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State of climate governance and MRV in North Macedonia

Policy Paper

Draft



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List of abbreviations

BTR	Biennial Transparency Report
CBAM	Carbon Border Adjustment Mechanism
CC	Climate change
CCA	Climate change adaptation
CMC	Crisis Management Centre
CPs	Contracting Parties
DRM	Disaster risk management
DRR	Disaster risk reduction
DSAs	Data supply agreements
EnC	Energy Community
EU	European Union
ETF	Enhanced Transparency Framework
ETS	Emissions Trading System
GAWB	Green Agenda for the Western Balkans
GCF	Green Climate Fund
GHG	Greenhouse gas
HMS	Hydro-Meteorological Service
LCA	Law on Climate Action
L&D	Loss and Damage
MANU	Macedonian Academy of Sciences and Arts
MHEWS	Multi-Hazard Integral Early Warning System
MEIC	Macedonian Environmental Information Center
MoEPP	Ministry of Environment and Physical Planning
MoUs	Memorandum of Understanding
MRVA	Monitoring, Reporting, Verification and Accreditation
MRV	Monitoring, reporting and verification
MSs	Member States
NAPs	National Adaptation Plans
NCCC	National Coordination Committee on Climate Action
NDCs	Nationally Determined Contributions
NECP	National Energy and Climate Plan
NFP	National Focal Point
PA	Paris Agreement
PAMs	Policies and Measures
DPR/PRD	Directorate for Protection and Rescue
RCESD	Research Centre for Energy and Sustainable Development
UNFCCC	UN Framework Convention on Climate Change





1. Key Findings

- In the context of climate change, transparency refers to the reliable measurement, accessible reporting, and expert review of the progress (MRV) made by countries/industrial facilities towards achieving their climate goals and pledges.
- The accountability system involves three elements when it comes to financial support:
 - *measurement* – defining the scope of financial flows to be tracked and what data to collect;
 - *reporting* – by donors and, optimally, also recipients;
 - *verification* – to confirm the accuracy of the data and ensure that funds are used effectively.

Starting point is a *clear definition of "climate finance"* of the country.

- Inclusion of information related to climate change impacts and adaptation, including on climate change driven loss and damages, in NDCs will increase possibilities to ensure support. Loss and damage is defined as the negative impacts of climate change that occur despite, or in the absence of, mitigation and adaptation.
- There is no legal framework, institutional set up and data collection systems, as currently set up in North Macedonia that adequately meets climate change MRV needs. The country should decide whether to find ways to link and improve existing systems or whether to build a new, separate MRV system.
- MRV challenges not need to be addressed all at once in the North Macedonia, but some of those as: approval of the legal framework and improvement of the institutional organization are the *matter of urgency*.



2. Introduction and Context

The Paris Agreement commits countries to undertake “nationally determined contributions - NDCs” and to strengthen their ambitions through the years. NDCs embody efforts by each Party to the Paris Agreement (PA) to reduce national emissions and adapt to the impacts of climate change. Furthermore, the PA established an Enhanced Transparency Framework (ETF). ETF is a universal, robust monitoring and reporting framework of mandatory measures for all Parties (M&R, known as MRV).¹ The framework for transparency of climate actions should ensure a clear understanding of those actions. ETF should ensure clarity and tracking:

- of progress towards achieving Parties’ individual NDCs; and
- on support provided and received by individual Parties.

Transparency efforts enable countries to set meaningful climate targets, track progress, create evidence-based policies and mobilize financial support for increased climate ambition.

Under the MRV countries need to track and report their greenhouse gas (GHG) emissions, and the progress made towards the climate mitigation and adaptation targets in their NDCs. They are also required to monitor which policies and measures (PAMs) they have applied and how effective PAMs were, as well as the types of support received or still needed/provided or mobilized. Reported support could include information on: capacity building, technical assistance, technology transfer and financial resources. MRV requires measurable indicators (current and values to be achieved). To this end, by December 2024, reporting throughout the Biennial Transparency Report (BTR) started.

Besides NDCs, the PA requires long-term mitigation/decarbonization strategies, while identification of a medium- and long-term adaptation needs and actions to address those needs are the elements of the National Adaptation Plans (NAPs). Funding related to the formulation and implementation of NAPs is mandated to the Green Climate Fund - GCF (app. USD 2 million for formulation). Up to now 67 developing countries submitted their NAP document and 79 Parties, including North Macedonia, submitted Long-term decarbonization strategy.²

The PA recognizes the importance of averting, minimizing and addressing loss and damage, implying need for system for tracking **climate-driven economic and non-economic loss and damage**, Parties are invited to establish a Loss and Damage contact point (L&D CP). 66 countries nominated L&D CP³. The GCF plays a significant role in funding and scaling up Early Warning Systems (EWS) as an important tool for L&D reduction. It has invested approx. USD 933 million in early warning projects.

Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action (GovReg) sets common rules for planning, reporting and monitoring, including the monitoring mechanisms to ensure the EU’s compliance with commitments under the PA. In compliance

¹ Decision 18/CMA.1 - Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement, <https://unfccc.int/documents/193408>

² As at 25 September 2025

³ As at 12 September 2025



with the GovReg, MSs have to submit their National Energy and Climate Plans (NECPs) and long- term strategies (up to 2050) to the EC. Regulation 2021/1119 (European Climate Law) amending the GovReg, complements this and sets the EU legally binding climate targets including 2050 climate neutrality target. It also sets a framework that ensures that all EU policies and measures (PAMs) and all sectors of the economy and society contribute to these targets.

The scope, purpose and key provisions regarding NDCs and NECPs are provided in Table 1.

In addition, monitoring and reporting (monitoring, reporting, verification and accreditation – MRVA) of GHG emissions is a cornerstone of the EU ETS (the EU Emissions Trading System) and provides the data from industrial facilities. MRVA provides data that contribute to the EU's overall climate reporting under the PA.

The EU introduced the Carbon Border Adjustment Mechanism (CBAM). CBAM is a tool to put a fair price on carbon emitted during the production of carbon-intensive goods that are entering the EU. The aim of the CBAM is also to encourage cleaner industrial production in non-EU countries. CBAM will apply in its definitive regime from 2026, with a transitional phase 2023-2025. It applies to imports of: cement, iron and steel, aluminum, fertilizers, electricity and hydrogen. The effective carbon prices paid outside the EU will be deducted from the adjustment, to avoid a double price.

For the EnC's CPs, the adapted GovReg sets rules for planning, monitoring and reporting. Starting from January 2025, the reporting obligations include reporting on: the national GHG inventories, the NECP and its progress, PAMs and projections, the description of the national system for reporting on PAMs and the GHG projections, national adaptation planning and strategies, use of carbon revenues, and support⁴. CPs report throughout Reportnet 3, e-Reporting platform for reporting environmental and climate data to the European Environment Agency (EEA), while the EEA and the EnC, provide data quality assurance, expert guidance, and capacity building.⁵ Guide for use of the Reportnet 3⁶ as well as reporting templates are provided.

Table 1: The scope, purpose and key provisions of NDCs and NECPs

<p>NDCs (Nationally Determined Contributions) - national climate action plans submitted to the Paris Agreement.</p> <p>These plans outline a country's specific targets and policies for GHG emissions reduction and adaptation to climate change.</p> <p>Countries are required to update their NDCs every five years with increased climate ambition and report on implementation</p>	<p>NECP (National Energy and Climate Plan) - a comprehensive plan, mandated by the Governance Regulation, detail strategies for achieving goals in five key dimensions: decarbonisation, energy efficiency, energy security, the internal energy market, and research, innovation, and competitiveness</p>
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⁴ Reporting obligations and Timelines, <https://www.energy-community.org/topics/climate/reporting.html>

⁵ Reporting by North Macedonia <https://reportnet.europa.eu/public/country/MK>

⁶ https://www.eionet.europa.eu/reportnet/docs/prod/reporter_howto_reportnet3



<p>throughout Biennial Transparency Reports (BTRs) under the Enhanced Transparency Framework (ETF) of the Paris Agreement.</p> <p>The EU submits NDC as NDC of the EU and its member states (MSs).</p>	<p>An energy and climate objectives, targets, and policies for a ten-year period and/or up to 2030 shall be included into the NECP.</p> <p>Each MS prepares its NECP and shall submit a progress report every 2 years, according to the prescribed structure, format, technical details and process.</p>
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Responding to climate challenges requires an enabling regulatory environment, at the first place.

Capacity-building initiatives, particularly in countries lacking adequate institutional frameworks and sustainable and robust MRV systems, are crucial in making the M&R successful.

3. Current state – constrains and needs

North Macedonia is the Party to the PA since 2018 and commits throughout its NDC to 'reduce net GHG emissions by 82% by 2030 compared to 1990 levels'. This reduction is aligned with the NECP and the 2030 targets set by the Energy Community. However, it is not recognized in the national legislation.

As a Contracting Party (CP) to the Treaty establishing the Energy Community (EnC), North Macedonia is legally bound to implement EU energy, environment and climate legislation and to report to the EnC. North Macedonia is still lacking full climate related reporting to the EnC.

By signing the Sofia Declaration, in 2020, North Macedonia commits to work towards the 2050 target of a carbon-neutral continent together with the EU. This through mainstreaming a strict climate policy (introduction of climate neutrality target year into legislation) and reforming energy and transport sectors. A climate neutrality target year is not legally prescribed, yet.

