



Weekly Briefing

North Macedonia social briefing:
Environmental governance in N. Macedonia:
Bridging the gap between green words and green actions
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Environmental governance in N. Macedonia: Bridging the gap between green words and green actions

Summary

The devastation of the environment in N. Macedonia has reached alarming levels in the past decade. Failing to implement and enforce suitable environmental regulation, multiple administrations have either ignored the ecological catastrophe or have been its direct enablers. In reaction to this process, public dissatisfaction and outrage have reached new heights. In order to voice their concerns, numerous informal citizen associations have sprung up across the country in the past several years. Not only has the Government failed to channel such calls into concrete plans for actions, it has instead continued many of the destructive practices, which have resulted either from corruption, or from the absence of political will and capacity to address the environmental crisis. Recently however, the Government has started to present a more active green agenda, which has focused primarily on the energy sector. These steps can best be described as by-products of global pressures and trends, but their full realisation and effects on the health and well-being of the Macedonian people and their living environment are yet to be demonstrated.

The degradation of the environment is widespread across the Macedonian urban and rural geography. Air pollution has been an urgent ecological problem for many years. The situation is particularly alarming in urban areas in winter, when concentrations of harmful substances are several times higher than the maximum permitted.¹ According to UNECE and BreatheLife, air pollution in the country causes nearly 3,000 premature deaths annually while the health costs associated with pollution represent 3.2 percent of GDP.² The main cause of pollution is the country's dependence on coal for energy production, coupled with high energy poverty,

¹ Among the pollutants is the combustion particle PM2.5. In Skopje, its concentration is 4.5 times higher than the WHO recommendations of below 10 micrograms of particles per cubic metre of air ($\mu\text{g}/\text{m}^3$). And in Tetovo it is even 8.1 times higher than the healthy threshold. Low temperatures are making the situation worse, because of the emissions resulting from the use of fossil fuels for heating houses and buildings.

² UNECE (2019). The Third Environmental Performance Review (EPR) of North Macedonia, Available at <https://unece.org/environment/press/north-macedonia-path-sustainable-development-must-step-efforts-air-quality-and> accessed on 20.07.2021

pollution from transport and inadequate planning of the built environment.³ Waste and chemicals management have also continuously been pointed out as severe pollutants to the air, the soil and the waters across the country.⁴ Waste collection services are provided for only 60-70 percent of the urban population and just 10 percent of the rural population. As a result, there are 1,000 illegal landfills in rural areas alone, creating significant ecological, health and safety hazards.⁵ What is more, the country is also vulnerable to natural disasters such as earthquakes and floods, with floods in recent years resulting in numerous human casualties and financial costs. Additionally, the protection of natural resources is a major cause of concern. All three natural lakes and their eco-systems have been deemed to be under severe threat in recent years. Failing to implement and enforce suitable environmental regulation, multiple administrations have either ignored the ecological catastrophe or have been its direct enablers. In reaction to this process, public dissatisfaction and outrage have reached new heights. Not only has the Government failed to channel such calls into concrete plans for actions, it has instead continued many of the destructive practices, which have resulted either from corruption, or from the absence of political will and capacity to address the environmental crisis. Recently however, the Government has started to present a more active green agenda, which has focused primarily on the energy sector.

Government actions are focused on the energy sector

Several large projects have been announced or pushed forward in 2020 and 2021 with the aim of tackling the country's dependence on fossil fuels in line with the EU Green Deal and the Paris Climate Agreement. The first major development in 2020 was the adoption of the Energy Development Strategy until 2040.⁶ The document adopts the framework of the European Union's National Energy and Climate Plans and covers how to 1) decarbonise the country's

³ CORDIS (2020). Air pollution in Skopje: how citizens spurred policymakers towards the change, Available at, <https://cordis.europa.eu/article/id/413275-air-pollution-in-skopje-how-citizens-spurred-policymakers-towards-the-change> accessed on 25.07.2021

⁴ UNECE (2019). The Third Environmental Performance Review (EPR) of North Macedonia, Available at <https://unece.org/environment/press/north-macedonia-path-sustainable-development-must-step-efforts-air-quality-and> accessed on 20.07.2021

⁵ UNDP Independent Country Programme Evaluation: North Macedonia (2019)., available at <https://erc.undp.org/evaluation/evaluations/detail/12279> accessed on 25.07.2021

⁶ Energy Development Strategy until 2040, North Macedonia, available at <https://www.climate-laws.org/geographies/north-macedonia-republic-of-north-macedonia/policies/energy-development-strategy-until-2040> accessed on 19.07.2021

energy system, 2) enhance energy efficiency, 3) improve research, innovation and competitiveness, 4) enhance legal and regulatory environment, and 5) integration and security of energy markets. According to it the country will maximize energy savings up to 51.8% of primary and 27.5% of final energy by 2040. Moreover, it announces the increase in the usage of renewable energy sources in a sustainable manner by up to 45% in gross final energy consumption. It also details the national and international financing schemes available to promote renewable energy sources and energy efficiency measures.⁷

In line with the Energy Strategy in September 2020 the Government promised that all state institutions will abandon obsolete and environmentally damaging heating systems by 2024.⁸ Additionally, the Government announced an ambitious plan to lift the share of renewables in power generation capacity to 50% by 2024.⁹ In order to achieve this goal, plans were announced to add solar photovoltaic (PV) power plants with an installed capacity of 400 MW, which will produce 560 GWh per year or about 10% of total domestic output. Less than a year later in April 2021, the Government announced that it had selected two companies for the construction of two solar power plants with an installed capacity of 50 MW each.¹⁰ What is more, in May 2021, the Government began the process for the installation of a 300 MW to 350 MW photovoltaic power plant, which when built would be the biggest photovoltaic facility in the country.¹¹ By July 2021, the country made advancements on three solar, wind projects of 210 MW in total.¹² Moreover, Prime Minister Zaev said that EUR 3.1 billion would be invested

