participation in environmental decision-making, within the Aarhus Convention.	No	It is expected that the IPA Project – “Support in the Implementation of Horizontal Legislation” will define criteria for a better implementation of the public consultation process.

Environmental Spatial Data Representation Directive (INSPIRE)		
To establish a closer cooperation with the Agency for Real Estate Cadastre (AREC), as the body in charge of establishing, maintaining and providing public access to the NSDI geoportal, maintenance of metadata services, metadata register and related trainings.	No	
To consider the possibility of including representatives of civil society organizations working in the environment sector in the bodies in charge of the implementation of the Law on NSDI.	No	
To organize a training or public presentation on how to use "free data" - environmental protection data, as one of the services of the Agency for Real Estate Cadastre.	Yes	In the Annual Programs for the National Spatial Data Infrastructure, the Agency for Real Estate Cadastre plans to conduct trainings on relevant topics (intended for NSDI entities).
To develop a new or update the existing Strategy for NSDI and develop annual programs for its implementation.	No	
To specify the content of the Strategy and the term of validity in the Law.	No	
To digitize the geospatial data (of NSDI entities where this service is not available).	Partially	The new amendments to the existing Law envisage that the NSDI entities shall digitize the spatial data within 2 years (beginning of July, 2025).
To have activities for the promotion of NSDI in cooperation with the NGO sector.	No	
RMCEI – Minimum criteria for Environmental Inspections		
To finalize and adopt the National Environmental Inspection Plan.	Partially	According to our information, the Environmental Inspection Plan is still being worked on.
To update the electronic register for performed inspections on a weekly and/or monthly basis.	Yes	
To develop and adopt a National Environmental Inspection Strategy (within six years after the adoption of the LEI).	No	The deadline has not been exceeded.
To develop and adopt the Environmental Inspection Program of the Republic of North Macedonia (within three years after the adoption of the LEI).	No	The deadline has not been exceeded.

To appoint authorized inspectors in all municipalities or to establish inter-municipal cooperation (according to LEI, the deadline is December 31, 2022).	Partially	Authorized environmental inspectors have been appointed in the majority of municipalities, in some the mechanism of inter-municipal cooperation is used, and in some municipalities local inspectors have not yet been appointed.
Environmental Liability Directive		
It is necessary to organize professional exams to increase the number of environmental assessors, experts who will work on issues of environmental liability.	No	In the course of 2023, no professional exam has been organized.
To adopt the by-laws envisaged in accordance with the Directive, referring to the definition of the criteria for determining the environmental damages and exceptions in which liability will not be claimed; determining measures for the remediation of the environmental damage, etc.	No	
To prepare an Analysis of the implementation of the Directive in the neighboring countries, exchange of experiences and application of best practices.	No	

Environmental Crime Directive		
To organize trainings for public prosecutors, as well as for judges, in order to familiarize them with the main elements of environmental crime, the method of determining damage and determining liability.	Partially	Several citizens associations (Centre for Legal Research, CED Florozon, etc.) organized this type of training in the course of 2022-2023, which should continue in the future.
To strengthen the capacities of the institutions in charge of penalty provisions for damage caused, environmental crimes.	Partially	
To strengthen the capacities, interests and motivation of CSOs for monitoring and reporting environmental crimes.	Partially	
To create a database or e-register that will contain an overview of environmental crimes, which should be publicly available.	No	
To reallocate the funds from fines for financing activities for the improvement of the environment (in the absence of the Environmental Fund, they should be included in the Environmental Investment Program, which will increase the funds envisaged for financing activities of CSOs).	No	
To establish contact and cooperation with environmental experts (the Register is maintained by the Ministry of Justice) in order to obtain information on conducting criminal proceedings for environmental crimes where expert services are required.	No	

3

Air



3 Air

3.1 Overview of progress under the sub–chapter in 2023

Under the sub-chapter on air quality, almost no progress can be observed, particularly in the area of the transposition of Directives. The entire transposition and harmonization of the legislation “awaits” for the European project that will develop a new law on ambient air quality, by-laws and planning documents.

In regard to the legislation implementation, the situation is a little better, that is, there has been great progress made in the development of ambient air quality plans, for those municipalities that, according to the LAAQ, have the obligation to develop them.

The administrative capacities remain weak and insufficient, that is, there has not been any move forward in terms of hiring new staff, thus the number of employees in the Department in the MOEPP in charge of ambient air quality monitoring remains the same. The fact that only one employee is still in charge of the maintenance of the monitoring stations is particularly worrying. At the local level, the situation is even worse, in particular, because the municipalities (even the larger ones) are left with 1-2 employees who are in charge of several departments in the environment, including air.

3.2 Legislation implementation

In regard to the legislation implementation, a large part also relies on the EU project which is currently in the evaluation stage and envisages developing a large number of planning documents as well as activities for the monitoring of various pollutants.

According to the Directive on Ambient Air Quality and Cleaner Air for Europe (2008/50/EC), the following planning documents are envisaged within the above-mentioned project:

- **National Ambient Air Protection Plan (for a period of 4 years);**
- **National Air Pollution Control Program (for a period of 10 years);**
- **Action plan for the Implementation of the National Ambient Air Protection Plan.**

Furthermore, in regard to the obligations arising under this Directive, certain improvements have been noted in terms of Ambient Air Quality Plans, expansion of the monitoring network, reporting and informing by and to various stakeholders.

Ambient Air Quality Plans at the local level

Ambient Air Quality Plans at the local level must be developed by all municipalities that have over 35,000 inhabitants or those which had exceeded the limit values according to DAMSKAV in the previous year. Every year, the MOEPP - MEIC publishes a list of municipalities and agglomerations with exceedances, no later than March 31 of the year. A list of zones and agglomerations, where limit values were exceeded in the previous year is available at the following link: https://www.moepp.gov.mk/wp-content/uploads/2023/03/Lista_aglomeracii_2023.pdf, that is, MOEPP - MEIC regularly publishes the list on its website.

Almost all the municipalities (except for Tetovo and Berovo) which according to LAAQ had the obligation to develop plans, have developed air quality plans for their municipality. In 2023, the municipalities of Kavadarci, Gostivar and Bitola adopted their plans at the Council session, whereas Kocani and Kicevo are still waiting to adopt them. In 2023, the MOEPP financially supported the development of the plans for Veles, Ohrid, Prilep, Struga, Stip and Gevgelija, which have now been already developed and reviewed by the MOEPP, and it is expected to start a public consultation process and their finalization and adoption at a Municipal Council session.

Municipalities that have developed and adopted an Ambient Air Quality Plan have the obligation to monitor the implementation of the plan and to report on the implementation annually. All municipalities that have a valid plan have submitted a report, but the implementation of measures is partial, mainly due to subsidy measures, promotional activities, tree planting activities and the organization of a car-free day.

The preparation of a report on implemented measures to reduce air pollution, which is an obligation of the MOEPP, is not conducted because the MOEPP does not have a valid National Ambient Air Quality Plan. The plan is to be developed within a technical assistance project in the IPA II program.

Expansion of the ambient air quality monitoring network

In the course of 2023, of the Budget of the MOEPP, a new station was installed in Stip, and instruments were also purchased for MS Lazaropole, Karposh, Centar, whereby some of the instruments for MS Gazi Baba and Miladinovci were purchased by the support of the European Union.

It is necessary to work on the continuous maintenance of the ambient air quality monitoring network because the data is necessary for monitoring the situation, municipalities' reporting to the authorities in charge and the public and preparing planning documents at the national and local level. Below is an overview of all instruments for all MS and how many days in 2023 they worked, that is, provided information about the pollutant concentration and what was the percentage on an annual level when they worked.

Table 1. Overview of air quality monitoring instruments and days when they worked in 2023

Pollutant	Don't work	Work	Total	Percentage (%)
SO ₂	1087	6578	7665	85.82
PM ₁₀	1803	6227	8030	77.55
PM _{2.5}	2151	5514	7665	71.94
CO	1379	6286	7665	82.01
O ₃	1363	6667	8030	83.03
TOTAL	7783	31272	39055	80.07

Source: Archive of Macedonian Young Lawyers Association (MYLA)

In the course of 2023, also, new equipment was purchased and an upgrade was made to the server of the MOEPP, that is, of the Macedonian Environmental Information Center (MEIC), which will enable an uninterrupted flow of information about the ambient air quality. At the moment, the purchase is completed and data migration to the new server is in progress.

Reporting and informing

The National Environmental Information System (NEIS) is in its final stage, and its purpose is adequate reporting and informing. At the moment, it is not yet available and is not used by the MOEPP, but it is expected to start working in 2024. To date, trainings have been organized for the installations that in the future will have to start using it and reporting via this system, and work is being done to eliminate the shortcomings of the system identified in its practical application.

Accreditation of the Central Environmental Laboratory of the MOEPP

The Central Environmental Laboratory, or the laboratory works by means of the existing methods that are accredited. However, there is no accreditation of the methods for instrument calibration, which is not present due to a lack of human capacities in the laboratory.

The accreditation of the calibration laboratory for air quality measuring has not yet been done.

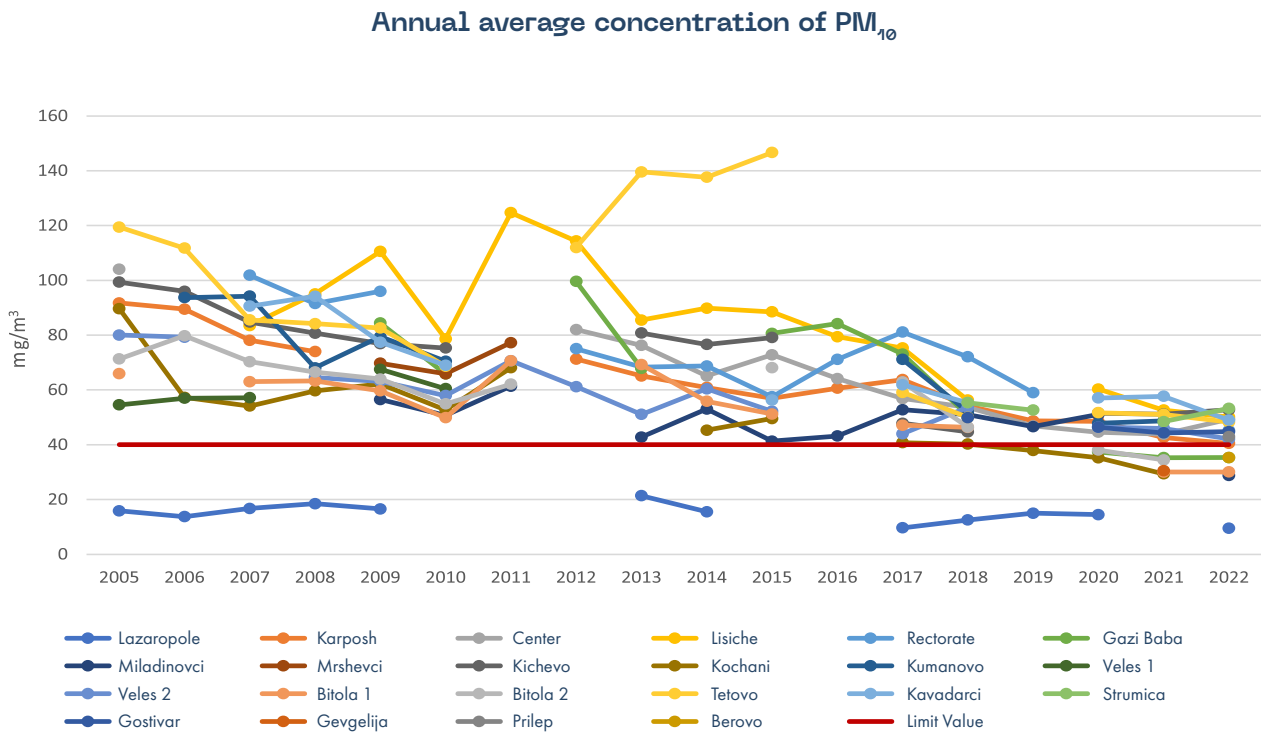
Financial assessment of how much is needed for air pollution measures

Such an assessment is necessary in order to expect some move forward, that is, planned dealing with air pollution, but this assessment is also planned to be made through the EU project which is currently in the stage of selecting the most favorable bidder and which is expected to start its implementation by the end of 2024.

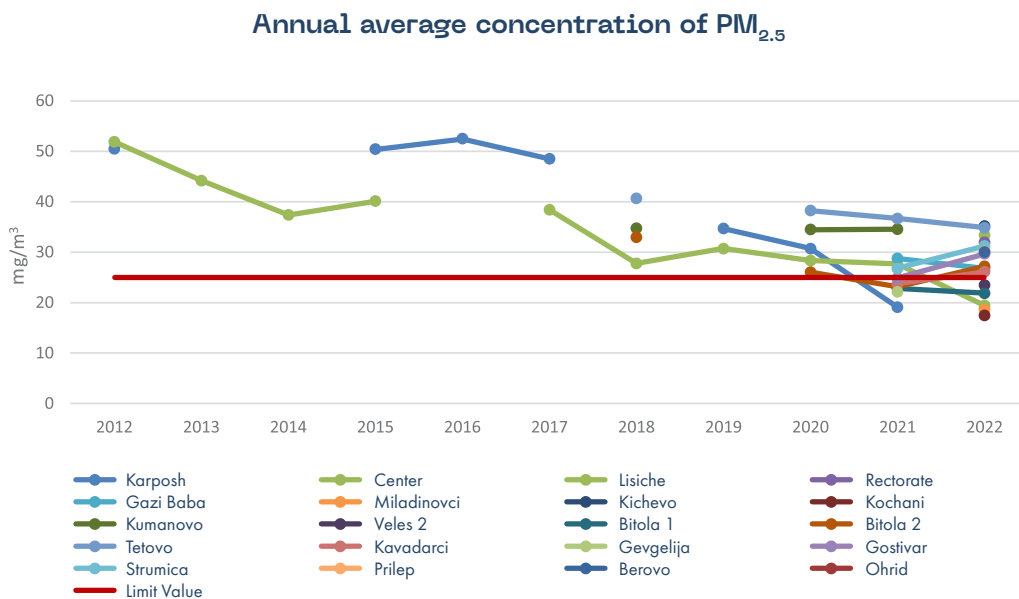
In the meantime, the monitoring stations record a constant exceedance of the concentrations of PM₁₀ and PM_{2,5}, in particular at almost all monitoring stations during the heating season, as well as annual concentrations that are calculated based on the measured concentrations with the exception of a few measuring points.

The graphs below show concentration trends for these pollutants.

Graph 1. Annual average concentration of PM₁₀ on annual level (2005-2022) for all monitoring stations in the country

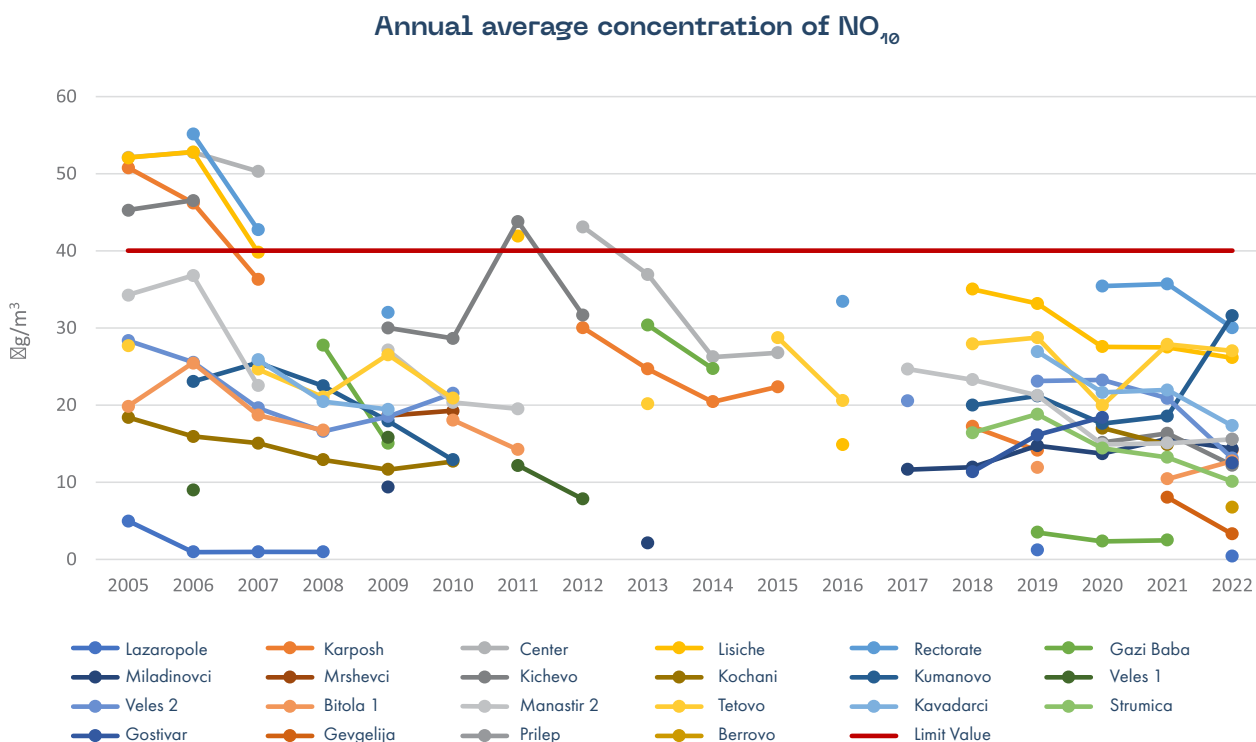


Graph 2. Annual average concentration of PM_{2,5} on annual level (2005-2022) for all monitoring stations in the country



For both pollutants, the concentrations indicate a decreasing trend in the measured concentrations on an annual level, but still at most of the stations they are above the limit values. The situation is different with nitrogen dioxide, that is, with this pollutant, since 2013 the concentrations have been within the limit value on annual level.

Graph 3. Annual average concentration of NO₂ on annual level (2005-2022) for all monitoring stations in the country



Directive 2004/107/EC relating to arsenic, cadmium, mercury, nickel and polycyclic aromatic hydrocarbons in ambient air

In regard to this Directive, there has been minimal progress made in the implementation because a large number of the obligations is expected to be completed by the implementation of the EU project for the implementation of the Air Quality Directives, that is, it is planned to develop:

- ✓ Directive-specific Implementation Plan (DSIP),
- ✓ Monitoring plans for heavy metals (NM), volatile organic compounds (VOCs) and polycyclic aromatic hydrocarbons (PAHs), and
- ✓ Establishment of zones and agglomerations for heavy metals and PAHs in accordance with the Directive.