Achieving net zero emissions by 2050 in North Macedonia is feasible but demands radical transformations and decisive actions. This requires political readiness, regulatory framework and technical capacities to support such actions. Moreover, an additional US\$1.7 billion by 2030 and US\$5.6 billion by 2050 investments compared to current plans in the energy system are required, which is equivalent to about 2.6% of GDP per year.⁷ Thus, the 2050 net zero target can be achieved with minimal impact on economic growth, particularly taking into account establishment of the Reform and Growth Facility for the Western Balkans (up to EUR 6 billion) under the Growth Plan for the Western Balkans and possibility to use the Green Climate Fund - GCF.

⁷ The Country Climate and Development Report (CCDR) for North Macedonia, World Bank, October 2024,, <https://www.worldbank.org/en/country/northmacedonia/publication/north-macedonia-country-climate-and-development-report-key-highlights>



Approved Reform Agenda under the Growth Plan for the Western Balkans, for each country is a precondition for financial support. In accordance with Reform Agenda of the North Macedonia, full implementation of MRVA (by December 2025) is a prerequisite, while the following activities are required:

<i>Action</i>	<i>Status⁸</i>
Adoption of the Law on Climate Action	In interministerial procedure
Adoption of secondary legal acts	In preparation
Establishment of an efficient and sustainable M&R governance structure	<p>Within the Ministry of Environment and Physical Planning a unit on:</p> <ul style="list-style-type: none"> → Monitoring and reporting, as a part of the Macedonian Environmental Information Center; → GHG emission permitting within the Administration on Environment. <p>Functional analysis on the most effective structure is under preparation.</p>
Capacity building activities	Long-, mid- and short-term capacity building program for new staff within the MEPP, appointed staff in sectoral governmental institutions, ETS facilities.

In addition, potential CBAM impacts should be taken into account. Assessment shows this impact is primarily driven by the potential reduction of exports to the EU in sectors like cement, iron and steel, aluminum, fertilizers, and electricity. The reason for this is the lack of carbon pricing in these sectors in North Macedonia. The output loss could result in job losses in North Macedonia's manufacturing sector, particularly in the aluminum and steel industries.⁹

North Macedonia submitted its Long-term mitigation strategy in 2021, committing on reduction of national net GHG emissions (including Forestry and Other Land Use) of 72% by 2050 compared to 1990 levels and increased resilience of society, economy and ecosystems to the impacts of climate change. The preparation and the NAP adoption is one of two specific adaptation objectives of the strategy. Project for the NAP development is approved by GCF in September 2024 and is led by the Office of the President of the Government. The Office of the President of the Government is the GCF National Focal Point, too.

Devastating floods and severe weather events such as torrential rains and heat waves, caused US\$667 million in losses over the past 20 years in North Macedonia. Moreover, an investment

⁸ As on 1 October 2025

⁹ The impact of the implementation of EU's Carbon Border Adjustment Mechanism on North Macedonia, <https://openknowledge.worldbank.org/entities/publication/4982fc0d-a402-4bee-a70e-eff0e40d11cd>



of US\$6.4 billion over the next decade is needed to protect against climate change impacts, equivalent to 0.8-1.2% of GDP per year until 2050. Without such investments, the annual expected damages are estimated to rise to 4% of GDP in the year 2050¹⁰. Thus, establishment of NAP as well as multi-hazard early warning system are urgent need to ensure universal protection from hazardous hydrometeorological, climatological and related environmental events.

Despite the efforts, the North Macedonia still lacks “comprehensive” legal framework that governs, monitor and report the climate actions and financing (fully transpose EU climate acquis - Climate Law, GovReg, ETS Directive etc), including adaptation and climate-driven economic and non-economic L&D. Moreover, existing legislation in the field of crisis management, protection and rescue, doesn’t recognize nor split climate-driven events and their consequences. Additionally, further strengthening of the administrative capacities is needed. Particularly in terms of human resources’ skills and knowledge, and cooperation and coordination between the different institutions and administrations involved into MRV and e-reporting.

The current climate MRV framework in the country is fragmented, underdeveloped and mostly project-driven. A web-based MRV Platform was designed in 2021, but is still not aligned with the Reportnet 3, doesn’t include climate finance, adaptation and climate-driven L&D and is still not operational.

The current climate MRV institutional responsibilities are insufficiently legally defined. In practice MRV institutional responsibilities are fragmented among different institutions and insufficiently recognized as a common need and challenge. Interministerial coordination is a persistent challenge, particularly important for reporting on integrated PaMs and anthropogenic GHG emission projections. Certain examples of national governance structure for reporting on integrated PaMs and anthropogenic GHG emission projections could be found in ETC CM report 2024/08: Strengthening National Governance Systems¹¹.

The Macedonian Environmental Information Center (MEIC) within the Ministry of Environment and Physical Planning is responsible for reporting in the environment. It is the National Environmental Information Center, but without mandates and employees in charge for climate reporting/MRV, submissions to the Reportnet 3 platform or the MRV Platform.