⁷ Ibid

⁸ Green Energy News (2020). Green development in focus of new North Macedonia government, available at <https://balkangreenenergynews.com/environment-green-development-among-six-pillars-of-new-n-macedonia-government/> accessed on 19.07.2021

⁹ Green Energy News (2020). North Macedonia plans 50% renewables share in electricity production by 2024, available at <https://balkangreenenergynews.com/north-macedonia-plans-50-renewables-share-in-electricity-production-by-2024/> accessed on 24.07.2021

¹⁰ Balkan Green Energy News (2021). Fortim Energy Electric, Solarpro Holding to install two PV plants at Oslomej coal mine, <https://balkangreenenergynews.com/fortim-energy-electric-solarpro-holding-to-install-two-pv-plants-at-oslomej-coal-mine/>

¹¹ Balkan Green Energy News (2021). ESM to develop solar power plant of up to 350 MW – one of the largest in Europe, available at <https://balkangreenenergynews.com/esm-to-develop-solar-power-project-of-up-to-350-mw-one-of-the-largest-in-europe/> accessed on 15.07.2021

¹² Balkan Green Energy News (2021). North Macedonia advances three solar, wind projects of 210 MW in total, available at <https://balkangreenenergynews.com/north-macedonia-esm-preparing-three-solar-wind-projects-of-210-mw-in-total/> accessed on 10.07.2021

in energy through 2027, of which the overwhelming part would be directed into renewable energy and the rest is for the gas sector.

Several other key announcements were made aimed at reducing the country's dependency on coal. In June 2021 Prime Minister Zaev said the government plans to close the country's coal-fired power plants by 2028. Moreover, he added that in order to offset the impact of the move on electricity production, the country will invest in developing a total of 2,200 MW of renewable energy capacities.¹³ The move follows earlier announcements in 2020 that the 210 MW thermal power plant TEC Negotino will switch from fuel oil to natural gas;¹⁴ alongside the announcement that the first unit of coal-fired REK Bitola will be turned off within five years and converted to natural gas.¹⁵

Another key development took place in November 2020 when ESM suspended investments in Bulgaria's nuclear power plant Belene, and shifted its focus to the construction of a gas power plant near the planned liquefied natural gas (LNG) terminal in Alexandroupolis in Greece.¹⁶ In line with this strategy in April 2021 N. Macedonia signed three memoranda with Greece to secure the supply of natural gas from the planned liquefied natural gas terminal in Alexandroupolis and of electricity from a nearby gas-fired power plant in order to implement its strategy to phase out coal and switch to renewables and gas.

Most recently, the Minister of Environment and Physical Planning Naser Nuredini has announced that the Law on Climate Action will be adopted by the end of 2021. The move

¹³ <https://balkangreenenergynews.com/north-macedonia-first-in-region-to-set-coal-phaseout-date-thermal-power-plants-will-be-shut-down-by-2028/>

¹⁴ Balkan Green Energy News (2020). North Macedonia to convert oil-fired power plant Negotino to natural gas, available at,

<https://balkangreenenergynews.com/north-macedonia-to-convert-oil-fired-power-plant-negotino-to-natural-gas/> accessed on 13.07.2021

¹⁵ Balkan Green Energy News (2020)., North Macedonia to shut REK Bitola coal plant unit, turn to gas available at <https://balkangreenenergynews.com/north-macedonia-to-shut-rek-bitola-coal-plant-unit-turn-to-gas/> accessed on 19.07.2021

¹⁶ Balkan Green Energy News (2020). ESM halts investment in Belene project, turns to gas power plant near Alexandroupolis LNG terminal, available at <https://balkangreenenergynews.com/esm-pivots-from-belene-project-turns-to-gas-power-plant-near-alexandroupolis-lng-terminal/> accessed on 15.08.2021

follows the recent adoption of the Long-Term Climate Action Strategy, in which the country has set a goal to reduce greenhouse gas emissions by 52 percent by 2030, or a net of 85 percent by 2030, compared to 1990. Nonetheless in the implementation of this ambitious green strategy, capacity of the public administration remains one of the key obstacles. The lack of capacity and clout of the Ministry of Environment and other relevant institutions have often been described as hindering the country's progress towards compliance with EU environment directives.

Since the adoption of the Energy Development Strategy until 2040 in 2020, the green agenda seems to have risen high on the Government's agenda. Major plans and pledges have been announced and some steps have been taken towards their realisation. In spite of this, it must be remembered that in the absence of a strong and competent public administration, the country has long been lagging behind its own national targets on the use of renewables and energy efficiency. It is thus imperative to distinguish the "green" plans that have been announced from the concrete "green" outcomes that are yet to come to fruition. What is more, the actions taken as part of the so-called green agenda can best be described as by-products of pressures and trends from the EU or the USA, instead of a direct response to the requests and needs of the domestic public. In view of this, the first major concern with the ambitious green agenda will be its realisation in practice. The second key challenge will be to make sure that the realisation of the green agenda will not only benefit businesses, but that it will have a positive and demonstrable impact on the health and well-being of the Macedonian people and their living environment.