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# Record of the facilitative sharing of views at the fifty-seventh session of the Subsidiary Body for Implementation: North Macedonia

#### Note by the secretariat

#### Abbreviations and acronyms

2006 IPCC Guidelines 2006 IPCC Guidelines for National Greenhouse Gas Inventories

AFOLU agriculture, forestry and other land use

 $\begin{array}{lll} BUR & \mbox{biennial update report} \\ CO_2 \ eq & \mbox{carbon dioxide equivalent} \\ COP & \mbox{Conference of the Parties} \\ FSV & \mbox{facilitative sharing of views} \end{array}$ 

GHG greenhouse gas

ICA international consultation and analysis
NDC nationally determined contribution

non-Annex I Party Party not included in Annex I to the Convention

SBI Subsidiary Body for Implementation

## I. Background and mandate

- 1. COP 16 decided that ICA of BURs from non-Annex I Parties would be conducted under the SBI in a manner that is non-intrusive, non-punitive and respectful of national sovereignty, with the aim of increasing the transparency of the mitigation actions and their effects reported by those Parties.<sup>1</sup>
- 2. COP 17 adopted the ICA modalities and guidelines,<sup>2</sup> according to which the ICA process consists of two steps: technical analysis of non-Annex I Parties' BURs by teams of technical experts, resulting in a summary report for each Party; and FSV, to which the BURs and summary reports serve as input.<sup>3</sup>
- 3. Pursuant to the ICA modalities and guidelines, the thirteenth FSV workshop was convened at SBI 57 on 11–12 November 2022 in Sharm el-Sheikh for the following 11 non-

<sup>&</sup>lt;sup>1</sup> Decision 1/CP.16, para. 63.

<sup>&</sup>lt;sup>2</sup> Decision 2/CP.17, annex IV.

<sup>&</sup>lt;sup>3</sup> Decision 2/CP.17, annex IV, para. 3.

Annex I Parties for which there was a BUR and final summary report<sup>4</sup> by 24 August 2022: Andorra, Armenia, Ghana, Jordan, Liberia, Morocco, North Macedonia, Paraguay, Togo, Uzbekistan and Viet Nam. The workshop was open to all Parties.

- 4. The workshop, chaired by the SBI Vice-Chair, Juan Carlos Monterrey Gomez, comprised three three-hour sessions.
- 5. As one of the participating Parties, North Macedonia received nine written questions in advance of the FSV workshop<sup>5</sup> from the European Union, New Zealand, Thailand, the United Kingdom of Great Britain and Northern Ireland and the United States of America. This FSV record for North Macedonia summarizes the proceedings and, together with the summary report on the technical analysis of its third BUR,<sup>6</sup> constitutes the outcome of the third round of ICA for the Party.

### II. Summary of proceedings

- 6. On 11 November 2022 North Macedonia made a brief presentation on its third BUR. The presentation was followed by a question and answer session.
- 7. North Macedonia was represented by Teodora Obradovic Grncarovska from the Ministry of Environment and Physical Planning.
- 8. North Macedonia presented an overview of its national circumstances and institutional arrangements, national inventory of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, mitigation actions and their effects, and support needed and received.
- 9. North Macedonia also presented its NDC target under the Paris Agreement, updated in 2021, which is to reduce its GHG emissions by 82 per cent by 2030 relative to the 1990 emission level  $(12,271 \text{ kt CO}_2 \text{ eq})$ .
- 10. North Macedonia highlighted that its total GHG emissions in 2016 were 10,110.80 kt  $\rm CO_2$  eq and they decreased between 1990 and 2016 by 18.9 per cent without emissions and removals from LULUCF and by 34.6 per cent with emissions and removals from LULUCF, owing mainly to the energy and industrial processes sectors. The Party explained that the decrease in emissions is mainly due to reduced electricity production from lignite, fuel switching (fuel oil replaced by natural gas) and lower industrial production. North Macedonia presented as improvements from its previous BUR putting in place a quality assurance and quality control process, development of national GHG inventory guidance materials and country-specific emission factors, and institutionalization of the development of the GHG inventory in academia.
- 11. North Macedonia presented key policies and measures for achieving its NDC target, the majority of which are in the energy sector. A total of 47 polices and measures in the energy, agriculture, forestry and other land use, and waste sectors were analysed under three scenarios: 'with existing measures', 'with additional measures' and extended 'with additional measures' (most of the measures are the same as in the previous two scenarios, but with different level of emission reductions). The greatest reduction of GHG emissions could be achieved in the extended 'with additional measures' scenario, namely, an 82 per cent decrease by 2030 compared with the 1990 emission level. North Macedonia presented new measures, indicators, improved monitoring and innovative mitigation actions as improvements from its previous BUR.
- 12. Furthermore, North Macedonia provided information on support received and needed, and capacity-building needs, primarily in optimizing the development of the reporting mechanisms at the institutional and national level, training government officials to compile

<sup>&</sup>lt;sup>4</sup> The BURs and summary reports for each ICA cycle are available at <a href="https://unfccc.int/BURs">https://unfccc.int/ICA-reports</a> respectively.

<sup>&</sup>lt;sup>5</sup> As per decision 2/CP.17, annex IV, para. 6.

<sup>&</sup>lt;sup>6</sup> FCCC/SBI/ICA/2021/TASR.3/MKD.

national GHG inventories and establishing an expert technical group at the Macedonian Environmental Information Centre.