The Ministry of Environment and Physical Planning (MOEPP) is the key responsible and the UNFCCC FP institution. MOEPP has permanent employee a State Counsellor on climate change and a Unit for Climate Policies, without employees. There is the recognized need for a unit for MRV/MRVA within the MEIC and for the GHG emission permitting within the Environment Administration. Additional functional analysis on the most effective structure is under

¹⁰ The Country Climate and Development Report (CCDR) for North Macedonia, World Bank, October 2024, <https://www.worldbank.org/en/country/northmacedonia/publication/north-macedonia-country-climate-and-development-report-key-highlights>

¹¹ <https://www.eionet.europa.eu/etcs/etc-cm/products/etc-cm-report-2024-08>



preparation. However, it is extremely important to establish unit/employees in charge for adaptation.

The Ministry of Energy, Mining, and Mineral Resources is responsible for preparation of the NECP and reporting on progress of renewable energy and energy efficacy dimension. Reporting by the MEMMR to the Reportnet 3 platform is conducted.

The Macedonian Academy of Sciences and Arts (MANU), in particular Research Centre for Energy and Sustainable Development (RCESD), had significant role in the MRV framework. It had been engaged in the development of GHG inventories and projections from the first report to the UNFCCC (2003). This engagement is project-based, which limits sustainability and the institutionalization of its work.

The role of the Hydro-Meteorological Service (HMS), within the Ministry of Agriculture, Forestry and Water Economy, is important in the context of L&D. HMS provides an early warning on meteorological and hydrological hazards.

The Crisis Management Centre (CMC) plays a significant role in prevention, and early warnings. However, integral multi-hazard early warning system is still missing. CMC also collects data regarding loss and damages caused by hazards under the scope of Sendai Framework for Disaster Risk Reduction 2015-2030.

There are no legally prescribed mandates, tasks and responsibilities in other relevant institutions for climate actions, incl. for MRV. As result there is a lack of efficient inter-sectoral cooperation on climate change tasks. The National Coordination Committee on Climate Action envisaged in the Law on Climate Action, will ensure basis for improvements in that regard. However, insufficient number of employees and qualified staff, particularly in MOEPP, and financial constraints could cause a delay and obstructing progress in implementation.

The Law on Climate Action (LCA) will:

- align national legislation with the EU climate acquis particularly regarding M&R/MRVA requirements;
- define more precisely responsibilities, expanding the role of the MOEPP to MRV and carbon pricing;
- ensure basis for climate planning, MRV, and MRVA.

However, it doesn't contain climate financing and L&D related provisions. Those are elements that require more work to be done and more efficient involvement of all responsible entities. A clear definition of "climate finance" and recognition of climate driven L&D could be starting points.

Implementation of the LCA rely on functional institutions, meaning institutions with appointed employees and built capacities (institutional and individual) as well as effective interministerial coordination. There is the need of further institutional strengthening and capacity building in the government administration in North Macedonia. Particularly with respect to joint activities



of different entities. Harmonization of databases of different institutions involved in monitoring and establishment of data exchange or common data basis is crucial.

4. Importance of the MRV framework for the country

M&R/MRV system is a significant component of effective tracking and improving the implementation of mitigation and adaptation goals, policies and measures.

By establishing the functional MRV system North Macedonia will demonstrate clear and reliable information regarding the work that is already done and the support that is still required (e.g. support dedicated under the Growth Plan for the Western Balkans). Hence, functional MRV system will enable North Macedonia to:

- ✓ meet its reporting obligations to the Paris Agreement, Energy Community and EU accession process;
- ✓ build trust in its climate actions;
- ✓ improve national policy and development planning; and
- ✓ unlock new sources of finance and other types of support.

Domestically, conducting MRV will help to: understand key sources and sinks of emissions; design effective mitigation and adaptation strategies as part of NDCs or other programs. It also assess impacts of mitigation and adaptation projects, measures and policies and identify areas where additional actions are needed. Furthermore, it will help to track progress toward climate goals; and to meet stakeholder demands for public disclosure of GHG, L&D, and adaptation and mitigation information. Functional domestic MRV will also enhance credibility and promote good governance. Inclusion of MRVA into the MRV system could be significant, from perspective of the EU's CBAM application and its impacts on economy of the country.

Hence, functional MRV system will help to enhance the overall effectiveness of climate actions in the country and throughout more sustainable development of the whole economy.

5. Conclusions

Climate change mainstreamed across all sectors and levels as a cross-cutting policy issue. It is a precondition for implementation of ambitious climate action. Legislation provides a basis for such mainstreaming, as well as transparency and accountability in climate monitoring and reporting.

There is a common misunderstanding that the Ministry responsible for reporting, shall take full responsibility for data gathering and compilation. Without legal obligation, there is often a lack of interest and commitment from other data holders to participate effectively in MRV. Memorandum of Understanding (MoUs) or data supply agreements (DSAs) among Ministries/data holders can be an important tool in having a constant reporting and evaluation.