Within a larger project implemented by the United Nations Development Program (UNDP), measuring of heavy metals is ongoing for Kumanovo, Strumica, Kavadarci, Struga and Gostivar (the measuring started in March 2023), but in addition to the need for more regular indicative measurements, what is missing is the establishment of regular monitoring for VOCs, PAHs and heavy metals.

National Emission Ceilings Directive 2016/2284/EC, (NEC Directive)

The obligations to prepare a pollutant emissions inventory and an Informative Inventory Report according to the methodology specified in the Directive have been fulfilled, because since 2016, there has been regular reporting for the entire time series. Reporting by grids and large point sources has been also done according to the obligations every 4 years starting in 2017. The reporting of projections has not yet done because they have not been calculated for 2025 and 2030 for NEC pollutants.

In terms of the implementation of this Directive, there are ongoing preparations for the calculation of obligations for the reduction of pollutant emissions. The activity has started and will be implemented this year, through the EU4Green project, for the Western Balkan countries, including Macedonia. This activity is also support in fulfilling the conditions for ratification of the amendments to the Gothenburg Protocol.

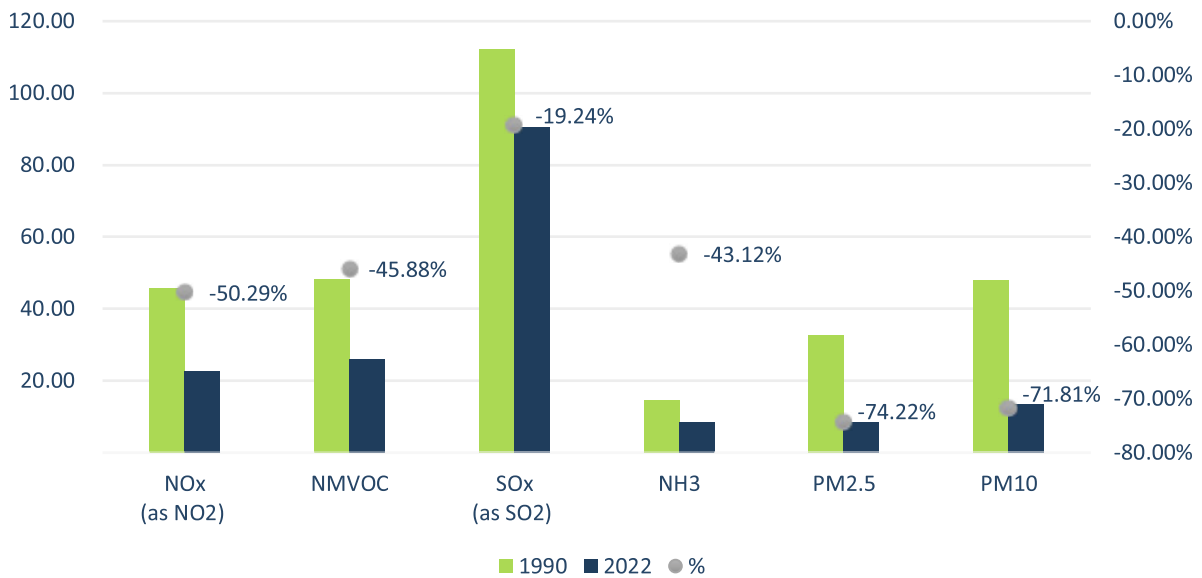
According to Article 9 of this Directive, the country has the obligation to monitor the air pollution impact on eco systems (eco monitoring). For this purpose, in 2023, within the same project (EU4Green), the development of an Eco-Monitoring Roadmap began, but there is still remaining need for financial resources in order to establish the Roadmap and its further implementation.

Inventory on air pollution substances.

An Pollutant Emissions Inventory has been prepared regularly by the MOEPP for the period of 1990 to the current year minus 2 years), thus, the last Inventory refers to the period 1990-2022 and has already been submitted respectively to the Environment Agency and the Secretariat of the United Nations on February 14, 2024.¹ The graph below shows the emissions of PM₁₀, PM_{2,5}, NH₃, SO_x and NO_x for 2022 and 1990 as a baseline year. Based on the graph, it can be easily observed that the emissions for almost all pollutants have seen significant reductions, whereby PM₁₀ reductions are around 71%, whereas PM_{2,5} is 74%.

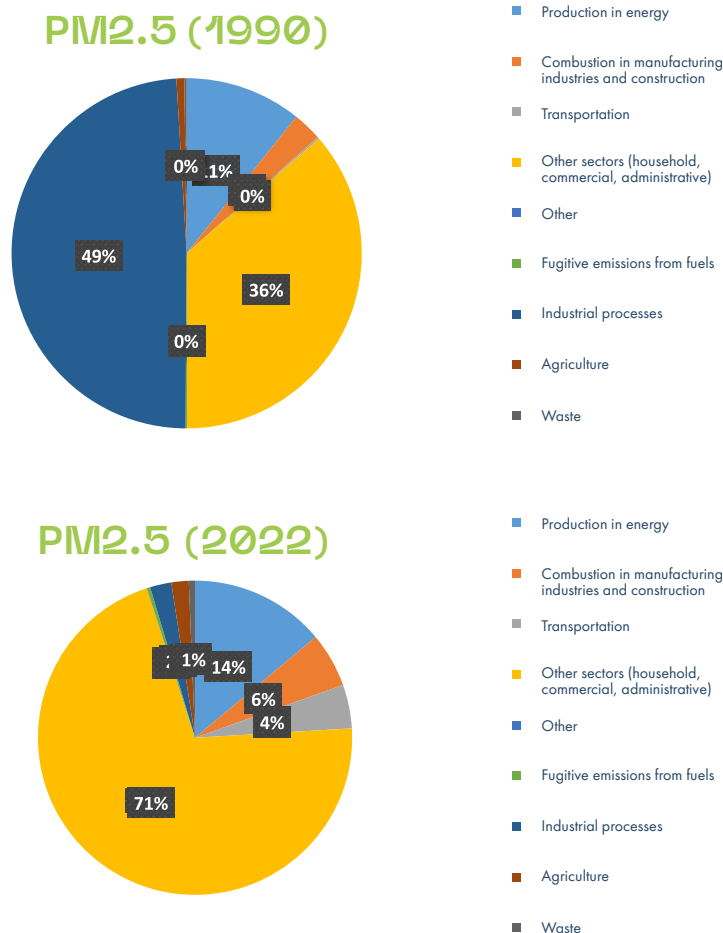
Even though the practice of preparing a Pollutant Emissions Inventory has been established, within the EU4Green project, improvements to the Inventory are also planned through the application of higher levels of calculation methodology. To date, improvements have been made to the Inventory in the emissions section for the waste and agriculture sectors. The graph below is an overview of emission reductions of the NEC Directive for the final year 2022, compared to 1990.

¹ <https://cdr.eionet.europa.eu/mk/un/clrtap/inventories/envzewhna/>



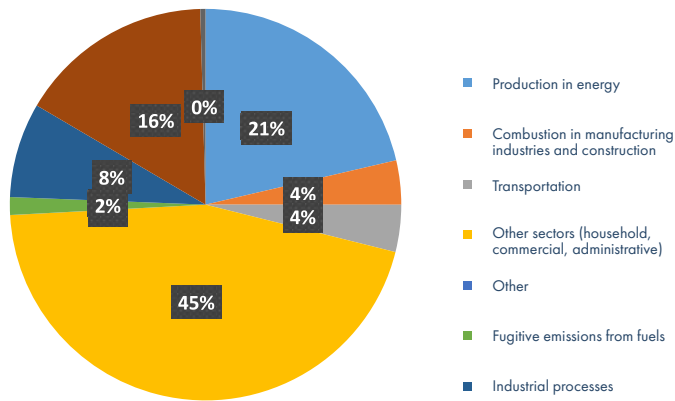
Graph 4. Difference of the pollutant emissions level according to the national inventory for the period of 1990-2022

The graphs below present the emissions of PM 10 and PM 2.5 by sector, where there is an evident change in emission sources from 1990 to 2022. Thus, for PM2.5, in 1990, most of the emissions (49%) came from industrial processes. This trend has changed in 2022, that is, 71% of emissions are from households, commercial and administrative facilities. The situation with the emissions of PM 10 particles is the same.

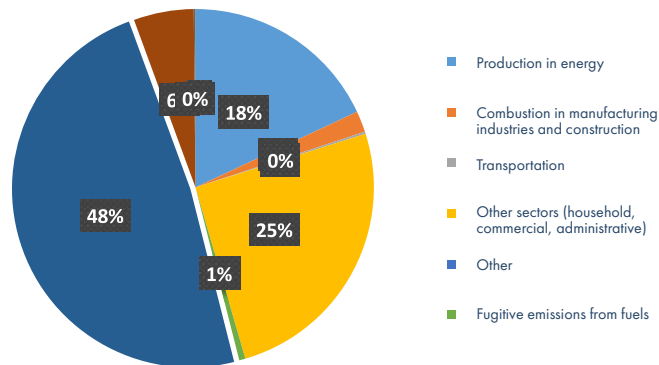


Graph 5. Difference of emissions of PM2.5 between 1990 and 2022, by sector

PM10 (2022)



PM10 (1990)



Graph 6. Difference of emissions of PM10 between 1990 and 2022, by sector

National Emissions Control Program

What is missing and what is planned to be done within the EU project which should start in 2024 is to prepare a National Air Pollution Control Program by which we will commit to certain reductions in the pollutant emissions for the period 2026-2036.

The National Emissions Control Program will develop projections for emissions by different sectors by means of application of models.

Reduction obligations to reduce pollutant emissions subject to this Directive

Macedonia has no obligation to report on the reduction of pollutant emissions subject to the Directive. However, within the EU4Green project, reduction obligations are calculated for the Western Balkan countries (as part of the NEC Directive requirements), which should also be included in the Annex to the amendments to the Gothenburg Protocol, for which, after being ratified, we will have a further obligation to reduce the emissions. The baseline year that will be taken to monitor reductions is 2005, and the targets as reduction percentages will be set for 2020-2029 and 2030 and beyond.

Directive 2015/2193/EC on the limitation of emissions of certain pollutants into the air from medium combustion plants.

There have not been any activities for this Directive, that is, the Directive has not been transposed. In the upcoming period, the plan is to develop specific plans for the implementation of the Directive (DSIP) within the new EU IPA project, which should start at the end of 2024.

Directive relating to a reduction in sulfur content of certain liquid fuels - 2016/802/EC

Alignment with the provisions of the Directive on sulfur content of liquid fuels has been done by the Rulebook on the quality of liquid fuels (Official Gazette of the RM No. 88/2007). According to this Rulebook, the Ministry of Economy adopts an Annual Plan for monitoring the quality of extra light household oil and fuel oil. This plan stipulates the method of taking the samples, the number of the frequency of taking the samples, the location from which the samples are taken, the laboratory analysis and the form on which the report on the measurements of qualitative properties of extra light household oil and fuel oil will be prepared. This plan is developed every year, and the State Market Inspectorate conducts inspections for the purpose of quality control. In the SMI report, there is no information on how many inspections have been conducted in 2023 in accordance with this Rulebook, that is, the inspections have been given collectively for all inspections that have been conducted in accordance with the Law on Product Safety.²

3.3 Recommendations for improvement

The recommendations for improving the air pollution situation, as well as the legislation implementation, were already given in the first Shadow Report and expanded in the second one for 2022. This year we are analyzing which of the recommendations have been implemented by the state and the municipalities.

Number	Recommendation	Has the recommendation been implemented?
	To pass a legal regulation on the quality of firewood to end users and the percentage of moisture for the wood that is distributed.	A draft Rulebook has been prepared and submitted to the Ministry of Economy, but it has not been aligned and has not yet been adopted.
	It is necessary for municipalities to plan subsidy measures in their budgets, and the state should work on reducing the % of VAT for high-efficiency inverters.	Partially
	To ban the use of solid fuels in urban areas, in particular, where central heating systems are available.	Not implemented
	To establish PPP or other type of cooperation with the private sector with the purpose of increasing the number of heating plants that will use fuel that emits less pollutants (RES, biomass, etc.).	Not implemented

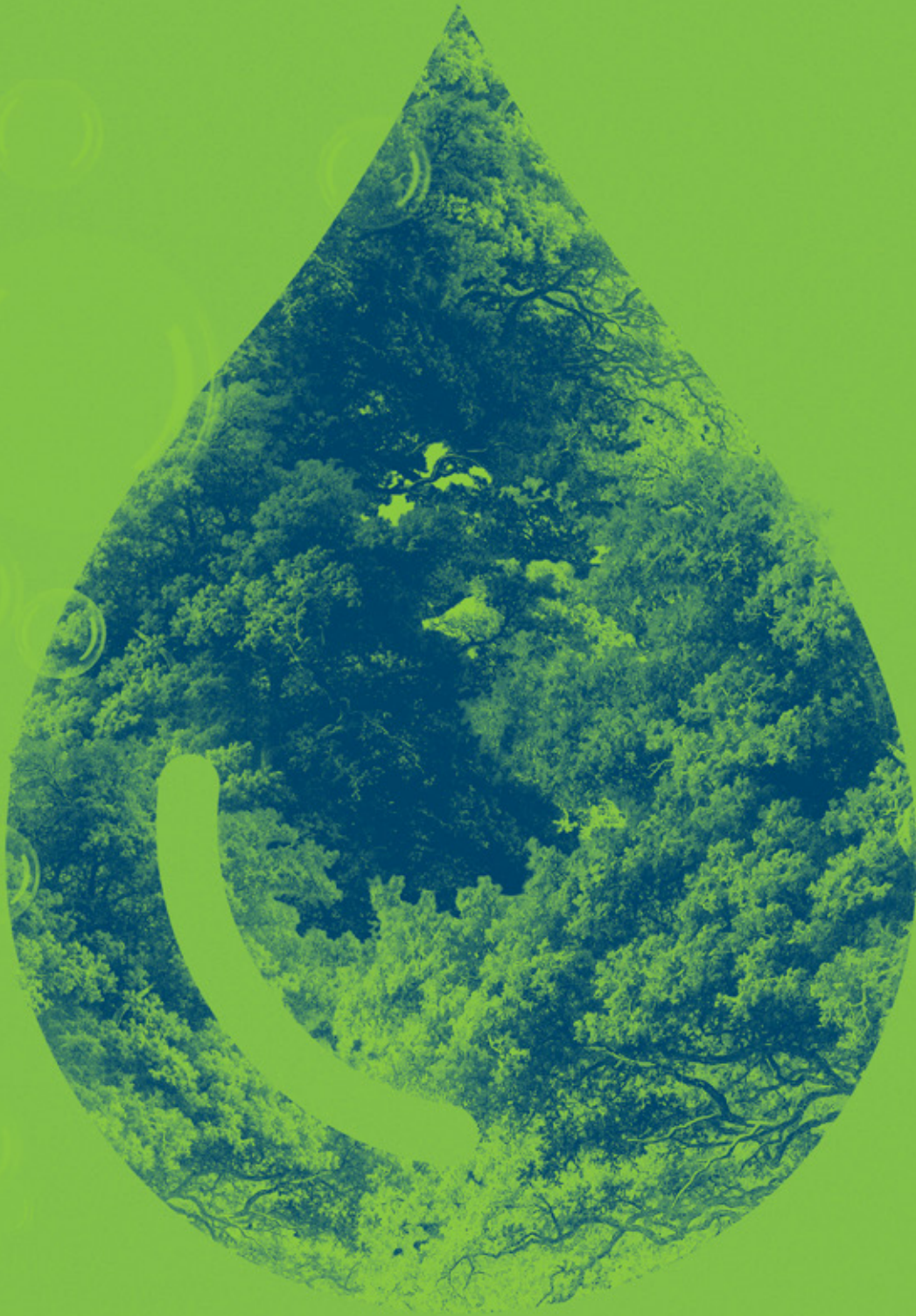
² <https://dpi.gov.mk/images/stories/izvestaj/2023/%D0%94%D0%9F%D0%98%20%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%20%D0%B7%D0%B0%20%D0%BF%D1%80%D0%B2%D0%BE%20%D0%BF%D0%BE%D0%BB%D1%83%D0%B3%D0%BE%D0%B4%D0%B8%D0%B5%202023.pdf> <https://dpi.gov.mk/images/stories/izvestaj/2023/DPI-Izvestaj-2-polugodie-2023.pdf>

	To utilize more the heating distribution network (in the cities where it is already established, it is necessary to change legal solutions, that is, to make decisions at the local level for the mandatory use of the central heating system).	Not implemented
	To provide more subsidies for household inverters.	Partially implemented. Every year, the Ministry of Economy announces a call for the purchase of household inverters. Additionally, some of the municipalities (Ohrid and City of Skopje) provide subsidies for households for the purchase of inverter devices.
	To use more the renewable energy sources in households, the commercial sector and industry. For households, it is necessary to provide subsidies in the amount of 30% of investments of 6kW for PV on roofs in households.	The Ministry of Economy announces a call for subsidies for the installation of PV for households. (For photovoltaic power plants 30 million denars have been allocated, for thermal collectors 25 million denars have been allocated).
	To revise the net metering scheme and the prices of electricity delivered to the network. Taking into account the volume of substitution of own consumption, as well as the fact that the excess energy delivered to the network is not significant, the investment return periods are longer than the project declared.	Not implemented
	To ensure greater transparency about the amount of fees from A and B environmental permits, about where they end up and how they are used.	Not implemented
	To establish a Fund that will use part of these funds for implementation of measures that will enable less air emissions by industrial processes.	Not implemented
	The government should start implementing measures for less use of fossil fuels.	<p>Through the Ministry of Finance, a project financed by the World Bank is being implemented, within which energy audits have been conducted for about 100 public buildings. Investments in energy efficiency measures and changes in the heating method are also planned within the same project.</p> <p>An EU project through the IPA III program secured funds for investments to reduce air pollution (Skopje, Bitola, Kumanovo and Tetovo), by which the following activities are planned:</p> <ul style="list-style-type: none"> • Purchase of buses for Skopje (TNG) • 7 buildings for which the heating system will be replaced in administrative buildings (hospitals and health facilities). For 3-4 schools, the replacement process will begin in 2024 • Greening with 6000-7000 trained trees.