- 13. North Macedonia presented information on its current initiatives for enhancing its institutional arrangements for compliance with requirements under the enhanced transparency framework under the Paris Agreement. The initiatives relate to the adoption of the Law on Climate Action and enhancement of its measurement, reporting and verification system to ensure compliance with requirements under the enhanced transparency framework as well as support requested for the preparation of the Party's first biennial transparency report.
- 14. Following the presentation, the following Parties made interventions commending North Macedonia on its efforts and asked questions seeking further clarification: Australia, Austria, Czechia, European Union, New Zealand, Switzerland, Panama and United Kingdom.
- 15. Questions on the GHG inventory related to the benefits and challenges of close collaboration with academia in the preparation of GHG inventories; and lessons learned and experience in terms of gender aspects of the inventory.
- In response, North Macedonia explained that collaboration with academia in developing inventories has many advantages if there are legal obligations involved, given that North Macedonia does not have an environmental agency that could lead the preparation of the inventory. The Party collaborates with universities on inventory preparation on a project by project basis, including through memorandums of understanding. North Macedonia is considering putting legal obligations in place for academia and enacting government regulations giving the government department that used to deal with the inventory a role in developing the inventories along with academia so as not to lose the knowledge and expertise developed in preparing inventories. In addition, it may be possible to obtain funding through the introduction of a carbon tax in a new law. With this approach, North Macedonia will become less dependent on Global Environment Facility funds for hiring consultants and will be able to collaborate with academia every year. On gender aspects of the inventory, North Macedonia explained that it has built upon its action plan on gender and climate change and the UNFCCC gender and climate change focal point from Macedonia considered it in preparation of the inventory as appropriate. It has also utilized the United Nations Development Programme gender responsive national communications toolkit. Moreover, North Macedonia has established a network of national climate change practitioners comprising social and gender analysis specialists. In addition, the Macedonian Academy of Sciences and Arts disaggregated green jobs by gender and estimated that 27 per cent of all green jobs could be allocated to women.
- 17. Questions on the mitigation actions and their effect related to green jobs that will be created by 2030 in the energy sector; emission reduction plans which have a high potential for bringing social benefits; advantages and limitations of using marginal abatement costs as a means to evaluate mitigation measures; and the impact of natural disasters, especially wildfires, on achieving North Macedonia's 2030 targets.
- 18. In response, North Macedonia explained that it has assessed the maximum number of green jobs that can be created in the country. In the 'with existing measures' scenario, approximately 5,000 green jobs could be created, with 61 per cent of these coming from projects on energy efficiency, and the rest from actions related to the use of renewable energy sources. On the other hand, in the 'with additional measures' scenario, the maximum number is 7,000 potential green jobs. In the extended 'with additional measures' scenario, the number of potential green jobs is almost double that of the 'with additional measures' scenario. The application of new technologies contributes to the creation of green jobs in connection with, for example, retrofitting, the 'passive house' concept, solar photovoltaic systems and solar thermal collectors. Information on social benefits was provided by the Party in the annex to its third BUR, where tables show details of each of its 47 policies and measures, including their contribution to the Sustainable Development Goals. Ensuring linkage of each mitigation action with the overall development agenda of North Macedonia is critical, because without taking appropriate action, North Macedonia cannot achieve its emission reduction goal. One of the benefits of using the marginal abatement cost curve was helping the country to

prioritize measures and identify the most important measures to be included in mitigation scenarios. This also enabled the country to report the progress of each measure in its own table with detailed information as well as its link to other goals such as the Sustainable Development Goals in order to estimate the full mitigation potential of a measure. Lastly, North Macedonia explained that more than 70 per cent of emissions come from the energy sector. If North Macedonia succeeds in implementing the majority of the policies and measures in the energy sector, natural disturbances, including wildfires, should not pose much of an issue in achieving its emission reduction goal. It is expected that a new law and strategy for the forestry sector, which includes guidance on the selection of tree species that supress fires and minimize burning, will be adopted.

- 19. Another question related to success factors for the effective functioning of the National Climate Change Committee, which serves as a coordination body to provide high-level support and guidance for the country's overall climate change policy. In response, North Macedonia explained that it added a legal obligation in the functions of the National Climate Change Committee to draft a Law on Climate Action. This legal obligation will become a mandatory government procedure at the beginning of December 2022. In addition, North Macedonia created a legally binding coordination mechanism under the new Law on Climate Action. Through this mechanism, the National Climate Change Committee will be led by state secretaries dealing with mitigation and adaptation to climate change. With the implementation of this coordination mechanism, all involved institutions have a legally binding obligation for climate action and North Macedonia can overcome the gaps which it faced in the past in the implementation of some of the climate actions.
- 20. The presentation and subsequent interventions are accessible via the webcast of the workshop.<sup>7</sup>
- 21. In closing the workshop, the SBI Vice-Chair congratulated North Macedonia for successfully undergoing FSV and completing the third round of the ICA process. He thanked North Macedonia and all other participating Parties for engaging in the workshop in a facilitative manner. He also thanked the secretariat for its support.

Available at <a href="https://unfccc.int/event/13th-workshop-of-the-facilitative-sharing-of-views-mandated-event">https://unfccc.int/event/13th-workshop-of-the-facilitative-sharing-of-views-mandated-event</a>.