Coordination mechanism needs to be prescribed in legislation. It helps governments to deliver climate targets. Sustained and effective coordination mechanisms across governments, partners and civil society are needed to support transformation necessary for achievement of climate targets. It is important to provide adequate training to all data holders and reporting entities to help them to better understand their roles and responsibilities in the process. In particular, regarding required data and the use of the established system.

In addition, establishment of the MRV system requires a package of institutional arrangements (hardware), processes, procedures and guidelines (software) for operationalizing the system.

Hence, establishment of functional MRV system meaning creation of climate legal and institutional framework and in-country capacities. Such system is essential for North Macedonia to meet the UNFCCC and EU accession obligations - set by the Growth agenda and under the Energy Community - while developing its economy. In creation of legal framework consideration of potential impacts of the EU's CBAM is utmost important. Functional MRV system will also unlock EU and international financial and other support. As a result thus will confirm that North Macedonia is a credible and committed partner.

Adoption of Draft Law on Climate Actions is the first step in that journey.

6. Recommendations

Operating a functional MRV system in North Macedonia could be challenging, due to state of interministerial coordination, data availability, limited capacity and resources, and maintaining long-term monitoring. Overcoming of these challenges requires collaborative efforts, establishment of legal basis and governance/coordination structure and capacity building. In mid-term context it requires the integration of climate and MRV frameworks into sectoral policies and decision-making processes.

It is crucial to move away from the concept that the role of MRV system is purely for international reporting. It is vital to promote the concept that the system is designed to inform decision makers and the national public and improve climate and sectoral policy planning.

In formal sense, adoption of the draft Law on Climate Action is the first priority, followed by:

- Adoption of bylaws, primarily those set by the Growth Plan;
- Improvement of national governance system, primarily adequate institutional structure and employees in Climate change unit within the MOEPP, Administration on Environment and MEIC.

The immediate provisions that should be included into the Draft Law are those of relevance for introduction of:

- Carbon pricing in key sectors - covered by CBAM to avoid paying to the EU, instead into national budget; while

Monitoring, Reporting, Verification, and Accreditation (MRVA) requires urgent start of implementation.



Implementation of MRVA at the level of installations, will be useful for them due to potential introduction of carbon tax and the CBAM requirements.

Establishment of coordination mechanisms, precisely NCCC and signing of Memorandum of Understanding (MoUs) or data supply agreements (DSAs) among Ministries/data holder is highly recommended.

Further strengthening of different institutions and administrations involved into MRVA/MRV, and e-Reporting platform, is crucial in making the MRV system functional. While the main focus should be on human resource management.

7. Climate change adaptation and Loss and Damage

Starting from previously described scopes of competencies and responsibilities, it is **recommended** to appoint the representative of the MoEPP as the L&D NFP/Contact point.

This will mainly ensure synergies between mitigation and adaptation actions and achievement of climate neutrality and resilience through coordinated climate actions.

The list of loss and damage contact points provided by the UNFCCC's shows that the majority of contact points are from Ministry in charge for environment.

In the case of North Macedonia, the **first option** is to nominate the MoEPP senior professional staff as the L&D FP/CP that has mandate to make decision. However, the L&D FP will need technical support in creation of relevant climate change adaptation (CCA) activities and coordination with a number of national and sub-national institutions and authorities, including the CMC and MEIC.

This particularly means to:

- (1) establish the Adaptation unit within the Climate change unit in the MOEPP;
- (2) establish the Adaptation working group within the NCCC, as an independent advisory body;

The Adaptation working group would advise on actions that is going to lead to the transition to a climate-resilient, biodiversity-rich, and environmentally sustainable economy. The Adaptation working group will secure recommendations regarding national, sectoral and local climate plans, policies, programmes and strategies, climate impacts, risks and vulnerabilities assessments; climate driven L&D. This working group should be led by MOEPP, HMS, and CMC by rotation.

- (3) Appoint responsible person for climate change adaptation reporting in the MEIC.

The **second option** is to establish the CCA unit within the Climate change unit in the MOEPP and appoint its head as L&D NFP/CP. The work will be also supported with Adaptation working group within the NCCC. Such approach is more operational.

Taking into account that the MEIC is assumed to maintain climate related MRV/MRVA, it is recommended to ensure mandates and employees in charge for CCA MRV.



In accordance with existing national framework, the CMC E-Assessment platform will serve as a repository on loss and damage data, and the CMC should remain the key L&D data collection and storage authority. The CMC will keep collection of data on L&D, which will be split between those that relate to climate driven economic and non-economic loss and damages. All needed methodologies and approaches will be developed in cooperation with the Adaptation working group. These data could be also used for the SDGs reporting.