	To change the legal framework in order for the inspection services to be able to conduct inspections in households for the purpose of controlling the fuel used for heating.	Not implemented
	To locate Illegal burning of various things and materials in the open, and also to locate illegal landfills and their burning.	Not implemented
	To define energy poverty and determine the number of families that are a vulnerable category.	The term is defined in the Energy Law, every year, the Ministry of Economy makes a plan to support socially vulnerable citizens.
	To establish regular monitoring for VOCs, PAHs and HM.	Indicative measurements are ongoing. Regular monitoring is not conducted.
	Waste management (to clean and map illegal landfills). To have regular supervision by community stewards.	Not implemented
	Transport (to stimulate measures for non-motorized transport in urban areas, an increase of the number of bicycle paths, municipalities to continue giving subsidies but also to increase the funds for subsidizing the purchase of scooters and bicycles).	Partially implemented, but not on the entire territory of Macedonia.
	Ambient air monitoring to be part of a separate organizational unit that will include the preparation of inventories and a department for preparing and monitoring implementation of legislation and measures proposed in the planning documents.	The World Bank is preparing a functional analysis for the Macedonian Environmental Information Center Department.
	To establish an active body that will enable inter-sectoral cooperation among all relevant institutions that will work together to solve the problem.	Not implemented – Intersection group established but not active.
	Urban greenery and conservation of the forest fund – To properly implement the provisions of the Law on Construction for a mandatory percentage, that is, the percentage of greenery which must be contained in each newly constructed building should not be neglected.	World Bank project
	To have regular activities to increase urban greenery.	Not implemented regularly
	To afforest locations in and around cities struggling with air pollution.	Not implemented regularly

4

Waters



4 Waters

4.1 Overview of progress under the sub–chapter in 2023

The results of the analyses have indicated that in 2023, in general, little progress has been made in the water sector. Weak institutional capacities and lack of funding continue to be the main reasons for the slow and ineffective alignment and implementation of EU acquis in the water sector.

In 2023, no progress has been made in transposing EU Water Acquis into the national legislation. The degree of alignment with the EU Water Acquis was the same in 2023, that is, it ranged from 14% to 100% for the various EU Water Directives. The main legal act that transposes the EU Water Acquis in the country is the Law on Waters and the by-laws arising under it.

In February 2022, the procedure for amending the Law on Waters was initiated, and it has not yet been completed. This is also the main reason for stagnation in the alignment with the EU Water Acquis. Namely, according to the envisaged time frame, the Draft Law amending the Law on Waters should have entered the parliamentary procedure already at the end of 2022, after which six new by-laws arising under the Draft Law amending the Law on Waters were to be drafted and adopted within a year. The Draft Law amending the Law on Waters has not been passed and to this day, it has an “open” status on the Single National Register of Regulations in R. North Macedonia (ENER; https://ener.gov.mk/Default.aspx?item=pub_regulation&subitem=view_reg_detail&itemid=72850). In order to obtain further information, we turned to the Ministry of Environment and Physical Planning, and they pointed out that the Law amending the Law on Waters has not yet entered the parliamentary procedure, nor has it been approved by the Government of R. North Macedonia. The Draft Law amending the Law on Waters has been in the procedure of alignment with the legislation for a long time at the Secretariat for Legislation of the Government of R. North Macedonia. Given that there are parliamentary elections this year, the passing of this Draft Law will probably be even more prolonged. Such lengthy procedures for passing legal amendments not only indicate the system inefficiency, but can potentially have negative environmental consequences (in this case the waters), as a legal framework for protection and mechanisms for better management of natural resources in the country are not provided in a timely manner.

The initiative for amending the Law on Waters (2022) was initiated due to the indications of shortcoming in the existing Law on Waters, by the State Audit Office. Despite the fact that the same audit report identified several shortcomings and provided recommendations, only some of them have been taken into consideration and have been integrated into the Draft Law amending the Law on Waters. Namely, the audit report identified the key shortcomings in the National Water Strategy and made a recommendation that “the Ministry of the Environment should intensify the activities for the adoption of amendments to the Law on Waters, which will finalize the method of drafting and the content of the National Water Strategy, as well as the method of its monitoring and updating”. It is not clear why the Ministry in charge does not act on this recommendation of the State Audit Office, since there was a possibility for it to be included in the new Draft Law amending the Law on Waters. The existing National Water Strategy, in practice, is a non-functional document due to the “lack of defined specific strategic goals and priorities,

as well as measures and activities for its implementation” (Audit Report 2019). Given that measures were not taken to include a provision that would regulate the method of drafting and content of the National Strategy in the current Draft Law amending the Law on Waters, there is a high probability that also in the future, this key strategic document for water sector will be drafted with poor quality and practically will be not applicable.

In 2023, a small number of acts in the water sector were drafted or adopted, as follows:

- ✚ **Decision on the determination of protective zones for the protection of the waters of the “Studenchica” source water catchment facility, protection measures, conditions, method of establishing the protective zones and cartographic display” (Official Gazette of the RNM, 7/2023);**
- ✚ **Administrative Guidelines for the preparation of flood prevention operational plans;**
- ✚ **Rulebook on the technical conditions, method and procedure for monitoring irrigation water;**
- ✚ **Rulebook on the technical conditions, method and procedure for monitoring land drainage water.**

The drafted acts that have not been adopted are in the process of inter-departmental consultation and collection of opinions.

In July 2023, the Assembly of R. North Macedonia adopted the Law ratifying the Protocol on Water and Health, which is an international agreement according to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Helsinki, 1992). The main purpose of the Protocol is to protect human health and well-being through better water management, including the protection of aquatic ecosystems, and the prevention, control and reduction of water-related illnesses. This Law (Protocol) does not arise under the EU requirements for alignment of legislation, but contributes to the implementation of the EU Water Directives.

4.2 Legislation implementation

4.2.1. Water Framework Directive Implementation

In the course of the past year, no progress has been made in the river basin management in the country. The management plans for none of the three mentioned basins – Crn Drim, Vardar and Strumica have not been adopted, nor have they been finalized, and they still wait for their finalization because of methodology alignment. The status of the River Basin Councils remains the same, that is, the Councils have been constituted, but are not yet operational. There has not also been progress made on the designation/declaration of areas sensitive to eutrophication.

In 2022, the Water Book (for water management) and the methodology for monitoring water bodies were prepared. By cross-checking the Water Book data and the monitoring data, for which the Hydromet Service is in charge, it is possible to implement sustainable policies and measures for the use and protection of waters, as well as greater transparency of the process. In order to make the water data in the country more transparent, two online portals, via which the public can make a close scrutiny of the Water Book and the monitoring data, were created. Unfortunately, the public has not been able to access the Hydromet portal for water monitoring for a long time, thus for the purposes of this report we could not make a close scrutiny of the status of water resources in the past year, nor of the success of monitoring in accordance with the new methodology. This is in conflict with the provisions of the Water Framework Directive, and it is necessary for the portal to be available again as soon as possible for citizens to make a close scrutiny of the quality of the environment in which they live.

The only data on the water quality in the country that we could have access to are those in the “Annual Environmental Quality Report 2022”, which is prepared annually by the Macedonian Environmental Information Center (the Annual Report 2023 is in preparation and will be issued in June 2024). The Hydromet submits to the Ministry of Environment and Physical Planning data on the physicochemical water quality for only 20 measuring points on rivers in the country. According to these measurements, the waters are not of satisfactory quality, that is, they belong to class I – IV, depending on which physicochemical parameter is involved. As stated in the first Shadow Report, natural lakes in the country are not covered by operational monitoring, which is a huge omission. The Annual Environmental Quality Report 2022 includes only data on Prespa Lake, indicating that the waters in the lake are moderately eutrophic to eutrophic. And based on these scarce data it can be concluded that the quality, that is, the ecological status of most of the waters in the country is below the legally stipulated “good ecological status”. It is necessary to take immediate and extensive measures to reduce water pollution in the country in the long term. It is also necessary to take urgent measures to improve the monitoring of waters in the country, that is, to apply the new “Rulebook on the methodology and procedure for determining the parameters for measuring and monitoring the quality and quantity of all water bodies”, with the purpose of proper implementation of the EU Water Framework Directive.

4.2.2. EU Urban Wastewater Treatment Directive Implementation

In the course of the past period, steps have been taken to reduce the pollution of the Dojran Lake, which has the status of a hyper-eutrophic lake. Such status is a consequence of the introduction of large amounts of nutrients into the lake by the intake of insufficiently purified communal wastewater. This is in conflict with the provisions of the national Law on Waters and the EU Water Framework Directive stipulating that all water bodies should have a good ecological status.

The specific measures that have been taken are: construction of a new treatment plant with a capacity of 3000 PE for the settlements of Star Dojran-Sretenovo-Nov Dojran, construction of two “constructed wetlands” for the natural wastewater treatment in the basin of the Dojran Lake in settlements Furka and Crnichani, as well as rehabilitation of the main wastewater collection system in a length of 8 km. The measuring is implemented by the financial assistance of the Government of R. North Macedonia and within the project “Strengthening the Protection of the Natural Monument - Dojran Lake through Improved

Wastewater Treatment in the Municipality of Dojran”, funded by the Municipality of Dojran and the Center for International Cooperation and Development of R. Slovenia. The implementation of these measures and putting the treatment plants into operation is expected by May 2025 at the latest. This is a good example of initiatives and practices at the local level, which contribute to the improved implementation of the provisions of the EU Urban Wastewater Treatment Directive and the Water Framework Directive.

On the other hand, the construction of the wastewater treatment plant for the City of Skopje - which is a capital project that will enable the wastewater treatment for more than half a million inhabitants - has not yet started. The financial resources for the construction of the wastewater treatment plant have been secured through the EIB (European Investment Bank) by a grant of 68 million (signed in 2019) and an investment grant of 70 million euros of the European Union through the Western Balkans Investment Framework (signed in March 2023). A tender procedure has been successfully completed and the most favorable contractor has been selected, but until this day the construction of the wastewater treatment plant has not been started due to the unfinished urban planning legal procedures (<https://www.eib.org/en/stories/north-macedonia-water-development>). The deadlines for this capital project have been already exceeded and the construction of the wastewater treatment plant will not be finalized within the stipulated period until 2026, mainly due to political disagreement and weak administrative capacities in the City of Skopje.

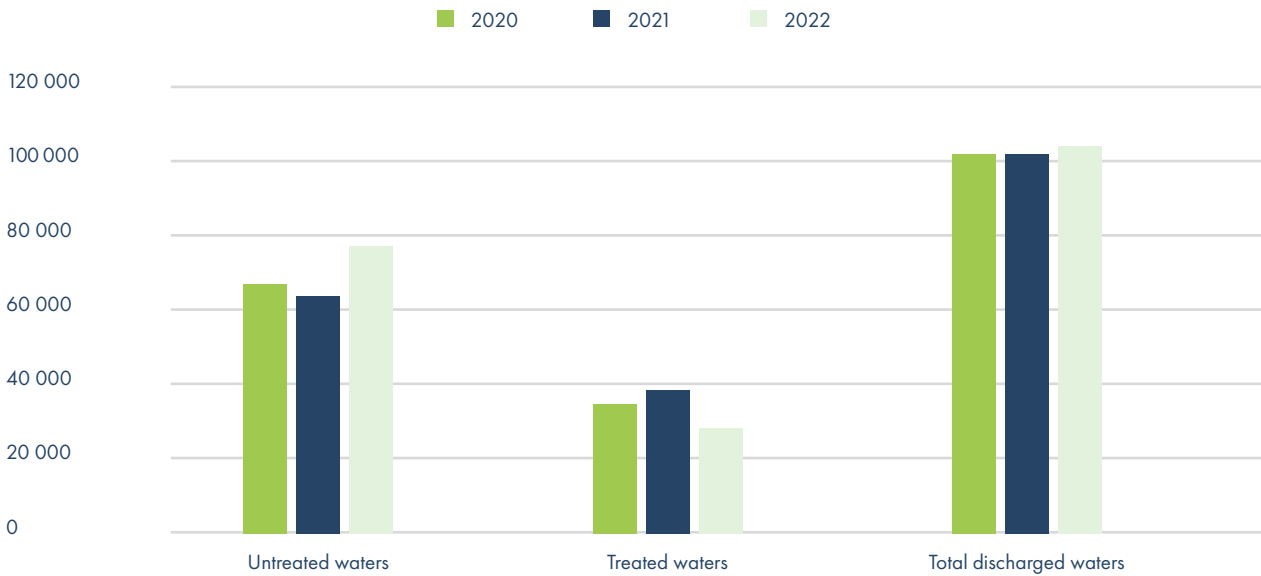
According to the information received by the Ministry of Environment and Physical Planning, after three unsuccessful attempts in the past years, the tender procedure for the construction of a wastewater treatment plant for the City of Bitola is expected to be announced in the course of the next month. The tender procedure for the construction of a wastewater treatment plant for the town of Tetovo is already ongoing, and according to that, its construction should begin by the end of this year. The construction of these two wastewater treatment plants will significantly improve the progress of the implementation of the EU Wastewater Treatment Directive.

Situation of communal wastewater in the country

The State Statistical Office data indicate a trend of increased pollution of natural waters by the discharge of untreated communal wastewater. Namely, as shown in Graph 7, in 2022 there was a 9% increase in the amount of untreated wastewater discharged compared to 2021.

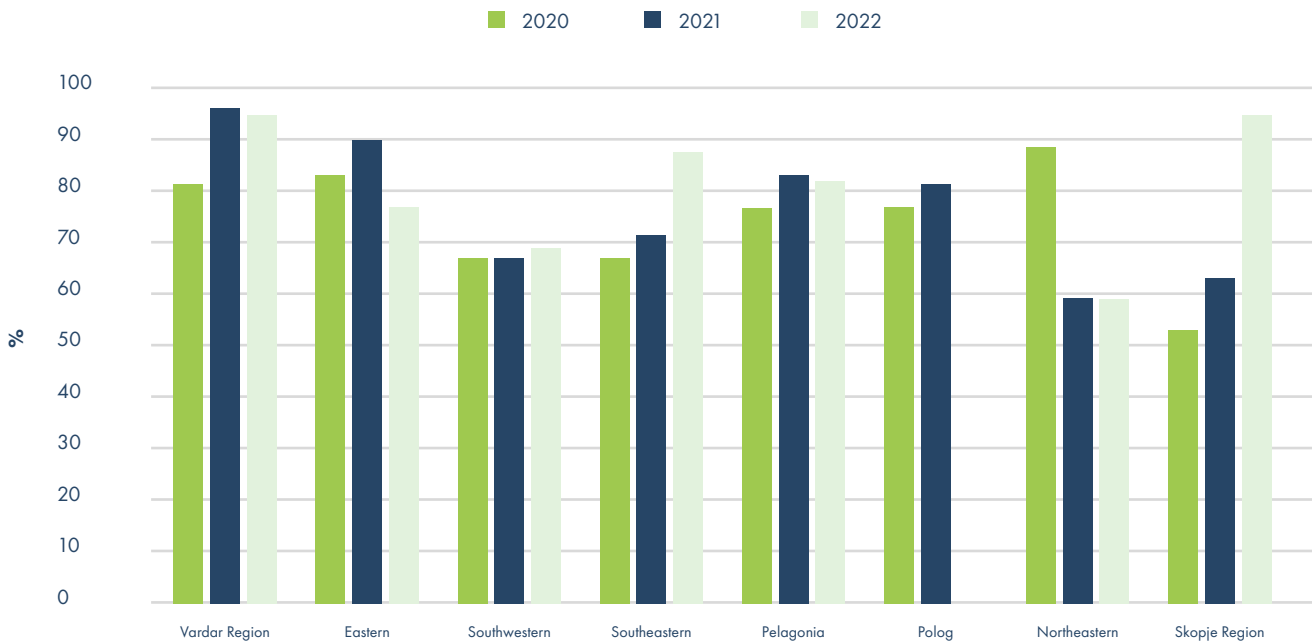
The availability of the water service for the collection and removal of wastewater varies significantly in different regions of the country, that is, on average 79% of communal wastewater is collected and removed (Graph 8). A significant improvement in access to the wastewater collection and disposal service in 2022 has been achieved in the Southeastern and Skopje region, whereas the rest of the regions see a decline in this trend.

Discharged wastewater (in thousands of m³)



Graph 7 Comparative analysis of discharged wastewaters (Data source – State Statistical Office).

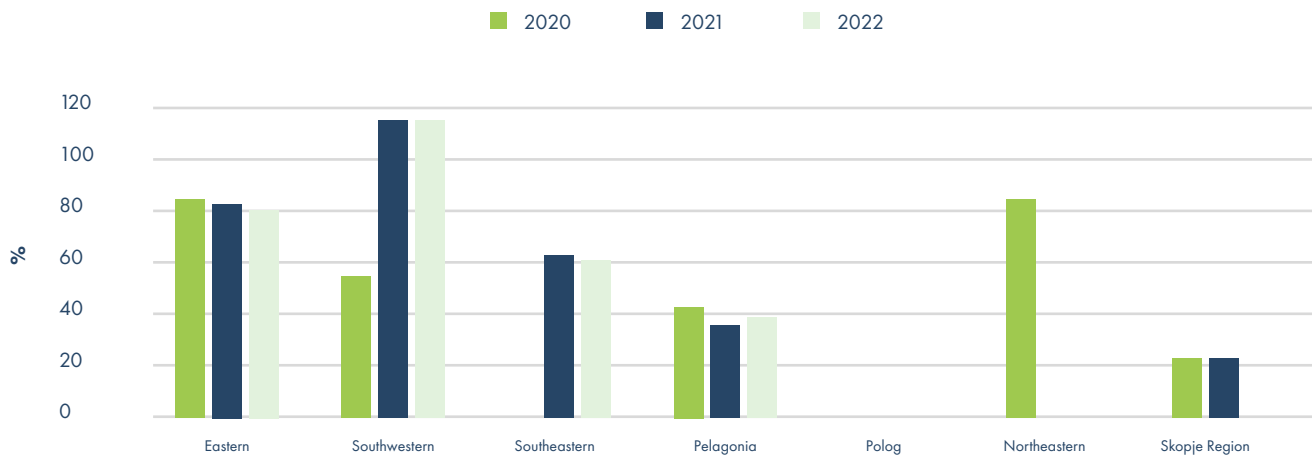
Collection and removal of wastewater



Graph 8. Water service for wastewater collection and removal (Source: Annual Report on the Operation of the Energy and Water Services Regulatory Commission in the RNM in 2022).

As far as the wastewater treatment service is concerned, the general trend indicates a decrease in the percentage of availability of this service in recent years throughout the country. The situation in the Southwestern region is the best, which previously achieved 111% coverage of the wastewater treatment service.

Wastewater treatment



Graph 9. Water service for wastewater treatment (Source: Annual Report on the Operation of the Energy and Water Services Regulatory Commission in the RNM in 2022).

Conclusion: The analysis has indicated that overall in 2023 some progress has been made in the implementation of the EU Wastewater Treatment Directive, but it is necessary to take even more extensive measures to reduce the amount of wastewater in the country and to achieve the goals stipulated by the EU Wastewater Treatment Directive.

4.2.3. EU Drinking Water Directive Implementation

Water management program is the main financial instrument by which the Ministry of Environment and Physical Planning currently, every year, finances the water resource management and development in the country. The program finances projects and other works of municipalities and water supply/communal enterprises that fall into one of the 4 categories: Construction of new and maintenance and improvement of existing public water supply facilities, Regulation of watercourses for the purpose of protection against the harmful effects of water, Development of River Basin Management Plans, as well as payment of arrears. The Audit Report on the operation of the Ministry of Environment and Physical Planning prepared in 2023 by the State Audit Office, has identified key shortcomings in the implementation of this Program. The report states that “an objective and realistic project selection system has not been established under the given Program, thus there is a risk of subjective action in the selection of projects without clear criteria, as well as the possibility of inadequate and illegal use of funds due to the absence of criteria and rules specific to the implementation of these projects”. This is a major problem, which must be urgently addressed, in order to enable equal and efficient progress in the implementation of the EU Water Directives.

On average, 681,000.00 euros, invested in one of the four above-mentioned categories, are provided through the Water Management Program annually. Even though the national institutions in charge hereby show a continuous commitment to solving the problems and challenges of water management, however, for the full implementation and achievement of the objectives of the EU Water Acquis, more than 2 billion euros of capital investments are needed (Eptisa, 2018). This indicates that it is necessary for the state to multiply the annual financial investments in the water sector.

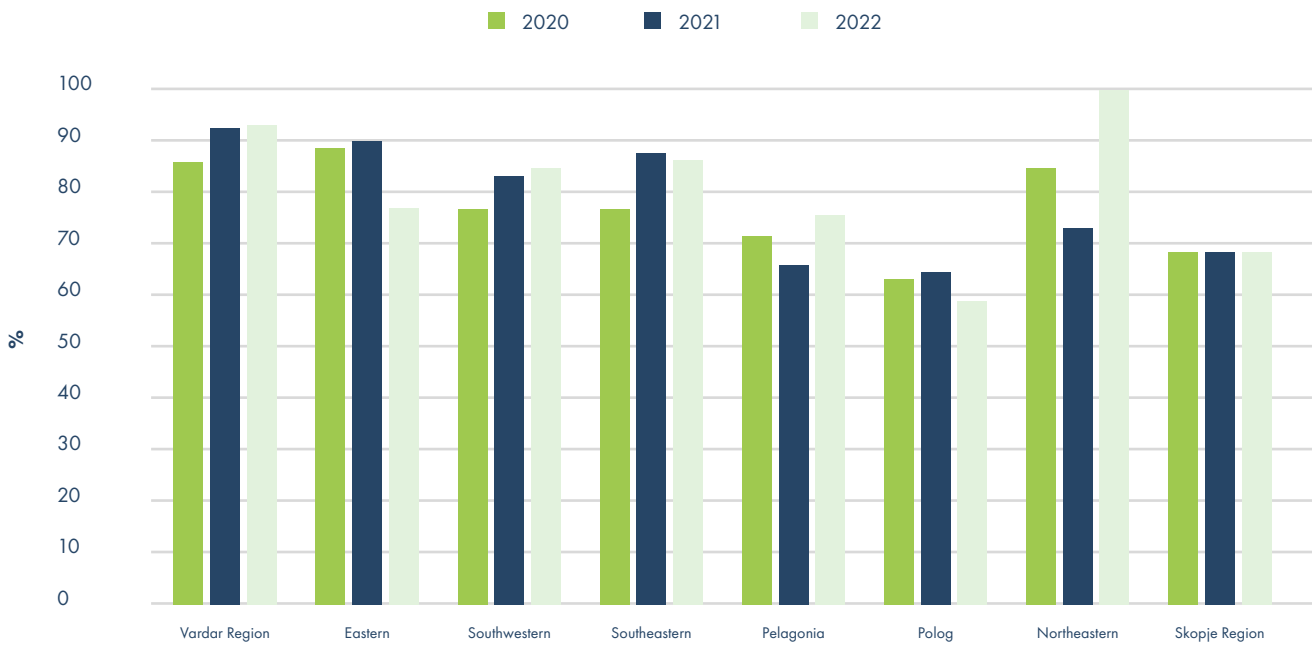
A good example of additional financial commitment of the state is the project “Improving the Water Infrastructure of the Municipalities in North Macedonia”, the implementation of which was started by the Ministry of Environment and Physical Planning in 2023. The project has been implemented by financial assistance - a loan from the European Investment Bank in the amount of 50 million euros (the agreement was signed in November 2022). The main purpose of the project is to build new or rehabilitate existing infrastructure for water supply, wastewater collection and treatment, as well as emergency flood protection measures for all 80 municipalities in the country. For this purpose, the Ministry of Environment and Physical Planning has developed a methodology for the allocation of financial resources, adopted in July 2023 (Official Gazette of the RNM 166/2023). According to the methodology, each municipality will equally receive 200,000 euros, and the rest of 16,000,000 euros will be allocated equally to each of the municipalities and municipalities in the City of Skopje according to the Municipal Development Index and the percentage of allocation by planning regions after classification according to the degree of development, whereas the remaining 18,000,000 euros will be allocated depending on the number of population in the municipalities - 70% and the number of settlements - 30%. All municipalities have already submitted project proposals, which are currently being reviewed by the expert project team formed for this project. The initial implementation of some of the projects in the municipalities is expected to start already this year, and the full completion of the project is projected in five years.

Situation of water supply in the country

Water supply coverage in the country varies significantly – from 59% to 100%, depending on the region. In 2022, the percentage of water service coverage increased in the Vardar, Southwestern, Pelagonia and Northeastern regions, whereas in the other regions there was a slight decrease or it remained at the same level (Graph 10). In 2022, the Northeastern region achieved full water supply coverage of the population, which indicates the proactivity of the institutions in charge at central and local level.

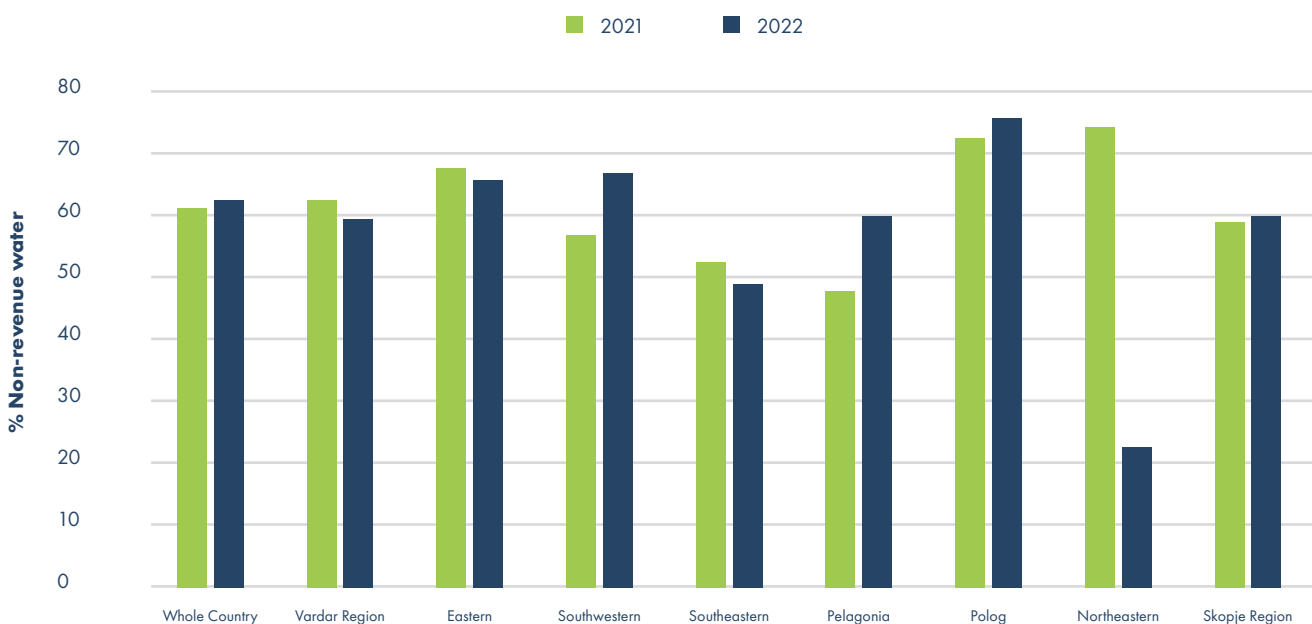
Non-revenue water, that is, water losses from public systems, is becoming more important in terms of protecting natural resources, while the water supply enterprises in the entire country are facing large water losses. According to the available data in the Annual Report of the Energy and Water Services Regulatory Commission of the RNM, the percentage of non-revenue water at the level of the entire country increased from 60.46% in 2021 to 62.42% in 2022 (expressed as a percentage of total water production). The analysis by region shows that there is a significant worsening of water losses of 9-12% in just one year in the Southwestern and Pelagonia region. But at the same time there is a significant improvement from 74% to 21% in the Northeastern region, which indicates that the institutions in charge have taken effective measures to prevent water losses in the water supply systems in this region. The low percentage of non-revenue water achieved in the Northeastern region is at the level of the average water losses in the European Union (23%). This data points to good practices in the implementation of the Drinking Water Directive, which should be replicated in other regions of the country.

Coverage in water supply



Graph 10. Water supply service coverage

Non-revenue water



Graph 11. Non-revenue water, expressed as percentage of total water production.

Conclusion: Partial progress has been made in some regions in terms of the implementation of the provisions of the EU Water Acquis, but it is necessary to significantly strengthen efforts and investments in providing clean and safe water to all citizens in the country. The fact that the average water losses at the level of the entire country have increased in 2022 and that in the Republic of Macedonia the percentage of non-revenue water is more than double compared to the member states of the European Union is devastating. Urgent measures must be taken to invest in the detection of water pipe leaks, as well as to invest in the replacement of dilapidated water infrastructure.

4.2.4. EU Groundwater Directive Implementation

In 2023, the project of the Ministry of Environment and Physical Planning and the Swiss Agency for Development and Cooperation, funded by the Swiss Government, was completed, and it created the National Groundwater Register. It enables the consolidation of dispersed data on underground water in the territory of the country.

The Swiss Agency for Development and Cooperation continues its support in the groundwater sector, through the Groundwater Management, Use and Protection Program in the R. of North Macedonia in cooperation with the Ministry of Environment and Physical Planning and the Ministry of Agriculture, Forestry and Water Economy, the implementation of which began in January 2024. This program will strengthen the capacities of the relevant institutions at central and local level for groundwater management and will contribute to the fulfillment of the requirements and better integration of the EU acquis related to water resources.

4.3 Recommendations for improvement

The table below (Table 2) indicates that no appropriate action has been taken on any of the recommendations made in the 2022 Report, with the exception of some progress in increasing the low level of funding in the water sector.

Table 2. Recommendations of the Shadow Report 2022

2022 Recommendation	Measures taken (Yes/No/Partially)
To review the existing National Water Strategy.	No
To supplement the section of the Law on Waters that refers to the National Water Strategy, by adding an article or an obligation to adopt a by-law that will more closely define the methodology for developing and adopting the strategy, define the minimum content of the strategy and set deadlines for binding review and update of the strategy.	No
To develop and adopt a new water management base, or to incorporate this document in the National Water Strategy.	No
To finalize and adopt all four River Basin Management Plans.	No
To pass all by-laws stipulated by the Law on Waters.	No
To develop a monitoring program and to establish operational monitoring of all water bodies in the country.	No
The Public Communal/Water Supply Enterprises should take over of all water supply systems.	No

To develop a campaign to educate the population about connecting to the public water supply network.	No
To implement a proactive policy and to ensure the reduction of the amounts of non-revenue/lost water.	No
To strengthen the capacities of Public Communal Enterprises.	No
To significantly increase the water management budget.	Partially
To conduct a functional analysis of the institutional capacities for water management.	No

The recommendations of the previous Report remain relevant, but considering the growing pressure on natural resources and the increased impact of climate change in the country, in the course of the upcoming period, the national and local institutions should focus on:

- **Reducing the percentage of unproductive water;**
- **Increasing the percentage of waste water collection, removal and treatment;**
- **Designating areas sensitive to eutrophication;**
- **Adopting and implementing River Basin Management Plans.**

A precondition for the implementation of these recommendations is a multiple increase in finances in the water sector, as well as strengthening the capacities of the institutions in charge.

5

Waste management



5 Waste management

5.1 Overview of progress under the sub-chapter in 2023

The waste management sector has not made progress in terms of aligning the national legislation with the EU acquis, that is, none of the by-laws drafted was adopted in 2023. The drafted by-laws³ that should ensure better implementation of the Law on Packaging Management and Packaging Waste (LPMPW), (Official Gazette of the RNM No. 215/21), drafted as early as 2022 by the persons in charge in the Ministry of Environment and Physical Planning have not yet been adopted due to administrative obstacles in the Secretariat for Legislation. For the same reasons, the by-laws⁴ arising under the Law on Extended Producer Responsibility for Management of Special Waste Flows (“Official Gazette of the Republic of North Macedonia” no. 215/21) are still waiting to overcome the administrative procedures and be adopted.

It is significant for this sector, that the implementation of the Twinning project “Supporting the Implementation of the Legal Framework for Waste Management and the Extended Producer Responsibility System” has begun, which will ensure the development of a professional, accountable and efficient of Extended Producer Responsibility (EPR) system, through the correct treatment of all separate waste flows (packaging, WEEE, accumulators and batteries, textiles, tires, used vehicles and waste oils) and will result in optimal separate collection of the above-mentioned waste flows from unsorted communal solid waste. The project will also establish an independent institution, the Body for Equal Producer Responsibility, which is expected to support, coordinate and ensure the effective cooperation of collective handlers in the country. The main purpose of this body is to enable equal working conditions for producers, traders, waste collectors and waste treatment stations, helping to properly implement the legal provisions, thus ensuring a high level of transparency of the process. The project will also strengthen the capacities of the bodies in charge and other waste management stakeholders through a modern record keeping and reporting system.

The EU IPA Project “Preparation and Revision of National Waste Planning Documents” (NEAR/SKP/2021/EA-RP/0184) has also started to be implemented, and it has a purpose of preparing and aligning the key strategic waste planning, delivering long-term measures that will enable all stakeholders to invest in and develop the strategic infrastructure and services as necessary preconditions for alignment with the EU acquis on waste management. The following activities are planned within this project:

- **Review and update of the National Waste Management Strategy (2024-2036);**
- **Development of a National Sludge Management Strategy (2024-2034);**
- **Audit and report on the Regional Waste Management Plans for Skopje Region, Polog, Southeastern, Southwestern, Pelagonia and Vardar Region;**
- **National plan for the prevention of waste generation.**

³ Shadow Report on Chapter 27 for 2022, p. 60

⁴ Shadow Report on Chapter 27 for 2022, p. 61

Both projects are expected to improve the alignment of national waste legislation with European acquis and strengthen the implementation of legislation at national and local levels. Both projects have a duration of 2 years.

5.2 Legislation implementation

In regard to the legislation implementation, minimal progress has been observed, but the situation with the project for the construction of the sanitary landfill for the Eastern and Northeastern region and the EBRD project to support the regional waste management system for the Pelagonia and Southwestern region remains the same. Certain progress can be observed in the legislation on Extended Producer Responsibility, that is, in 2023, decisions were issued for collective handlers for several waste flows.

Waste management at the regional level

In regard to waste management at the regional level, in the course of 2023, very little progress has been made. Only progress has been made in securing funds for the establishment of the regional system. In addition to the EBRD loan for which an agreement was signed in 2023 for the construction of three regional landfills for full alignment with the European requirements, that is, for the establishment of a regional integrated waste management system in the Southeastern, Vardar, Pelagonia, Southwestern and Polog planning regions, the Ministry secured additional funds through the Western Balkans Investment Framework (WBIF) and an additional 9 million Swiss francs, a grant from the Swiss Government. Also, for the needs of regional system management and establishment, consulting support is provided by the EU for determining the most favorable location for transfer stations in the Pelagonia and Southwestern regions, but also for assessing the capacities of municipalities and public communal enterprises, that is, the needs for equipment, vehicles, etc.

There is also a four-year capacity building project ongoing at the local level for better implementation of regional waste management, being implemented in the Pelagonia and Southwestern region, the purpose of which is to improve the delivery of waste management services at the local level by strengthening capacities of municipalities and communal enterprises for better planning and better implementation of locally-generated waste management measures. The project is implemented by the Swedish Association of Local Authorities and Regions (SALAR International), funded by SIDA (the Swedish International Development Cooperation Agency). In the course of 2023, 15 municipalities were selected from the two regions (Southwestern and Pelagonia), and together with them the project is actively working on strengthening the capacities for better waste management, whereby together with the municipalities and public communal enterprises, local waste action plans for the municipalities of Bitola, Novaci, Prilep, Ohrid, Kichevo, Mogila, Plasnica, Demir Hisar, Dolneni, Resen, Debrca, Vevchani and Krushevo have been developed.