The both approaches will ensure common climate neutral and resilient planning, monitoring and reporting, coordination among different authorities, and elimination of duplication of work efforts, streamline workflows, and boost work efficiency.

It is highly recommended to appoint L&D CP after establishment of appropriate institutional structure and to add responsibility for the NAP development to that structure. Otherwise, appointment of the NFP will be only formal act.

In general, it is recommended to appoint L&D NFP/CP from the institution responsible for development of the NAP.

Nomination of the L&D FP, means to ensure legal mandate, technical and operational capacity, and coordination functions to that FP institution/individual. The mandate enables the L&D FP to coordinate national activities in response to climate-related loss and damage and CCA and represent the country at regional and international levels.

L&D NFP and other institutions involved into related activities should have adequate number of employees, as well as skilled and permanent staff with relevant technical backgrounds. Adequate financial and logistical resources should be in place, along with infrastructure that supports core functions such as data collection, analysis, and reporting. Additionally, the institution should be equipped to coordinate effectively with stakeholders and participate in international meetings and technical exchanges.

Detailed analysis regarding governance/coordination mechanisms should be conducted.



Annex I - Background paper for proposed most suitable UNFCCC Loss and damage focal point in the outline of the Policy Paper

Methodology

Desk research method for gathering information and insights was used for preparation of this paper.

Desk research included web searches, online platforms, projects and other reports.

Analysis and synthesis of preexisting data and sources, that includes published reports, articles, studies, and other publicly available documents and data, was conducted.

The starting point for analysis was: "Comprehensive Report on Climate Governance and Monitoring, Reporting and Verification (MRV) in North Macedonia", draft, 11 September 2025.

Current state – national framework

Disaster risk reduction (DRR) and climate change adaptation (CCA) are synergistic, given the common risk-reduction and vulnerability-reduction objectives of both actions. However, the governance of the two has evolved in parallel at both global and national levels. National DRR strategies and national adaptation plans are often developed in isolation from each other, resulting in a suboptimal utilization of resources.

Loss and damage offer a point of convergence across climate change (CC), disaster risk reduction (DRR), as well as humanitarian and development agendas. This is demonstrated throughout global multilateral frameworks, such as the Sendai Framework for Disaster Risk Reduction, the 2030 Agenda for Sustainable Development and the Paris Agreement. Synergy across these frameworks has increased, including throughout establishment of the Fund for responding to Loss and Damage, which shall contribute to overcoming of financing gaps in the field.

It shall be noted that finance is a critical element of loss and damage, including in establishing tracking system – monitoring, reporting and verification system (MRV), as well as in understanding and responding to the impact of climate related and other hazards.

This convergence across climate change (CC), disaster risk reduction (DRR) and other agendas, should be also achieved at the national and subnational level in all countries, including the North Macedonia.

Paris agreement to the UNFCCC

North Macedonia is the Party to the PA (2018), and Contracting Party to the Treaty establishing the Energy Community (EnC). By signing the Sofia Declaration, in 2020, North Macedonia commits to work together with the EU in climate change. North Macedonia prepared and submitted Reform Agenda under the Growth Plan for the Western Balkans, that is a precondition for financial support dedicated throughout the Plan.



According to existing analysis (Reference list), North Macedonia has not engaged sufficiently in the key global framework for loss and damage related to climate change, the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (WIM). WIM is established under the UNFCCC in 2013. However, the project aiming to develop a National Adaptation Plan (NAP) should contribute to convergence of CC and DRR, integration of climate change adaptation (CCA) and DRR and their involvement into different sectors. The project was approved by the Global Climate Fund (GCF) in September 2024. It is implemented by UNDP, while the main responsible institution is the Office of the President of the Government that is also the GCF Focal point.

Despite the efforts, the North Macedonia still lacks “comprehensive” legal framework that governs, monitors and reports on the climate actions and financing, including. Even the Law on Climate Action (LCA) will:

- align national legislation with the EU climate acquis particularly regarding M&R/MRVA requirements;
- define more precisely responsibilities, expanding the role of the MOEPP to MRV, CCA and carbon pricing;
- ensure basis for climate planning, MRV, and MRVA.

it doesn't contain climate financing and L&D related provisions. Those are elements that requires more work to be done and more efficient involvement of the responsible entities. A clear definition of “climate finance” and recognition of climate driven L&D could be an important starting point.

The current climate MRV framework in the country is fragmented, underdeveloped and mostly project-driven. Further strengthening of the administrative capacity is needed. A web-based MRV Platform was designed in 2021, but it is still not operational. MRV Platform doesn't include climate finance, adaptation and climate-driven L&D. In addition, the MRV platform is not aligned with the Reportnet 3 platform (e-Reporting platform for reporting environmental and climate data to the European Environment Agency - EEA).

In general, CCA and related L&D tasks are not recognized in the climate related legislation, MRV system nor institutional structure.