However, despite numerous efforts by the Ministry and the secured financial resources and consulting support in establishing regional waste management, the state is far from building sanitary landfills, in particular, those for the Eastern and Northeastern region, but also the sanitary landfill in Meglenci, where the waste from the Southwestern and Pelagonia region will be disposed of. In the course of 2023, the state took away the powers of the municipality of Sveti Nikole for the construction of the landfill, and the

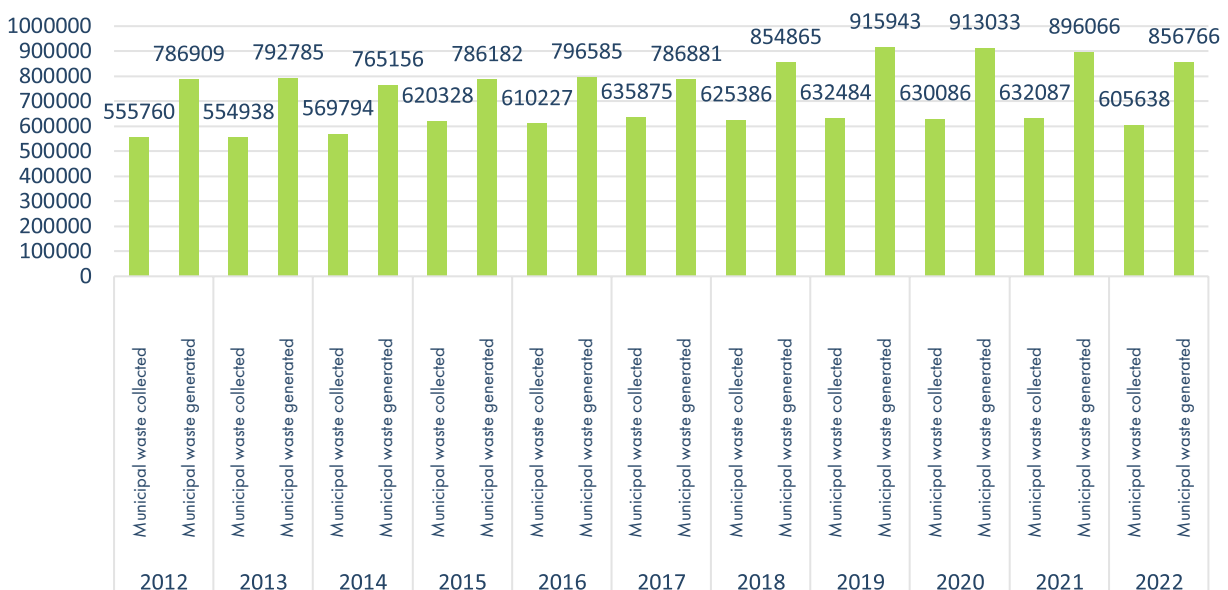
municipality appealed the decision and submitted a complaint to the MOEPP. Furthermore, the MOEPP has continued with the preparation of tender documentation, which is currently waiting for an approval by the Ministry of Finance. The deadline for the construction of the landfill is 2026, thus there is very little time left after the most favorable bidder is selected. What has been completed to date in terms of this process is the documentation for closing the unsanitary landfill, as well as a regional enterprise for waste management has been established. Equipment and vehicles have been provided for communal enterprises by the European Union funds.

In regard to the project for the construction of a sanitary landfill for the Southwestern and Pelagonia region (funded by a loan from the EBRD), now there is an ongoing tender procedure for the procurement of appropriate equipment (vehicles, bins and containers) for the PCEs, whereas the tender procedure for the selection of the most favorable bidder for the construction of the landfill is expected to be open by the end of this year. What was supposed to be completed in 2023 and has not yet been implemented is the establishment of a regional communal enterprise, which should be established first by having Municipality of Novaci adopt a Decision, and then a Decision adopted by all the other 17 municipalities. In the course of 2023, the mapping of potential locations for setting up transfer stations in 5 municipalities also began, whereby the municipality of Kichevo refused to provide a location on its territory and recommended that the transfer station be built on the territory of the municipality of Plasnica.

Waste management hierarchy

The waste management hierarchy has not been consistently respected. In addition to the ban on the use of plastic bags, which is not being implemented everywhere, there are almost no activities to reduce the quantities of plastic waste (plastic cups, other materials). The waste generation prevention plan has been drafted, but none of the activities have been implemented to date. According to the State Statistical Office data, it is evident that the quantities of waste have been increasing from year to year.

Overview of collected and generated municipal waste (tons per year) in the Republic of North Macedonia (2012–2022)



Graph 12. Overview of collected and generated communal waste in the Republic of Macedonia (2012-2022)

In regard to the waste processing and/or reusing, only 7 municipalities, including the City of Skopje, reported processed communal waste. The table below provides an overview of removed and processed communal and other types of non-hazardous waste.

Table 3. Removed and processed communal waste 2022

		Quantity (tons)	Percentage (%)	Quantity m ³	Percentage (%)
Removed communal and other types of non-hazardous waste		397.353	98,8	406.948	96,2
Processed communal and other types of non-hazardous waste	Composted waste	117	0,03	1626	0,04
	Recycled paper, cardboard, glass, plastic and metal	1966	0,48	3060	0,72

Source: Annual Environmental Quality Report, 2022, MOEPP

Waste selection

The waste selection in almost all municipalities is done mainly through the collective handlers in the containers placed for packaging waste. The primary waste selection at the place of generation, that is, in households, is put into practice only by some of the municipalities (Prilep, Bitola, Veles, Strumica, Gevgelija) that have introduced a second bin for plastic waste and/or waste that can be recycled, whereas there is no waste selection in the other municipalities.

Biodegradable waste is not selected in any municipality, nor are activities for reuse of biodegradable waste conducted. This waste is mixed with communal waste and disposed of together at the unsanitary municipal landfill.

Record keeping and reporting

According to the Law on Waste Management, the mayors of the municipalities have the obligation to submit an annual report on handling of non-hazardous waste in the respective municipality to the Ministry of Environment and Physical Planning. Many municipalities in the Republic of North Macedonia have not fulfilled their legal obligations and have not submitted annual reports by the mayors on handling communal and other types of non-hazardous waste, or have submitted reports that are not very precise in terms of the quantities of communal and non-hazardous waste due to a lack of measuring instruments thereto. Only 35 municipalities fulfilled this obligation in 2022, including the City of Skopje.⁵ Because of that and due to the fact that more than 30% of the inhabitants are not covered by the reports, there is no possibility of making precise conclusions in regard to the management of communal and non-hazardous waste in the Republic of North Macedonia.

In regard to reporting by the landfills (PCEs), in 2022 a report on the waste they have received was submitted by eight landfills, as follows: Drisla, municipality of Studenichani, Alintsi-Prilep, village Leski-Vinica landfill, Kragevo Demir Hisar landfill, landfill in Veles, Ohrid, Rusino in Gostivar and Meglenci landfill in Bitola.⁶

⁵ МЖСПП; Квалитетот на животната средина во Република Северна Македонија — Годишен извештај за 2022

⁶ МЖСПП; Квалитетот на животната средина во Република Северна Македонија — Годишен извештај за 2022

The reporting by the collective handlers is still in paper form and occurs in accordance with the legal obligations. According to the annual reports submitted to the Ministry of Environment and Physical Planning by collective handlers and independent handlers and small producers for 2022, the total quantity of packaging waste placed on the market amounted to 72,677,86 tons.

EPR Report⁷

Pursuant to the Law on Extended Producer Responsibility for Management of Special Waste Flows ("Official Gazette of the RNM" No. 216/2021), the MOEPP - the Environmental Administration has the obligation to prepare a Data Report on the total amount of products of a given waste flow that was placed on the market for the previous year and for the market share of the collective handlers, determined on the basis of the data in the submitted annual reports, which are an obligation under Article 36 of the same law. Such a report for 2023 should be prepared and made publicly available through the website of the MOEPP by June 2024 at the latest.

Waste Registry

The MOEPP regularly updates the Waste Registry, which contains a registry of operators handling, transporting and managing different types of waste. Also, registered producers of different types of waste are regularly entered in the registry, which, depending on the activity, according to the Law on EPR, have the obligation to register with the MOEPP.⁸

Setting annual national targets

In accordance with the Law on GAP, the Law on EEEM and WEEE, the Law on BAMWBA, in 2023, the MOEPP began to make decisions on determining annual national targets for the reusing, recycling and processing of waste electrical and electronic equipment, waste batteries and accumulators and packaging waste. Such a decision will contribute to easier fulfillment of the targets set for selecting, reusing, processing and recycling of these types of waste⁹.

Landfills

The situation with the landfills remains the same, that is, none of the existing landfills makes efforts to improve the maintenance, meaning to fence the existing landfills, to make regular backfilling and to set up a scale to measure the waste that is brought into the landfill. All these activities are minimum technical requirements that every municipal landfill should have.

Construction waste management

The construction waste management remains a burning problem, that is, there has not been progress made in the way of dealing with and managing this type of waste. No municipality has a suitable location for disposing of construction waste.

⁷ <https://www.moepp.gov.mk/wp-content/uploads/2022/07/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98-%D0%B4%D0%BE-30-D1%98%D1%83%D0%BD%D0%B8-2022-%D0%9F%D0%9E%D0%9F-1.pdf>

⁸ <https://www.moepp.gov.mk/%d0%b4%d0%be%d0%ba%d1%83%d0%bc%d0%b5%d0%bd%d1%82%d0%b8/%d1%80%d0%b5%d0%b3%d0%b8%d1%81%d1%82%d1%80%d0%b8-%d0%bd%d0%b0-%d0%bf%d0%be%d1%81%d1%82%d0%b0%d0%bf%d1%83%d0%b2%d0%b0%d1%87%d0%b8%d1%82%d0%b5-%d1%81%d0%be-%d0%be%d1%82%d0%bf%d0%b0%d0%b4/>

⁹ <https://www.moepp.gov.mk/%d0%b8%d0%b7%d0%b2%d0%b5%d1%88%d1%82%d0%b0%d0%b8/%d0%b8%d0%b7%d0%b2%d0%b5%d1%88%d1%82%d0%b0%d1%98-%d0%bf%d1%80%d0%be%d1%88%d0%b8%d1%80%d0%b5%d0%bd%d0%b0-%d0%be%d0%b4%d0%b3%d0%be%d0%b2%d0%be%d1%80%d0%bd%d0%be%d1%81%d1%82-%d0%bd%d0%b0-%d0%bf%d1%80/>

5.3 Recommendations for improvement

Number	Recommendation	Recommendation implementation
1	To establish a regional waste management system.	Not implemented
2	To support of PCEs for establishment of selection of separate waste flows.	Not implemented
3	To implement measures and to make policies at national level for the prevention of waste generation.	Not implemented
4	To organize a National multi-year campaign to raise the awareness of citizens.	The procedure for selecting a company that will implement an awareness campaign has been completed.
5	To strengthen the inspection over illegal burning of waste (commercial and individual facilities), illegal landfills and municipal landfills.	Partially implemented
6	To strengthen the capacities at the local level (municipalities and PCEs).	There is an ongoing project implemented by SALAR International (several trainings have been conducted, local action plans have been developed together with the municipalities and PCEs).
7	To increase the fee for garbage collection per household.	No progress
8	To clean up illegal landfills.	Continuous work is done, but the efforts are insufficient because the same locations are covered with waste again.
9	To prepare national circular economy plan.	Not implemented
10	To ensure greater control in the issuance of permits for handling waste, and to submit reports on the action.	Partially
11	To strengthened control over the work of collective handlers in order to improve cooperation with the PCEs.	Not implemented. There are still municipalities that have not concluded an agreement with collective handlers.

6

Industrial pollution and Risk management



6 Industrial pollution and Risk management

6.1 Overview of progress under the sub–chapter in 2023

The latest European Commission Progress Report on the Republic of North Macedonia¹⁰, in terms of **industrial pollution and risk management**, noted that the country should align with the Seveso III Directive, the EU Ecolabel Regulation and the EU Eco-Management and Audit System. And this Report as well, unfortunately, had to note that no progress has been observed since the last reporting period.

The Law on Industrial Emissions Control, which has already been drafted and was subject to public hearing, is now in the Secretariat for Legislation where it is being subject to nomotechnical arrangement. As far as the process of issuing A and B integrated environmental permits is concerned, as of March 13, 2024, a total of 653 A/B – integrated environmental permits were issued at national level, of which 252 A/B – integrated environmental permits were issued by the MOEPP, whereas 401 B - integrated environmental permits were issued by the municipalities.

In order to improve the existing Draft Law on Industrial Emissions Control, as well as to strengthen the capacities at central and local level, in June 2023, the EU twinning project “Further Strengthening the Capacities for Effective Implementation of the Acquis in the Field of Industrial Pollution” was launched. Fifteen experts in dealing with industrial pollution from Greece and Slovakia, and if necessary from other European countries, will have to help in the implementation of the European Directives regulating industrial emissions. The project is worth 1,000,000 euro, it will last 20 months and it includes 3 components:

- **Improvement of the amended Draft Law on Industrial Emissions Control, of the new draft by-laws and the amendments to the existing ones, prepared in accordance with the assessment of the differences made within the project.**
- **Improvement of the Environmental Impact Assessment procedure for Integrated Environmental Permits activities.**
- **Improvement of the process of issuing permits and setting emission limit values for Integrated Pollution Prevention.**

In regard to strengthening the capacities in the implementation of the Law on Industrial Emissions Control, in September 2023, the implementation of the EU twinning project “Strengthening the Capacities for Implementation of Environmental Legislation”, developed by the State Environmental Inspectorate (SEI) in close cooperation and coordination with the Department of the European Union and the newly established Department of the Implementation of the Instrument for Pre-accession Assistance (IPA) started. The implementation period of the project is 27 months and it is worth 1 million euro. The SEI is the implementer of the project.

¹⁰ European Commission. COMMISSION STAFF WORKING DOCUMENT. North Macedonia 2023 Report, Brussels, November 2023

In regard to the transposition of SEVESO III, there have not been any significant changes. The MOEPP has indicated problems related to the interpretation or translation of certain terminology, as well as weak administrative capacities at both central and local level. Here, cooperation and coordination between the local government and companies in the respective territory is very important in terms of the development of internal and external plans on how to act. The capacities for implementation in this regard are also weak. Companies are largely passive when it comes to filling out questionnaires to identify the type and quantities of hazardous substances. Only the City of Skopje has the capacity to develop an external plan, but even there the plan has not yet been developed. The MOEPP has established regional cooperation on this issue with the purpose of exchanging experiences and consultations, in particular with Serbia, which has made significant progress in this area.

6.2 Legislation implementation

6.2.1. Technical and administrative capacities at central and local level

This aspect of the implementation still remains a serious challenge both at central and local level. The MOEPP points out that there is a small number of employees at central and local level whose task is to issue integrated environmental permits. To be more precise, there are three advisors and one manager who work together on this issue in the MOEPP in the Unit for Issuing Integrated Environmental Permits. It is a small number taking into consideration the workload and the number of issued permits. There is a similar situation in the municipalities. For example, two employees work on permits in the municipality of Negotino, and the municipality does not have an environmental inspector at all. Namely, for the needs of this municipality, an inspector from Kavadarci is engaged. The municipality of Kumanovo has a total of four employees in charge of the environment, of which only one works on issuing integrated environmental permits. The municipality has three environmental inspectors. There are two environmental employees in the municipality of Stip (one inspector and one associate who is currently on unpaid leave), thus the administrative capacity in this area is quite weak. This municipality has issued 15 B permits, and has 4 installations with A permit on its territory. The municipality of Strumica has 4 employees in the Unit of Environment. Two of them are in charge of issuing permits. They also consider the administrative capacities to be weak taking into consideration that the legal obligations in regard to the environment have been constantly growing. The municipality has issued 14 B permits. The City of Skopje has two advisors who work on issuing permits, but without precisely defined duties according to the authorized job systematization. In the municipality of Prilep, there is one regular employee who works on environmental issues and one hired through a temporary employment agency, and it is this person who works on permits. That is why the issuing of permits is difficult and there are delays. It is clear that the capacities must be strengthened, in particular, due to the fact that in the course this period more operators with elaborates in this municipality meet the requirements for the B integrated environmental permit. In the municipality of Kavadarci, only one person works on issuing permits, and the capacities are insufficient taking into consideration that the municipality has issued 6 B permits and 210 elaborates. The general assessment is that both at central and local level, the administrative capacities should be strengthened both in terms of numbers and in terms of competencies. In the municipality of Tetovo, there are three employees in the Unit of Environment, of whom only one works on permits (without being appointed for it according to the authorized job systematization), that is, the administrative capacities are not sufficient

here either. In the municipalities, there is a need to appoint persons for issuing permits and to work on strengthening their capacities, but even more important is the cooperation among the municipalities and mutual assistance, something that is also envisaged under the Law. Namely, on the basis of regional affiliation, larger municipalities should provide support to smaller municipalities with smaller administrative capacities and small number of installations. According to the comparative analysis made by the Konrad Adenauer Foundation, only 40% of the municipalities in Macedonia have appointed environmental inspectors, which is not satisfactory. Within that context, it is pointed out that excessive powers have been given to the municipalities, among others, in the area of environmental inspection, without them having adequate capacities to respond to the tasks. The strengthening of administrative capacities in terms of competences for issuing permits and in terms of inspection is expected to be improved with the EU twinning project, which will also treat these issues. It is important to improve the quality of the permit applications themselves, because a poor quality application also slows down the permitting process.

The MOEPP regularly updates the e-register of issued A and B environmental permits, and unlike before, access to the register is now faster, that is, the response time is shorter.

In regard to the State Environmental Inspectorate, it must be noted that the good practice of openness and transparency towards the public has continued with the regular publication of inspection reports, as well as other relevant notices related to developed programs, project activities, etc.

6.2.2. Cooperation with the operators and central – local level cooperation

In general, the Municipalities point out that they have excellent cooperation with the MOEPP, and most of them also cooperate well among each other - for example, larger municipalities with rural municipalities within their planning region. It is pointed out that in general the cooperation with the affected operators is good, but problems are pointed out among about 10-20% of the permit holders. The main problems are in the untimely response and untimely delivery of data in the processes of issuing permits, which prolongs the deadlines. Also, during inspections, it happens that the person in charge is not present, even though the visit has been properly announced or the like. In the last period, certain companies have complained about the complexity of the procedure for issuing permits for the use of water from wells. As an entity that was among the first to be issued an environmental permit, Usje, the Cement factory points out that it has always had good cooperation with the Ministry of Environment and Physical Planning and the State Environmental Inspectorate, as well as with the local community in the implementation of environmental protection measures.

6.2.3. Transparency in the area of issued permits, the process of issuing permits and financial resources

Even though all B permits are published on the e-register on the website of the MOEPP, the municipalities also have the obligation to publish the issued permits on their website, but also to show transparency, that is, to inform about the very procedure of issuing the permits and inform the public. A large number of the municipalities have not published the issued B permits, and also a large number of the municipalities have weak IT capacities to even maintain and update a basic website. The municipalities that regularly report on the procedure for issuing environmental permits (e.g. Municipality of Strumica), as well as

11 Фондација „Конрад Аденауер“: Анализа на законската рамка и институционалните капацитети на локалните инспекциски служби за заштита на животната средина, ноември 2021

the authorities in the MOEPP, as well as certain operators indicate that it often happens that, despite the publication of the relevant documents before the issuance of the permit, the public is not interested in participating with its comments, and reacts only after the permit is issued. In regards to the State Environment Inspectorate, in terms of transparency, they already have a good practice, and now they are going one step further with the e-inspector platform (a project that is implemented in cooperation with UNDP).

In the reporting year of this Shadow Report, the State Audit Office has published audit reports¹², containing a finding of an inadequate system for keeping records of fees for environmental permits in the MOEPP, as well as undelivered certificates for payment of fees for issued permits. As the main reasons for this situation pointed out by the MOEPP is the period of the pandemic (working from home, insufficient human resources, etc.), taking into consideration that the audit largely coincides with that period, and it is emphasized that a large number of certificates of payment have already been issued even during the audit. They also emphasize that there is continuous work on their timely preparation and delivery, as well as on the creation of conditions for separate record keeping of these revenues.

In regard to the transparency and accountability of the municipalities that receive funds based on energy production from fossil fuels from installations on their territory, as well as in regard to the manner in which these dedicated funds are spent, a good public informing practice has not yet been established. For example, the Municipality of Negotino is one of the municipalities that receive fee on this basis (when TPP Negotino is operating). Even though the municipality claims that these funds are used exclusively for their dedicated purpose, that is, for projects in the area of environmental protection, they do not inform the public either of the amount of funds they received on this basis or of the projects implemented by means of these funds.

6.2.4. Methodology for writing A and B permits

There are many complaints in regard to the non-unified methodology for the writing of permits with requests to establish a single methodology, but according to the MOEPP, this situation is only due to the different interpretations of the formula used in the calculations. However, in order to make the methodology more understandable and simpler to interpret, activities are planned in accordance with the previously mentioned EU twinning project, thus improvements in this area are also expected in the future.

¹² State Audit Office: Final Audit Reports on Financial Reports and Compliance Audits for 2022 of the MOEPP – organic budget account (631), Skopje, December, 2023.

6.3 Recommendations for improvement

Based on what has been previously elaborated, the following recommendations have been identified:

Number	Measure for improvement	How much has been implemented?
1	Environmental inspectors should be hierarchically direct under the State Environmental Inspectorate. Thus, the problem with weak capacities of the municipalities will be overcome, but also the possible pressure at local level on the inspectors from a position of power will be eliminated.	Not implemented
2	To change the penalty policy, in a way that it will allow for all funds collected from fines after inspections to flow into the municipal budget.	Not implemented
3	To simplify the criteria for the Environmental Protection Elaborate, to be more precise, to exempt certain small operators (cafes) from this obligation.	Not implemented
4	To improve the quality of applications (requests) for integrated environmental permits, so that the question of who is authorized to produce such documents would be regulated by law, that is, certain criteria, certification, etc. would be stipulated by law.	Ongoing project
5	To establish regional cooperation with countries that are at a more advanced level in the transposition of SEVESO III (e.g. Serbia), in order to gain experience and knowledge relevant to the process.	Not implemented
6	To strengthen administrative capacities in the area of issuing integrated environmental permits both at central and local level, with a special focus on competence and not only on the number.	Ongoing project
7	The municipalities should have greater transparency of the processes of issuing integrated environmental permits and the spending of funds collected on the basis of compensation for energy production from fossil fuels (the latter where relevant).	Not fully implemented
8	To stipulate measures for operators (in A and B permits) in order to achieve more stringent environmental standards.	Not implemented

7

Nature



7 Nature

7.1 Overview of progress under the sub-chapter in 2023

There has been some progress made in the **approximation of the EU acquis** in terms of transposing the Regulation on Trade in Endangered Species of Wild Fauna and Flora (338/97/EC), EC Regulation no. 865/2006 with detailed rules for implementing regulation 338/97, EC Regulation no. 792/2012 laying down rules for design of necessary permits/certificates as well as EU Regulation no. 2019/1587 prohibiting the introduction into the Union of specimens of certain wild species of fauna and flora (according to regulation 338/97). A draft Law on Transboundary Traffic and Trade in Wild Species has been drafted, where further clarification of the obligations from the ratified Convention on International Trade in Endangered Species (CITES) is ongoing, according to the comments/recommendations received by the CITES Secretariat. Additionally, 7 by-laws have been drafted.¹³ The adoption of this law entails necessary amendments to the Law on Nature under the Articles that regulate the trade in endangered species of wild flora and fauna.

The transposition of the two most important EU Directive on Conservation of Wild Birds¹⁴ and Habitats Directive¹⁵ is done mainly in the Law on Nature Protection, and adequate progress has not been observed because the long-awaited new Law on Nature has not yet been adopted, that is, it is still in the process of inter-institutional alignment, despite the fact that it was put as a short-term priority for adoption in the period of 2021-2022 in the NPAA. The Lists of strictly protected and protected wild species are being revised, they are not yet available for comments.

The Draft Law declaring Matka Canyon a Natural Monument is still in a parliamentary procedure. A Draft Law for Management of Natural and Cultural Heritage in the Ohrid Region and a Draft Law declaring Lake Ohrid a Natural Monument have been drafted.

New Law on Game and Hunting was adopted in 2023 (Official Gazette of RNM No. 263/2023), but it is not aligned with the obligations of the Directive on Conservation of Wild Birds (game list and non-hunting dates). Namely, four species of birds (**Anser erythropus**, **Aythya nyroca**, **Branta ruficollis**, **Gallinago media**) in Annex I of the Birds Directive are protected by non-hunting, that is, their shooting is allowed in the period from 01 August to 31 March. This poses a particular threat to the ferruginous duck (**Aythya nyroca**) the mating season of which begins already in March. In relation to the hunting of mammals, there are no particular amendments to the Law, except that the wolf remains game without protection. A general comment is that by the new law, game loses its status as a public good and gains the status of an economic good, which essentially changes the attitude towards game and protection. This is a long-term risk for species protection.

¹³ Draft List of protected species of wild fauna and flora subject to regulated transboundary traffic and trade;
By-law on the conditions for applying the exceptions to the ban on trade in endangered species of wild fauna and flora;
Draft Tariff on administrative fees for permits and approvals in CITES administrative procedures;
By-law on the content of the scientific opinion;
Draft By-law on depositories of seized animals;
Draft Rulebook on the form and content of permit and certificate for trade in wild species
By-law on transboundary traffic and trade in CITES species and procedures in case of violation of the rules.

¹⁴ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds which was replaced by Directive 79/409/EEC

¹⁵ Directive of the Council 92/43/EEC of 21 May 1992 on conservation of natural habitats and of wild fauna and flora

A new Law on Forests is in the procedure of adoption, and it stipulates that “forests are managed sustainably and in a manner close to natural, in accordance with stipulated criteria and guidelines”. A complete transformation of the institutional framework for forest management in the Republic of Macedonia is envisaged implying the establishment of the Forestry Agency (a Draft Law on the establishment of the Forestry Agency has been drafted) and the transformation of the Public Enterprise National Forests.

A Draft Law on Spatial Planning has been drafted in cooperation with the Department of Spatial Planning and experts in the area of spatial planning, including provisions for establishment of green infrastructure¹⁶.

On the other hand, amendments to several laws have been initiated, as follows:

- ↘ **Draft amendments to the Law on Agricultural Land were made in order to limit the conversion of agricultural land from I - IV cadastral class, but (as an exception) the possibility of conversion is left if the urban plan project is for the planning of buildings for which by law is regulated to have a strategic interest and the conversion is conducted by adoption of law laying down the strategic interest. Procedures for the permanent conversion of agricultural land into construction land initiated before the starting day of application of the Law on Urban Planning (and will be completed within 4 years) will be completed in line with the law according to which they were initiated.**
- ↘ **The drafted Draft Law amending the Law on Pastures is in the stage of second reading in a parliamentary procedure. The public provided a lot of comments on it, because it is almost entirely dedicated to the procedure of giving the pastures under concession, and it very scarcely and vaguely regulates the rest of the issues related to the protection and management of the pastures.**

In the course of 2023, a broad consultation process has been conducted for drafting the National Development Strategy, as a strategic development document for the next 20 years based on the sustainable development principles, including the green transformation as a special strategic area. The Law on the National Development Strategy was adopted through a shortened procedure in 2023, envisaging the establishment of a National Development Council and Ancillary Bodies that will monitor the development and implementation of the Strategy.

The National Biodiversity Strategy with an Action Plan for the period of 2017-2023 has already expired, therefore it is necessary to revise it and align it with the new international goals (adopted by the Convention on Biodiversity) and European targets (adopted in the European Biodiversity Strategy) known as 30x30, that is to protect 30% of the land territory, of which 30% should be under strict protection until 2030.

A spatial plan for the Eastern planning region was developed in 2020, supported by the Swiss Nature Conservation Program in Macedonia, but it has not yet been adopted by the Assembly of the RNM. The methodology for its development included a detailed biodiversity study with development of an ecological sensitivity map, being the basis for a modern method of spatial planning in EPR based on the sustainable development principles. A similar approach was applied in developing the Natural Heritage Study for the needs of developing a new Spatial Plan of the country until 2040, which includes a projection of national protected areas and the Natura 2000 network.

¹⁶ The law was drafted as part of the project “Enhancing Connectivity at the Balkan Green Belt”, supported by the German Federal Agency for Nature Conservation, coordinated by EuroNatur.

7.2 Legislation implementation

European ecological network Natura 2000

In regard to the implementation of the EU acquis on nature, the greatest progress has been made for the identification of the proposed Natura 2000 areas in the country within the IPA2 project “Improving Capacities for Natura 2000 and CITES” through field research, a web application has been developed for collecting data of field research, trainings conducted for various stakeholders, activities conducted to raise public awareness, etc. An intensive process of field research has been conducted in 21 research areas (see map below) in order to collect data and fill out respective Standard Data Forms (SDF) for potential Natura 2000 areas. The research has made sure that the researched areas in R. North Macedonia correspond to the already established Natura 2000 areas in the Republic of Bulgaria and R. of Greece that are located along the border (Figure 1). The aspect of such research is particularly important for the alignment of the national Natura 2000 network.

As a result of intensive research, the National Reference Lists (according to the Habitats Directive) of species (110 species, not including birds) and habitats (60 habitats) were reviewed. Additionally, draft Management Plans for two proposed Natura 2000 areas (Ovche Pole and Dolna Bregalnica) supported by the Swiss Nature Conservation Program in North Macedonia have been developed.

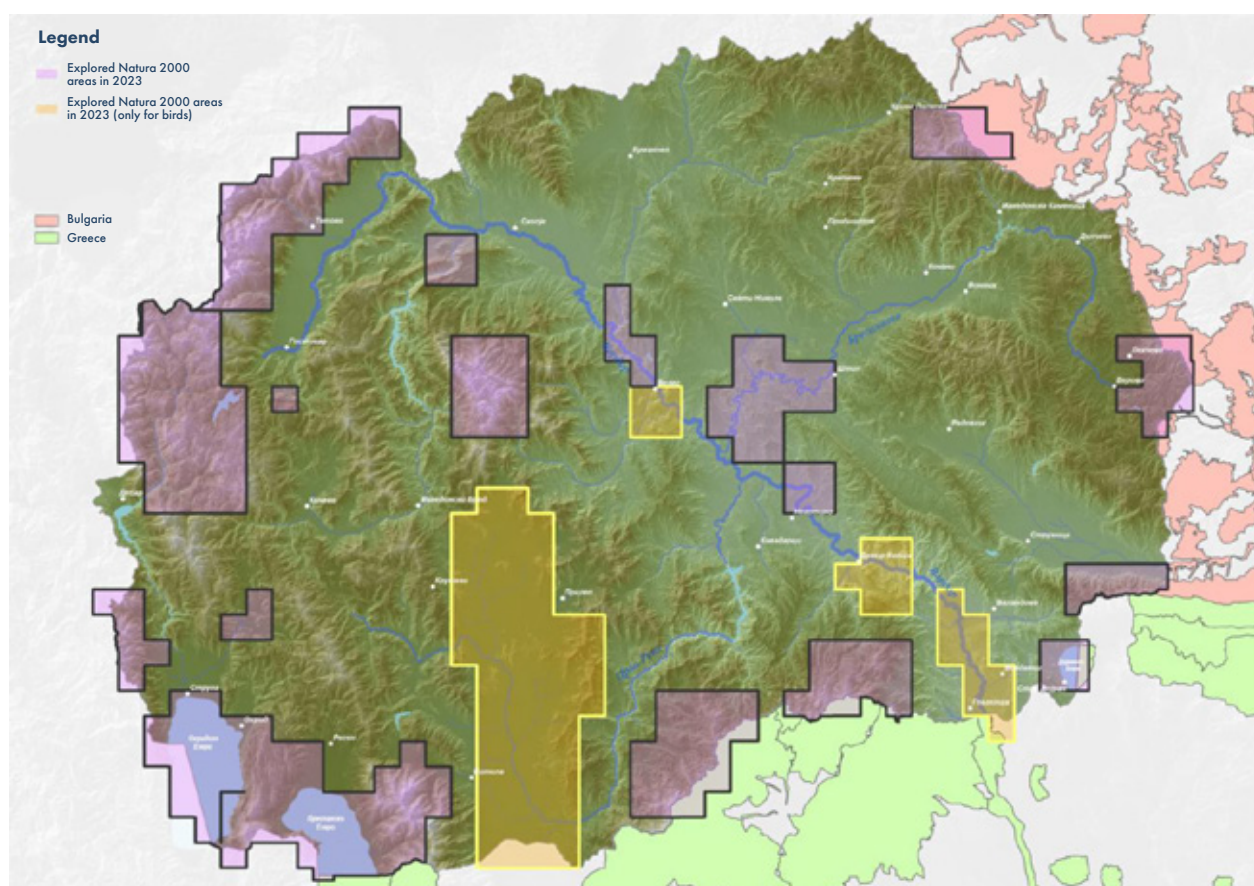


Figure 1. Map of areas of research for 21 + 4 additional areas as future Nature 2000

National Network of Protected Areas

There has not been any change in the National Network of Protected Areas (PAs), that is, no new PAs have been re-proclaimed or declared, even though draft laws have been drafted and procedures have been started for some areas (Matka NM, Ohridsko Ezero NM, Belchishko Marsh NM, Studenchishko Marsh NM).

In the course of 2023, intensive research was conducted in Mavrovo NP, with the aim of preparing a Revalorization Study of Mavrovo NP, which is the basis for implementing a procedure for its re-proclamation in accordance with the provisions of the Law on Nature Protection. The Revalorization Study of the Katlanovski Landscape Natural Monument (made in 2014) was reviewed in 2023 by an expert team from Goce Delchev University - Stip for the re-proclamation of the Katlanovski Landscape that is, Dolna Pcinja with redefined boundaries and a zoning proposal. However, the study does not fully comply with the guidelines of the Rulebook on the content of the (Re)valorization Study of protected areas adopted in 2012. The Study on Bislimska Canyon is in the preparation stage, and most of the chapters of the Valorization Study of Jablanica have been completed. The municipality of Demir Kapija has made a decision of the Council for the re-proclamation of the protected area Demir Kapija, whereas the MOEPP envisaged the preparation of the necessary Revalorization Study of Demir Kapija in its program for 2024.

Shar Planina NP and Maleshevo PA Management Plans have been adopted, the Prespa Lake MP is in a development stage, and the Dojran Lake Natural Monument MP is in the preparation stage.

The mission of the Bern Convention on the case of Lake Ohrid and Galichica NP, held in the period from April 25 to 28, 2023, has pointed out several key issues that need to be further worked on or refined. As a conclusion, the mission report stated that an additional analysis of the Valorization Study of Lake Ohrid should be conducted, where the current situation of the area will be reviewed, but that sections on the level of degradation of the area as well as data on the location and size of the populations of affected species should be added.

The general recommendations of the mission are that it is necessary to establish a legal basis for the whole Ohrid Region (UNESCO area) to be declared a protected area, and biodiversity hotspots nested as special protected areas; a proposal is made to establish an adequate management body with appropriate expertise and accorded in law with the power to make important decisions for the protection of the area; it is necessary to conduct an expert evaluation, supported by public consultation procedure, where the ultimate goal will be to improve the management plan of the natural and cultural heritage of the Ohrid Region and the Strategic Recovery Plan. Legislation on urban planning and construction must be harmonized with the Law on Nature Protection, where emphasis will be placed on the conservation of protected areas. Within the Ohrid - UNESCO area, there should be a zero-tolerance policy for existing and new illegal constructions, and in the future, consideration should be given to the thorough removal of illegally built buildings. Additionally, the zoning concept as well as permitted activities in Ohrid Lake and Studenchishko Marsch should be revised to effectively address the threats, but also to be aligned with international standards as well as to ensure vital connectivity (corridors). Compliance with IUCN recommendations, thorough monitoring of key species, and an accelerated procedure for designation of Emerald areas (future Natura 2000 areas) are mandatory in the upcoming period.

In the last decision of the 43rd session, the Standing Committee of the Berne Convention noted the Government and the Ministry of Environment and Physical Planning (MOEPP) have made progress in securing funds for the initiation of the process of re-proclamation of the Mavrovo National Park. In its decision, it noted that even though the planned concessions for Zhirovnica 5 and 6 in Mavrovo NP have been canceled, there is expressed concern that other concessions for SHPPs have been approved. The committee reminded that the cancellation of all hydropower plants in protected areas is necessary and made the following decision:

“The state authorities are asked to fulfill specific requirements:

- ↘ **First to abolish project for the SHPP Ribnichka in Mavrovo NP;**
- ↘ **To terminate all other concessions for small hydroelectric power plants in Shar Mountain NP;**
- ↘ **To speed up the re-proclamation of the Mavrovo National Park and ensure adequate public consultations in all stages of the process;**
- ↘ **To speed up the adoption of the draft Law on Water and the Law on Nature Protection, which would ensure the development of ecological flow methodology and ban the hydroelectric power plants and other infrastructure projects in protected areas;**
- ↘ **To improve and ensure regular coordination and consultation between state authorities and civil society organizations;**
- ↘ **To ensure the implementation of all points of Recommendation no. 211 of 2021.”**

Protection of important species

In regard to the protection of species of European importance, that is, large carnivores, research on the Balkan lynx has continued, and genetic monitoring has been also started (in cooperation with experts from Slovenia) in order to monitor the tendency of inbreeding as one of the most current threats to this population. The current developments with the presence of the brown bear in the villages of Mavrovo NP have initiated discussions among the professional public in the country and in the region about the possibilities for dealing with such situations - an intervention team has been established, measures have been taken by PINP Mavrovo to clean up the garbage and for other actions, two containers of pepper spray have been procured, etc.