Sendai Framework for Disaster Risk Reduction

The Republic of North Macedonia adopted the Sendai Framework for Disaster Risk Reduction (2015-2030) but lacks regular reporting on its progress. Certain steps of relevance for convergence of CC and DRR are realized with creation of the new Sendai Framework and SDG 13 Reporting Module within the Crisis Management Centre's E-Assessment platform. This will also contribute to improvement of data collection on loss and damage (L&D) and their quality. Modul was developed under “Strengthening institutional and technical Macedonian capacities to enhance transparency in the framework of the Paris Agreement” UNDP/GEF project.



Furthermore, this module is connected with the national platform “Transparency Platform for Monitoring, Reporting and Verification of Climate Actions” (MRV platform).

Relevant SDG 13: Climate action indicators that are part of this module are:

- Indicator 13.1.1: Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000;
- Indicator 13.1.2: Has the country adopted and implemented a national disaster risk reduction strategy in line with the Sendai Framework for Disaster Risk Reduction 2015–2030;
- Indicator 13.1.3: Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies;
- Indicator 13.2.1: Adopted nationally determined contributions, long-term strategies, national adaptation plans and adaptation communications, as reported to the secretariat of the United Nations Framework Convention on Climate Change;
- Indicator 13.2.2: Total greenhouse gas emissions per year.

Collected data will be imported into the E-platform by: National Coordinator for DRR, CMC, PRD, MoEPP, municipalities, etc. aiming to establish the National Disaster Loss Database within the E-platform maintained by the CMC.

There is also certain system of data collection when it comes to the damages and losses, as regulated by the Law on Protection and Rescue and in accordance with the Methodology for damage assessment from natural disasters and other accidents. The Methodology is not aligned with WIM's Online Guide to Loss and Damage.

In general, some of the main gaps and challenges recognized in the DRM framework are:

- the preparedness for response, rather than proactive risk reduction and focus on the prevention and mitigation;
- insufficient legislative framework, including for multi-hazard integral early warning;
- insufficient mainstreaming and inclusion of DRR in sectoral policy and legal framework
- insufficient financing of the risk reduction area, both on national and local levels;
- lack of knowledge and experience in dealing with complex crises and disasters.
- lack of understanding of the nature, purpose, and scope of the Multi-Hazard Integral Early Warning System (MHEWS);
- insufficient Early Warning System;
- Insufficient human, financial and technical resources, equipment, solutions and tools for the advancement of the early warning;
- the public alert system is not completely functional;
- lack of an interactive working communication between the competent entities.

Institutional framework

The current climate MRV institutional responsibilities are insufficiently legally defined, particularly in CCA. In practice responsibilities are fragmented among different institutions and insufficiently recognized as a common sectoral need and challenge.

Interministerial coordination is a persistent challenge, and equally important when it comes to planning and reporting.

The Ministry of Environment and Physical Planning (MOEPP) is the key responsible and the UNFCCC FP institution. MOEPP has as a permanent employee a State Counsellor on climate change, while a Unit for Climate Policies is still without employees. Besides the recognized need for a unit for MRV/MRVA within the Macedonian Environmental Information Center (MEIC) and for the GHG emission permitting within the Administration on Environment, it is extremely important to establish a unit/appoint employee(s) in charge for climate change adaptation.

The MEIC within the MOEPP is responsible for reporting in the environment and maintaining of the National Environmental Information Center. It is without mandates and employees in charge for climate reporting, submissions to the Reportnet 3 platform and/or to the MRV Platform.

There are no legally prescribed mandates, tasks and responsibilities in other relevant institutions for CCA or L&D. There is a lack of efficient inter-sectoral cooperation in these fields. The National Coordination Committee on Climate Action envisaged in the Law on Climate Action, will ensure basis for improvements in that regard. However, insufficient number of employees and qualified staff, particularly in MOEPP, and financial constraints could delay and obstructing progress in implementation.



The national disaster risk management (DRM) system operates in accordance with the established legal and institutional framework, primarily under the mandates of the Crisis Management Centre (CMC) and the Directorate for Protection and Rescue (DPR), which serve as the core institutions responsible for ensuring coordinated, efficient, and strategic disaster risk governance across the country.

The CMC is an independent body of state administration having a legal entity status, and the central coordinating body for crisis preparedness, emergency planning, and inter-institutional cooperation. It is responsible for collecting and analyzing data, conducting risk assessments, maintaining early warning systems, and activating crisis response protocols.

The CMC also plays a key role in facilitating cross-sectoral coordination by engaging relevant ministries, public institutions, and local governments, thereby ensuring a unified national response to both natural and human-induced hazards.

Within the national DRM framework, the CMC is mandated by the Law on Crisis Management for “issuing timely information and early warnings” to the authorities and the population based on the collection, analysis and exchange of information from competent institutions, especially with the Hydro-Meteorological Service (HMS), as well as the Ministry of Health (regarding the extreme temperatures i.e. heatwaves and cold waves).