The development of Action Plans for the management of species - the brown bear (*Ursus arctos*) and the Hermann's tortoise (*Testudo hermanni*) and habitats - swamp in the forest (91D0) has been started within the project “Improving Capacities for Natura 2000 and CITES”.

Illegal poisoning of wild animals is one of the biggest threats to biodiversity in the world, but it also has an impact on public health. It is the most commonly used method for exterminating predators in

rural areas, as a result of the general low awareness among citizens, but also the weak capacities of state institutions. The National Anti-Poisoning Working Group has been formalized by a decision of the Minister of Environment and Physical Planning, which is a step forward to enhance the inter-institutional cooperation that is needed to suppress this type of environmental crimes. Work has also been done on refining the Anti-Poisoning Action Plan, as well as the Standard Operating Procedure for dealing with such crimes in cooperation with the inspectorates (SEI, SFHI), public prosecutors, AFV, MOI, etc.

In a situation of energy crisis, interest in solar and wind power plants has intensified in the past two years. The national legislation for the RES development does not take special care of the values of habitats and species (except in terms of the class of agricultural land), resulting in permits being issued and photovoltaic power plants being built on priority habitats, such as saline soils. For this purpose, [a detailed analysis has been made for the use of degraded and unusable land areas](#) as locations for solar and wind power plants in North Macedonia [1], and an interactive map, which clearly highlights suitable locations, has been developed¹⁷. The results indicate that on about 14,500 hectares of degraded land, 11 gigawatts of solar energy can be produced, whereas on about 3,500 hectares 354 megawatts of wind energy can be produced, which is a solid basis for the development of energy plans that are in line with the national targets. This approach makes it possible to strike a balance between the increasing demand for electricity and the conservation of the rich biodiversity of the country.

[1] The Study was prepared by The Nature Conservancy, Eko-svest and MANU, whereas MES provided the spatial data in terms of biodiversity.

Strengthening capacities for nature conservation

Within the IPA 2 project “Improving Capacities for Natura 2000 and CITES” in 2023, a training related to the implementation of the Regulation on trade in endangered species of fauna and flora in accordance with the needs at national level was designed, and of the 10 modules planned, 3 were implemented, covering all key stakeholders (MOEPP, MAFWE, Food and Veterinary Agency, Customs Administration, SEI, Veterinary Institute, etc. Also, for the implementation of the Directives on birds and habitats, a training with 10 modules was designed, of which 8 were implemented with the participation of key stakeholders. All trainings included international experts who shared their experiences of implementing the relevant directives and establishing the Natura 2000 network.

Despite numerous trainings related to the implementation of the Directives on birds and habitats, the topic related to the establishment of Natura 2000 areas, the obligations and benefits, their incorporation into development plans, as well as future management is still not sufficiently known, especially at the local level. Within the Swiss Nature Conservation Program in Macedonia, a targeted campaign for Natura 2000 has been organized for the population and stakeholders in the Eastern planning region in several stages through regional and local media. Measuring the level of awareness among the local population has indicated an increase, but the main recommendation to achieve a better result is that it is necessary to conduct such campaigns in several cycles in the course of the year with appropriate tools. Another recommendation is that this successful model should be replicated nationally for the general population and stakeholders.

¹⁷ <https://inc.maps.arcgis.com/apps/instant/media/index.html?appid=42942e8407c246cabcb43a0259ac54fb>

At the national level, the capacities for implementing the EU acquis on nature are insufficient - the Department of Nature at the MOEPP has a total of 15 employees who do administrative and professional work related to protected areas, species protection, Natura 2000 areas, implementation of international conventions, etc.

In regard to the management of the protected areas, the administrations of the national parks, PE National Forests as the manager of two new protected areas Osogovski Planini and Maleshevo and several municipalities such as Resen, Vevchani have good knowledge of the needs and benefits of the protected area, they have already developed management plans and undertake activities to strengthen capacities in cooperation with scientific institutions, conservation NGOs and the support by foreign donors (however, there is a need for longer-term support by competent institutions with appropriate financial resources). The other municipalities in charge of managing a protected area or on the territory of which there a protected area have very weak management capacities (including the development of a management plan) and a lack of finances, though they are generally aware that the protected area can bring them benefits, mainly related to increased revenues of tourism development (which should be sustainable), but only after the waste and wastewater problems are solved. The municipality of Makedonski Brod has transferred the authority for managing Slatinski Izvor NM to the NGO Ursus Speleos, but they are also facing a lack of professional staff and finances to be able to develop a management plan and monitor its implementation. The authority for managing Kuklica-Kratovo NM is unclear, it has been transferred to NGO Izvor-Kratovo or the Museum in Kratovo, both with insufficient management capacities and resources, though NGO Izvor, for many years, has taken care of maintaining the Info center, waste cleaning, fence maintaining, visitor parking, etc.

Nature Protection Funding

In fact, the lack of PAs funding from Budget of the RNM has been pointed out as the main problem for the functioning of the managers and adequate conservation of the protected areas. The PAs management entities consider that it is necessary to have continuous support; certain protected areas should not be prioritized over others. If funds are allocated, they should be allocated proportionally or percentageally, for all protected areas. In the 2023 Budget of the MOEPP, a total of 1,632,000 MKD was allocated to the Department of Nature, of which 7,050,000 MKD for contractual services and 9,000,000 MKD for capital grants and contractual services for enterprises and non-governmental organizations. Through the Environmental Investment Program for 2023 (Official Gazette of RNM No. 27/2023, adopted on February 8, 2023) 5,000,000.00 MKD was allocated to support measures and activities for the nature protection and promotion in the Republic of Macedonia.

7.3 Recommendations for improvement

The recommendations for improving the situation with nature conservation as well as the legislation implementation were already given in the first Shadow Report and expanded in the second one for 2022. This year we are analyzing which of the recommendations have been implemented by the state and the municipalities.

Number	Recommendations for alignment of legislation	Recommendation implementation
1	To pass a new Law on the protection of nature and the corresponding by-laws.	Drafted in 2016, not yet adopted (in a stage of inter-institutional alignment).
2	To adopt the drafted Law on Transboundary Traffic and Trade in Wild Species and the corresponding by-laws.	Intensive work is being done on the last adjustments according to the comments from the CITES Secretariat.
3	To revise the Law on Pastures by incorporating the aspect of protection of important grass habitats on pastures.	The amendments made to the Law did not meet the requirements for the conservation of important grass habitats.
4	The recommendations under the Birds Directive should be fully incorporated into the new Law on Game and Hunting.	It is necessary to amend it in order to align the non-hunting periods for several species of birds in Annex 1 of the Birds Directive.
5	To finalize and adopt the Law on Spatial Planning, incorporating the concept of green infrastructure.	The text of the Law is being finalized.
6	To intensify the drafting of the Law on Soils.	Drafting of the law has been initiated within GEF STAR6.
7	To start the development of agro-ecological measures (through the IPARD III program) that will also take into consideration Natura 2000 areas.	No progress
	Legislation implementation recommendations	Recommendation implementation
1	Да се продолжи со идентификација на предлог Натура 2000 подрачја	Иако интензивно се работи на 21+4 предлог-подрачја, неопходно е да се продолжи процесот на прибирање податоци и предлагање нови подрачја за видовите и живеалиштата кои во оваа фаза не се опфатени
2	In the period from the identification to the declaration of Natura 2000 areas in the country, infrastructural activities in and around the potential Natura 2000 areas should be limited in order to prevent the degradation/destruction of European important habitats.	The developed map with favorable locations for wind and solar power plants is not taken into consideration when issuing a building permit.
3	To establish inter-institutional cooperation (in particular, MOEPP, MAFWE, MOE and the public enterprises for forests and pastures) already in the process of identifying Natura 2000 areas in order to create an appropriate proposal that will be submitted to the European Commission, but also in order to design appropriate management measures that will have to be implemented in those protected areas in the future.	Initiated within the IPA2 Natura 2000 project.

4	To implement the procedure for the re-proclamation of Mavrovo NP, after which a Management Plan and a Spatial Plan for the park would be developed.	Prepared Revalorization Study with zoning of the Park.
5	To speed up the process of revaluation and re-proclamation of all protected areas declared before the adoption of the Law on Nature in 2004, which stipulated the obligation to conduct revalorization and to prepare new declaration acts within six years.	Even though draft laws have been drafted for some areas (e.g. Matka) or Revalorization Studies (e.g. Tikvesh, Katlanovsko Marsh, etc.) have been prepared, the procedures have not been started or have not been finalized.
6	To speed up the process of declaring new protected areas for which Valorization Studies/Laws have been developed or are in progress.	The declaration of Studenchishko and Belchishko Marsh is ongoing. As for Jablanica, work is being done to supplement the Valorization Study.
7	To adopt Management Plans (MPs) for all protected areas that have a designated management entity.	Ongoing, but implementation is slow: <ul style="list-style-type: none"> - The MP for "Prespa Lake" NM is waiting for approval), - The MP for "Mavrovo" NP, drafted draft plan was not adopted and it should be completely revised according to the findings of the Revalorization Study, - The Draft MP for "Matka" MN was drafted more than 10 years ago and has not been adopted, it is outdated, - The MP for "Ezerani" NP has expired and needs to be revised by the manager - Municipality of Resen, - other declared areas do not have developed Management Plans, e.g. Slatinski Izvor NM, Smolarski Vodopadi NM, Markovi Kuli NM, Kuklici NM, Kratovo, Lokvi Golemo Konjare NM, Tikvesh NM, Katlanovsko March NM, etc.
8	To update the national Action Plan for the conservation of the Balkan lynx.	Planned for 2024
9	To speed up the implementation of Recommendation no. 211 of 2021 by the Standing Committee of the Berne Convention in regard to the open case of 2013 "Mavrovo NP and the planned hydro power plants projects on its territory" as well as the open case for the two Emerald areas - "Ohrid Lake" NM and "Galichica" NP.	Ongoing, partially
10	To speed up the implementation of the recommendations of the UNESCO Committee for the Ohrid Region (in August 2021, an additional period of two years was given for their implementation), in particular, in the area of infrastructure buildings.	Ongoing

11	To continue with the development of red lists of affected species for the taxonomic groups that were not covered in the past years.	No financial resources are secured.
12	To develop the areas for conservation of the connectivity between the protected areas (ecological corridors) and to start stipulating appropriate measures for their management.	Two guidelines for the management of ecological corridors have been developed.
13	To establish a national information system for nature and to connect it with other such information systems (for forests, soils, waters, etc.).	It is expected to be developed within the IPA 2 project for H2000/CITES.
14	To develop a list of invasive species (of all taxonomic groups) with a distribution map at the national level and to propose measures to reduce or prevent their distribution and expansion.	No progress
15	To establish a wild animal shelter center for which a feasibility study has already been developed, and until its establishment, to develop a procedure for the temporary sheltering individuals of the priority species for protection.	The issue of establishing such a center within the IPA2 Natura2000/CITES project has been initiated.
16	To continue with measures to isolate dangerous electrical infrastructure in cooperation with EVN and MEPSO.	No progress
17	Afforestation actions should be conducted in cooperation with the institutions in charge and scientific institutions in order to select appropriate indigenous species.	Partially
18	To incorporate high nature value forest management measures into forest management plans.	No progress
19	To develop a register of pastures and align the management of pastures in protected areas.	No progress
20	To take measures for conservation of traditional practices of livestock breeding	No progress
21	The concept of ecosystem services should be integrated and practically applied at least in certain sectors where there are basic conditions (for example the management of forests and, further on, pastures). The PES payment scheme should be tested in several smaller municipalities, in particular, those in the vicinity of a protected area. This is important because it can provide additional income for the management of protected areas.	PES scheme was tested in the municipality of Vevchani as part of the Swiss Nature Conservation Program in North Macedonia.

22	To encourage the introduction of agro-tourism (through traditional practices of growing local varieties and breeds) and other forms of eco-tourism.	Promoted in the Eastern planning region within the Swiss Nature Conservation Program in North Macedonia.
23	The establishment of an Environment/Nature Fund is still relevant since it can secure partial financing of protected areas and the implementation of other nature conservation measures.	There is no political will
24	Introducing innovative mechanisms for financing protected areas (including the PES scheme) that can help secure the funds needed to implement management plans.	PES scheme was implemented in S.P. Vevchani spring.
25	In the absence of an Environment Fund, all protected areas, not just the National Parks, should be supported through the Investment Program.	No progress

8

Climate change



8 Climate change

8.1 Overview of progress under the sub-chapter in 2023

In the past year, significant steps have been taken towards alignment with the climate change legislation and achieving the climate targets of the adopted Long-Term Strategy on Climate Action. **The process of drafting the text of the Draft Law on Climate Action was finalized** by the MOEPP at the end of 2022, followed by an organized meeting with the Ministry upon the request of civil society organizations in order to enable early comments on the draft law. At the meeting, the state adviser on climate change presented the draft law and the planned timeline, followed by key comments and discussion. In the period between January and March, the Ministry organized working meetings with all stakeholders in order to present the draft law and early consultation related to the text. In March, a working meeting was organized with civil society organizations - members of the National Climate Coalition of CSOs active in the climate change sector and the state adviser for climate change, whereby they made direct interventions in the Draft Law on Climate Action. After the public hearing organized by the MOEPP on March 23, 2023, whereby all stakeholders were duly invited and participated, the Climate Coalition of CSOs sent comments on the Draft Law on Climate Action on March 27, 2023. The Draft Law on Climate Action had been in the Secretariat for Legislation by the time the Shadow Report was completed (March 2023).

In regard to the climate sector, the EU Progress Report, for the several past years, has been noting that **it is necessary to implement the Paris Agreement**, adopt the Law on Climate Action and the National Adaptation Plan as key policies and laws that lay down the country's climate action framework. Despite the fact that the Law on Climate Action has been in the drafting stage for more than five years, **it has not yet been adopted.**

The last published version of the text of the Draft Law on Climate Action aligns the domestic legislation with the EU regulations laying down the monitoring and reporting mechanism and for the first time, the national legislation stipulates responsibilities and rules for monitoring and reporting of greenhouse gas emissions as well as partial alignment with the Emissions Trading System (EU ETS) regulations. Defining a national monitoring and reporting mechanism is very important because it creates a clear division of roles and responsibilities in institutions and at the institutional and municipal level for the obligation to collect data and developing an annual greenhouse gas inventory.

The Draft Law also defines **the carbon tax** as a mechanism for accelerating the energy transition and financing climate action measures. The introduction of this measure sends a clear signal to carbon-intensive sectors that they must start the transition to clean technologies and to citizens that both large polluters and natural persons share the same obligations for achieving climate targets.

The National Climate Action Coordination Mechanism defined in the Draft Law on Climate Action should ensure transparency in the future implementation of climate action policies and measures.

8.2 Legislation implementation

2019

Drafting of Energy strategy involves consultation with concerned stakeholders. CSOs included

RNM Government approves the national Energy strategy

Coal phase out

TPP Oslomej 2019

TPP Bitola 2025-2028

2020

Energy transition in Oslomej

120kW solar plant in place of former coal mine at TPP Oslomej

4th national climate plan and 3rd climate report for the UNFCCC

NDC 2021

UNFCCC Reporting

NECP

NECP working groups include all stakeholders-local and national authorities, private entities, CSOs
RES target - 38% by 2030
Coal phase out by 2028
JT programme

Climate action law and strategy

Climate action strategy adopted 2021

Draft law on climate action to be adopted 2024

2021-2023

2023 ACT IP

Supports the Just transition program
Unclear projects and process

Draft law on Energy

Draft law on OIE

Process started December 2023

The Draft Law on Climate Action is significant as it contains a climate target and reaffirms the commitment of the Paris Agreement to limit global warming below 1.5 degrees Celsius as well as support efforts for a **climate neutral Europe by 2050**. This provision makes the commitments of the Long-Term Strategy on Climate Action and the revised contributions to climate change to reduce the country's greenhouse gas emissions to zero by 2050 become a legal obligation of the state.

The implementation of the monitoring and reporting mechanism is a huge challenge for the state, in particular, because the current situation is that the **MRV software solution** under the jurisdiction of the Energy Agency **is not maintained at all and there is no professional staff** employed by the Agency who is familiar with this software. Professional staff with knowledge of collecting and processing data on greenhouse gas emissions is LACKING in the MOEPP as well as other institutions with obligations that will arise under the monitoring and reporting provisions.

The carbon tax as a mechanism for providing financial support for climate action measures will be effective only if the funds are flowing into a **special environmental fund** or, in the absence of a fund - into the **budget of the MOEPP** as an institution in charge of the implementation of climate change plans and laws and an institution which can recognize the priority financing measures for achieving the set climate targets.

The National Climate Action Coordination Mechanism defined in the Law on Climate Action can be recognized as a working body to **oversee the operation of the funds** for financing climate action measures and a forum for discussing current and future climate action measures in all sectors.

Table 4. Overview of decarbonization and RES share goals of key energy strategies

Strategies (goals)	Envisaged decarbonisation goal	Envisaged RES share
NCEP (2030)	82% GHG net emissions reduction compared to the levels in 1990	38% share of renewables in gross final energy consumption
Energy Strategy (green scenario, 2040)	61,5% GHG net emissions reduction compared to 2005	45% share of renewables in gross final energy consumption
Long-Term Strategy for Climate Action (2050)	72% GHG net emissions reduction compared to the levels in 1990	49% share of renewables in gross final energy consumption

Source: (Government of North Macedonia, 2019b, 2022)

At the moment, all planning and strategic documents in the energy and climate change sector follow **the same long-term targets of reducing greenhouse gas emissions by more than half by 2030**, through decarbonizing primarily the energy sector, but also increasing the share of renewable energy sources. The draft law on Renewable Energy Sources **does not have a clear target for RES**, instead

it refers to national and strategic documents in the energy sector. A problem in the implementation of climate legislation is that none of these planning and strategic documents **reflect what will be the impact of the country's gasification plans on greenhouse gas emissions**, and whether these plans will prevent the projected reduction of greenhouse gas emissions by more than half by 2030.

The Energy Draft Law **regulates the National Energy and Climate Plan by a legal framework** as a strategic document that is adopted every 10 years with a projection for an additional 20 years. National contributions to climate action still do not have a legal framework in the existing legislation.