Nevertheless, the HMS, within the Ministry of Agriculture, Forestry and Water Economy, is the central institution providing the essential inputs for climate-related early warnings in the country.

The Protection and Rescue Directorate (PRD) is the national disaster management authority with responsibility in prevention, preparedness, response and early recovery. It oversees the development and implementation of contingency plans, the mobilization and training of emergency response teams, and the management of rescue operations during disaster events. The PRD also contributes to public awareness campaigns, community preparedness initiatives, and the development of technical standards for safety and protection.

The current state of human resource management and crisis response infrastructure in national and local institutions reveals significant inefficiencies and gaps. A lack of qualified personnel is evident in both the DPR and CMC. Job descriptions frequently do not align with required qualifications.

Recommendations

Loss and Damage National Focal Point

Starting from previously described situation, it is recommended to appoint the representative of the MoEPP as the L&D NFP/Contact point.

Mostly taking into account this should ensure synergies between mitigation and adaptation actions and achievement of climate neutrality and resilience.



Also, due to the UNFCCC's list of loss and damage contact points, the most common institutional focal point across countries are representatives of the Ministry in charge for environment.

An option is to nominate the MoEPP senior professional staff as the L&D FP that has mandate to make decision. However, the L&D FP will need technical support in creation of relevant CCA activities and coordination with a number of national and sub-national intuitions and authorities, including the CMC and MEIC.

This particularly means to:

- (1) establish the Adaptation unit within the Climate change unit in the MOEPP;
- (2) establish the Adaptation working group within the NCCC, as an independent advisory body.

It should advise on actions that is going to lead to the transition to a climate-resilient, biodiversity-rich, and environmentally sustainable economy. The Adaptation working group will secure recommendations regarding national, sectoral and local climate plans, policies, programmes and strategies, climate impacts, risks and vulnerabilities assessments; climate driven L&D. This working group should be led by MOEPP, HMS, and CMC by rotation.

- (3) Appoint responsible person for climate change adaptation reporting in the MEIC;

The second option is to establish the CCA unit within the Climate change unit in the MOEPP and appoint head of Adaptation unit as L&D NFP. Twork of the L&D NFP will be supported with Adaptation working group within the NCCC. Such approach is more operational.

Taking into account that the MEIC is assumed to maintain climate related MRV/MRVA, It is recommended to ensure mandates and employees in charge for CCA MRV.

In accordance with existing national framework, the CMC E-Assessment platform will serve as a repository on loss and damage data. The CMC should remain the key L&D data collection and storage authority. The CMC will keep collection of data on L&D, among which clearly will be split those that relates to climate driven economic and non-economic loss and damages. All needed methodologies and approaches will be developed in cooperation with the Adaptation working group. Those data could be also used for the SDGs reporting.

The both approaches will ensure common climate neutral and resilient planning, monitoring and reporting, coordination among different authorities, and elimination of duplication of work efforts, streamline workflows, and boost work efficiency.

It is highly recommended to appoint L&D CP after establishment of appropriate institutional structure and to add responsibility for the NAP development to that structure. Otherwise, appointment of the NFP will be only formal act.

In general, it is recommended to appoint L&D NFP/CP from the institution responsible for development of the NAP.



Nomination of the L&D FP, means to ensure legal mandate, technical and operational capacity, and coordination functions to that FP institution/individual. The mandate enables the L&D FP to coordinate national activities in response to climate-related loss and damage and CCA and represent the country at regional and international levels. In general, it is recommended to appoint L&D NFP from the institution responsible for development of the NAP.

L&D NFP and other institutions involved into related activities should have adequate number of employees, skilled and permanent staff with relevant technical backgrounds. Adequate financial and logistical resources should be in place, along with infrastructure that supports core functions such as data collection, analysis, and reporting. Additionally, the institution should be equipped to coordinate effectively with stakeholders and participate in international meetings and technical exchanges.

Detailed analysis regarding governance/coordination mechanisms should be conducted.

General

Beside recommendations regarding the appointment of the L&D NFP, some of the general recommendations are:

1. Strengthen data collection and exchange to generate evidence of the nature and scale of loss and damage.
2. Establish a Multi-Hazard Integral Early Warning System (MHEWS).
3. Strengthen CMC data collection to provide a deeper, more extensive view on climate-related loss and damage, including slow-onset events and non-economic losses (see www.undrr.org/L-DTracking).
4. Streamline and significantly scale up funding mechanisms for actions that avert, minimize and address loss and damage. This approach should prioritize climate change but not exclude non-climatic activities that are necessary for wider resilience and sustainable development. Appointment of the L&D NFP and efficient use of L&D Fund and the GCF of the UNFCCC can have significant role for balanced approach.

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