At the 28th Climate Conference at the UN Framework Convention on Climate Change, the Government presented the Investment Plan for Accelerated Energy Transition (CIF ACT IP) which should serve as a measure to support the implementation of the **Just Transition Program** of the Energy and Climate Plan. The Investment Plan is a kind of strategic plan that proposes areas in which to invest for the purposes of an accelerated transition from coal and areas in which it is necessary to intervene with technical support, and at the same time it is a platform for securing or attracting co-financing by bilateral, multilateral and private financial sources. The Investment Plan has been adopted, by the Strategic Environmental Assessment draft report presented after the adoption of the Investment Plan, which contains components, whereas the finalization of the projects should be done in the upcoming period.

Investment plan components	Multilateral Development Banks (MDB)	Share of MDB	CIF ACT	Private Sector	Government/ PE/ Other	Total	Pillars		
							Infrastructure	People	Management
PROJECT 1: CONVERSION OF THERMAL POWER PLANTS AND COAL FACILITIES REPLACEMENT WITH RENEWABLE ENERGY SOURCES									
A: Conversion of thermal power plants, rehabilitation, and conversion of mines	WB, EBRD	110	(c) 25 (g) 0.5		35	170.5	V		V
B: PROSPECT: New renewable energy sources and education in coal affected areas	EBRD, IFC	230	(g) 1.8	75		306.8	V	V	V
C: PowerHub: Powering the Grid, Batteries, Trainings for the Future	EBRD, IFC, WB	75	(c) 27 (g) 2.5	10		114.5	V	V	
PROJECT 2: SOCIO-ECONOMIC REGENERATION OF THE PELAGONIA AND SOUTHWESTERN REGIONS									
A: Green & Growth Program – MSEs	EBRD	5.3	(c) 2.7 (g) 1.95			9.95	V	V	
B: Revitalize: Economic regeneration of industrial areas	EBRD, WB	10	(c) 5.5 (g) 0.5			16	V	V	V
C: Climate – smart program for economic regeneration	EBRD, IFC	22	(c) 2.7 (g) 0.65			25.35		V	
PROJECT 3: ENERGY EFFICIENCY (EE), CLEAN HEAT AND DECENTRALIZED ENERGY GENERATION									
A: ECOBOOST: Boosting communities in coal regions with effective renewable loans	EBRD	8	(c) 5.6			13.6	V	V	
B: EcoCommune: Clean Energy Community Initiative	WB	11	(c) 8 (g) 0.6			19.6	V	V	
Investment plan / Total		471.3	(c) 76.5 (g) 8.5	85	35	676.3			

The specific projects in this document as well as their implementation should be selected according to **the organizational structure in the Just Transition Roadmap** adopted by the Government's Conclusion in the past year. According to this organizational structure, the local communities in the Kichevo and Bitola regions as coal regions should take an active part in the decision-making process through **community forums**.

























Just Transition Roadmap – Organizational Structure (according to the conclusion of the Government of the Republic of North Macedonia of June 13, 2023)			
Ministry of Economy National coordinator for implementation of the Just Transition Roadmap Ministry of Economy – working groups established for: ↘ Re-qualification and training ↘ Economic transition ↘ Renewable energy and storage	Just Transition Council:		It is recommended that ZELS establish regional forums for a just transition in Kichevo and Bitola.
	Deputy Prime Minister in Charge of Economic Affairs - Chair	Minister of Agriculture, Forestry and Water Economy	
	Minister of Economy - Co-Chair	Minister of Local Self- Government	
	Minister of Finance	Minister of Education	
	Minister of Environment and Physical Planning	Director of ESM	
	Minister of Labor and Social Policy	Director of MEPSO	
	Minister of Transport	Director of NOMAGS	

Challenges

The fact that the **Law on Climate Action and the National Adaptation Plan** are still not there is the biggest problem for achieving the climate targets set by the state. These documents should provide basic guidelines for the roles at institutional and local level in mitigating and adapting to climate change in the country, but also improve communication and coordination among institutions and with the local self-government in the direction of implementing climate action measures.

The practice of **adopting strategic documents and laws of importance for energy and climate change in short terms and on holidays** prevents the essential participation of all stakeholders in the

early stages of drafting - a process through which all stakeholders are simultaneously informed and educated about the topic and have the opportunity to provide substantive comments that will improve the text and future implementation. Even though in practice the procedure for adopting laws is fully respected, in reality the whole procedure is accelerated as in the case of the Energy Draft Law and the new RES Draft Law which were published on ENER during the Christmas holidays and did not provide for early consultation. At the same time, the practice of adopting strategic documents without an Environmental Impact Assessment is becoming more common, as in the example of the Energy and Climate Plan and the Investment Plan or approval of the SEA and EIA for power supply projects which, in practice, are harmful to the environment and local communities. In order to avoid this practice, the **map of locations for the construction of photovoltaic and wind power plants** based on established criteria must be taken into consideration when developing the annual plan for the construction of energy facilities, as well as to be integrated into the new spatial plan which is being developed.

State of NECPs in Western Balkans	Draft NECP submitted to the Energy Community	Public consultations	Has a Strategic Environmental Assessment been developed for the draft NECPs	Outcomes of public consultations published	Energy Community Assessment
Albania					
B&H					N/A
Kosovo					N/A
Montenegro					N/A
North Macedonia					
Serbia					

There is lack of **information dissemination and education** about climate action measures for municipalities, but also other relevant institutions and citizens, which makes it difficult to implement strategic plans and laws in the energy and climate change sectors.

SOLAR REVOLUTION BY-PASSES RURAL AREAS AND THE POORER PEOPLE


They cannot assess the need, cost-effectiveness, how much the investment will cost and they are afraid of hidden costs and excessive bureaucracy of the process of obtaining permits. Among some residents, there is a perception that the requirement of excessive documentation is disincentivising.

“Getting a three-phase meter was a nightmare, I have documents as if I was building something. I paid 250 euros, then one has to pull strings, give a little, ask their man to hang the cables properly, and then give pastmajlija...”


SOLAR REVOLUTION BY-PASSES RURAL AREAS AND THE POORER PEOPLE


The biggest challenge when deciding to purchase a solar system is the lack of information on what exactly is needed, how to provide the dimensions and model according to one's own needs (size of the building, consumption, type of installation, etc.) and what the return will be, in a time frame. They have no one to ask and generally the information is based on the experience of someone who has installed something before or of friends who work in system installation companies.

“I would invest if it pays off in the long term. At the very least, there should be an info center, there should be more models for different housing buildings, thus everyone who is interested to get informed.”




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8.3 Recommendations for improvement

Measure for improvement	Has it been implemented?	Comment/Status
To adopt documents needed to achieve the promised climate targets of the country.	Partially implemented	Climate action law with a carbon tax measure is needed. The revenue from this measure should flow into the budget of the MOEPP as the institution in charge of the implementation of the Law on Climate Action. To start the process of developing the NAP. Integrating obligations arising under other climate-related international agreements and pacts.
To improve the institutional framework and administrative capacities for the implementation of climate policies.	Not implemented	Climate action measures should be integrated in all sectors in order to improve the understanding of climate change by other institutions and to ensure their appropriate and timely implementation.
To ensure a climate legal framework that responds to and monitors the needs of society.	Partially implemented	A National Climate Action Coordination Mechanism is defined in the Draft Law on Climate Action. Improvement and clarification of the Energy Draft Law and the RES Draft Law is needed.

<p>To have transparency in adoption and implementation of climate policies.</p>	<p>Partially implemented</p>	<p>The adoption of climate policies should be carried out in a transparent manner, ensuring a sufficiently long period of time for the implementation of these processes and adequate information to the public by including all stakeholders in all sectoral policies of importance for mitigating and adapting to climate change.</p>
<p>Climate action must be a high priority for the country.</p>	<p>Not implemented</p>	<p>Measures to achieve climate targets should be present in all climate policies.</p> <p>According to the Long-Term Strategy for Climate Action, climate policies are also those made in the sectors of energy, spatial planning, waste, transport, agriculture and rural development, health and nature.</p>

9

Financing



9 Financing

Financing of measures and activities to improve the situation with the environment is still lacking. The funds that the state allocates for the MOEPP are minimal, (0.69%) is the percentage of the budget for this ministry in terms of the total state budget. Transfers of additional funds which can finance environmental protection projects are limited. There are almost no regular, dedicated programs for financing environmental protection projects. Calls are occasionally made in order to subsidize part of the costs for air conditioners, gas tanks in cars, etc., but these are activities of the ministries and are usually on a small scale. The table below presents the total state budget and the total budget of the MOEPP for 2023 and the one planned for 2024.

Description	2023		2024	
	in thousands of denars		in thousands of denars	
Budget of the Republic of North Macedonia	376,924,641		388,691,113	
Expenditures per budget user				
Ministry of Environment and Physical Planning	1,868,040	0.50%	2,676,990	0.69%
Expenditures per budget functions				
Environmental protection	2,445,056	0.65%	3,217,995	0.83%

On the expenditure side of the budget for 2023 and 2024, the transfers made by the Ministry of Finance to the budget users (ministries, agencies, funds and other state bodies) are mainly for financing their operational work. In that context, transfers are also made to the institutions that have competences in the environment sector, such as the Ministry of Environment and Physical Planning, the Ministry of Agriculture, Forestry and Water Economy, the Ministry of Economy, but mainly for their current operations.

In terms of the budget by Departments of the MOEPP, the total approved budget for 2023 has been allocated to the following items¹⁸.

No.	Description of the budget items	Item number	Maximum amount in MKD
1.	Total approved budget		1.868.040.000
2.	Unallocated part of the budget		49.085.000
2.1	<u>Goods and services</u>	<u>42</u>	<u>45.925.000</u>
2.11	Travel and subsistence expenses	420	6.000.000

¹⁸ Decision on the internal allocation of the total approved budget for 2023 of the Ministry of Environment and Physical Planning

2.12	Utilities, heating, communication and transport	421	30.000.000
2.13	Materials and small inventory	423	1.000.000
2.14	Repair and maintenance	424	1.100.000
2.15	Contractual services	425	6.000.000
2.16	Other current expenditures	426	1.825.000
<u>2.2</u>	<u>Subsidies and transfers</u>	<u>46</u>	<u>600.000</u>
2.21	Other transfers	464	1.825.000
<u>2.3</u>	<u>Capital expenditures</u>	<u>48</u>	<u>2.560.000</u>
2.31	Purchase of equipment and machinery	480	160.000
2.32	Buildings	481	2.000.000
2.33	Purchase of furniture	483	300.000
2.33	Investments and nonfinancial assets	485	100.000
3.	Budget intended for joint expenditures of the entity		120.948.000
<u>3.1</u>	<u>Wages and allowances</u>	<u>40</u>	<u>120.948.000</u>
3.2	Wages	401	87.042.000
3.3	Travel and subsistence expenses	402	33.786.000
3.4	Allowances	404	120.000
4.	Budgeted intended for policy and project implementation		1.698.007.000
<u>4.1</u>	<u>Department of Sustainable Development and Investments</u>		<u>520.540.000</u>
4.10	Travel and subsistence expenses	420	500.000
4.11	Utilities, heating, communication and transport	421	1.000.000
4.12	Materials and small inventory	423	200.000
4.13	Repair and maintenance	424	100.000
4.14	Contractual services	425	19.080.000
4.15	Other current expenditures	426	200.000
4.16	Transfers to non-governmental organizations	463	0
4.17	Purchase of equipment and machinery	480	0
4.18	Other buildings	482	268.620.000
4.19	Purchase of furniture	483	0

4.18	Investments and nonfinancial assets	485	0
4.19	Capital grants to SLGU	488	230.840.000
<u>4.2</u>	<u>Department of Coordination of the Work of the Minister</u>		<u>4.630.000</u>
4.20	Travel and subsistence expenses	420	50.000
4.21	Utilities, heating, communication and transport	421	100.000
4.22	Materials and small inventory	423	80.000
4.23	Repair and maintenance	424	100.000
4.24	Contractual services	425	500.000
4.25	Other current expenditures	426	3.800.000
4.26	Other transfers	464	0
4.27	Purchase of furniture	483	0
<u>4.3</u>	<u>Department of Nature</u>		<u>16.320.000</u>
4.30	Goods and services		
4.31	Travel and subsistence expenses	420	50.000
4.32	Utilities, heating, communication and transport	421	100.000
4.33	Materials and small inventory	423	20.000
4.34	Repair and maintenance	424	0
4.35	Contractual services	425	7.050.000
4.36	Other current expenditures	426	100.000
4.37	Purchase of equipment and machinery	480	0
4.38	Other buildings	482	0
4.39	Purchase of furniture	483	0
4.391	Investments and nonfinancial assets	485	0
4.392	Capital grants to enterprises and non-governmental organizations	489	9.000.000
<u>4.4</u>	<u>Department of Waters</u>		<u>396.082.000</u>
4.40	Travel and subsistence expenses	420	50.000
4.41	Utilities, heating, communication and transport	421	5.390.000
4.42	Materials and small inventory	423	300.000
4.43	Repair and maintenance	424	400.000

4.44	Contractual services	425	8.100.000
4.45	Other current expenditures	426	150.000
4.46	Other transfers	464	102.592.000
4.47	Purchase of equipment and machinery	480	5.600.000
4.48	Other buildings	482	233.000.000
4.49	Purchase of furniture	483	100.000
4.491	Capital grants to enterprises and non-governmental organizations	489	40.400.000
4.5	Department of Waste		171.600.000
4.51	Contractual services	425	20.000.000
4.52	Other current expenditures	426	100.000
4.53	Purchase of equipment and machinery	480	105.000.000
4.54	Other buildings	482	44.000.000
4.55	Investments and nonfinancial assets	485	2.500.000
4.56	Capital grants to enterprises and non-governmental organizations	489	0
4.6	Department of Industrial Pollution and Risk Management		42.420.000
4.61	Travel and subsistence expenses	420	100.000
4.62	Utilities, heating, communication and transport	421	85.000
4.63	Materials and small inventory	423	90.000
4.64	Repair and maintenance	424	600.000
4.65	Contractual services	425	12.190.000
4.66	Other current expenditures	426	55.000
4.67	Other transfers	464	27.000.000
4.68	Purchase of equipment and machinery	480	2.300.000
4.69	Investments and nonfinancial assets	485	0
4.7	Department of Environment		8.700.000
4.71	Travel and subsistence expenses	420	200.000
4.72	Utilities, heating, communication and transport	421	1.000.000
4.73	Materials and small inventory	423	400.000
4.74	Repair and maintenance	424	300.000
4.75	Contractual services	425	800.000

4.76	Other current expenditures	426	400.000
4.77	Purchase of equipment and machinery	480	1.000.000
4.78	Buildings	481	4.300.000
4.79	Purchase of furniture	483	0
4.791	Investments and nonfinancial assets	485	300.000
<u>4.8</u>	<u>Department of Spatial Planning</u>		<u>57.145.000</u>
4.80	Travel and subsistence expenses	420	50.000
4.81	Utilities, heating, communication and transport	421	0
4.82	Materials and small inventory	423	120.000
4.83	Repair and maintenance	424	125.000
4.84	Contractual services	425	56.000.000
4.85	Purchase of equipment and machinery	480	350.000
4.86	Investments and nonfinancial assets	485	500.000
<u>4.9</u>	<u>Department of Macedonian Environmental Information Center</u>		<u>25.880.000</u>
4.91	Travel and subsistence expenses	420	300.000
4.92	Utilities, heating, communication and transport	421	4.150.000
4.93	Materials and small inventory	423	1.100.000
4.94	Repair and maintenance	424	2.550.000
4.95	Contractual services	425	3.600.000
4.96	Other current expenditures	426	480.000
4.97	Purchase of equipment and machinery	480	11.400.000
4.98	Other buildings	482	0
4.99	Purchase of furniture	483	0
4.991	Investments and nonfinancial assets	485	2.300.000
<u>4.10</u>	<u>Department of the European Union</u>		<u>1.000.000</u>
4.101	Travel and subsistence expenses	420	0
4.102	Contractual services	425	1.000.000
4.103	Other buildings	482	0

4.11	Department of Local-Self Government		190.000
4.110	Contractual services	425	100.000
4.111	Purchase of furniture	483	90.000
4.112	Investments and nonfinancial assets	485	0
4.12	Department for the Implementation of IPA		453.500.000
4.120	Other buildings	482	453.500.000

In order to determine the financial resources available at the local level, according to the budgets of the municipalities, we have analyzed the total budgets and the funds intended for environmental activities. Below is an overview of several municipalities, though with the exception of the City of Skopje, the situation with the budgeted funds for the environment does not differ significantly for the other municipalities.

Municipality	Total budget for 2023 (MKD)	Budget for environment in 2023 (MKD) R1	% share of environment in total budget
Ohrid	58,674,000	2,720,000	4,64
Struga	11,815,130,00	2,260,000	0,19
Bitola	20,996,986,41	11,061,00	0,53
Debrca	126,520,050	-	0,00
Berovo	370,603,000	80,000	0,02
Dojran	363,395,000	-	0,00

9.1 Administrative capacities

At the moment, the MOEPP has 204 employees¹⁹, who are distributed among the Departments as follows:

- ✔ Deputy Minister
- ✔ State advisers **3**
- ✔ Internal Audit Unit **2**
- ✔ Department of Human Resources Management and Strategic Planning **6**
- ✔ Department of Legal and General Affairs **11**
- ✔ Department of Cooperation with Local Self-Government and Administrative Supervision Affairs **10**
- ✔ Department of the European Union **5**
- ✔ Department for the Implementation of the Instrument for Pre-Accession Assistance (IPA) **16**
- ✔ Department of Sustainable Development and Investments **11**

¹⁹ Information according to the request for access to public information sent to the MOEPP, March 2024

- ↳ Department of Spatial Planning **9**
- ↳ Department of Macedonian Environmental Information Center **17**
- ↳ Department of Coordination of the Work of the Minister **15**
- ↳ Department of Financial Affairs **8**
- ↳ Spatial Information Center **3**
- ↳ Environmental Administration **1**
- ↳ Department of Nature **15**
- ↳ Department of Industrial Pollution and Risk Management **11**
- ↳ Department of Waters **35**
- ↳ Department of Environment **18**
- ↳ Department of Waste **8**

The number of employees is sufficient, but it is necessary to restructure the MOEPP and to establish an Environmental Agency that will conduct professional works, will be able to monitor all media (water, air and soil), including monitoring of species, supervision of protected areas and will ensure the synchronized and joint implementation of environmental and nature protection policies at the national level, including the sharing of information and data.

