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- Press Release -

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How much government measures and policies can help mitigate climate change



With the performance audit on "**Measures and policies taken by RNM / competent authorities for mitigating climate change**", the State Audit joined the institutions advocating for reducing impact of climate change.

The audit objective was to answer the question **whether there are legal and institutional conditions in RNM for implementation of adopted measures and policies related to climate change mitigation.**

We concluded that the legal and institutional framework in RNM does not provide all necessary conditions for efficient and effective implementation and monitoring of adopted measures and policies for climate change mitigation.

A number of strategic, planning and program documents have been adopted at national and local level. However, defined activities for climate change mitigation in these documents are not fully implemented and their implementation is not monitored.

RNM National Committee for Climate Change established in 2003, which should provide guidance on overall climate action, as well as contribute to the integration of activities in sectoral policies, plans and measures does not function in practice, i.e. its existence is formal.



Greenhouse effect

No system for inventory of greenhouse gas emissions has been established, while National Inventory of greenhouse gas emissions has been established by several institutions. Therefore, there is no single database for greenhouse gas emissions, which makes it difficult to use these data in the preparation of national strategic, planning and programming documents for climate action.

There is a lack of functional connection and coordination between institutions at national and local level in the implementation of measures and activities for planning policies to mitigate climate change, as well as lack of monitoring thereof.

Lack of financial, human and technical resources, as an important precondition for integration of climate policies in all sectors further contribute to not achieving desired effects on climate change mitigation.

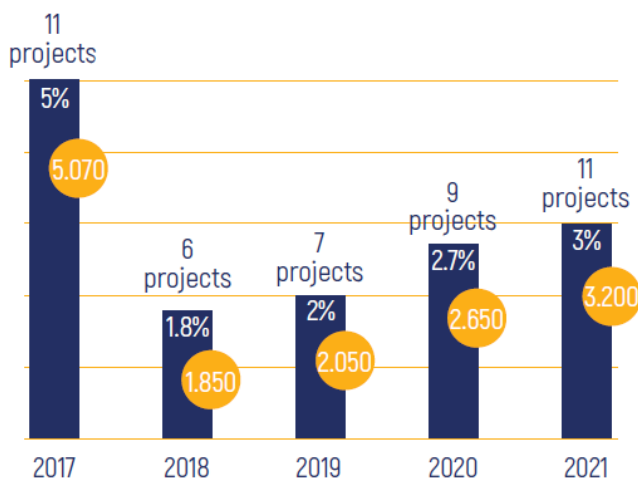
The legal provisions lack clear definition of climate finance and there is no climate labeling of the budget, i.e. there is no system for monitoring and confirming effects of public expenditures on climate change mitigation.

The audit report presents financing of activities of some institutions for reducing the impact of climate change.

Namely, from 2017 to 2021, 5% to 1.8% of the funds of MoEPP Environmental Investment Program are used for goals that are accurately recognized as climate change projects, for development of a plan, strategy and educational activities.

Realization of funds from the Environmental Investment Program

for the period 2017-2021
in 000 denars



The Law on Environment provides for:

- a fee for production of energy from fossil fuels and the taxpayers are obliged to pay the fee to an appropriate payment account within the treasury account
- the funds collected from this fee should be used for financing environmental management programs and activities in relation to the impact of the energy sector.

For the period 2018 - 2019, RNM Government has adopted two individual decisions for distribution of funds realized from this fee as earmarked grants to the municipalities. We found that the degree of realization of these decisions is 15% in 2019 and 36% in 2021.

In the period 2017-2020, RNM Government, at the proposal of the Ministry of Agriculture, adopted Annual Program for promotion of renewable energy sources and encouraging energy efficiency in households, which provided 242.700.000 denars and 193.414.000 denars were realized.

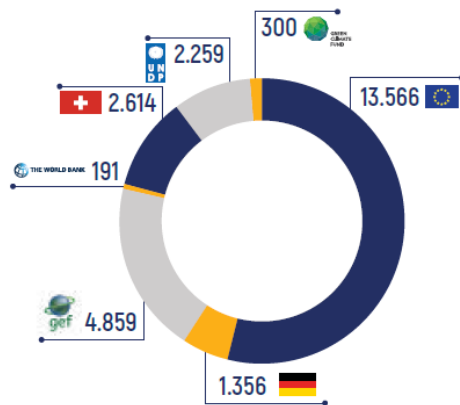
The Government also adopted Program for financial support of electricity production from preferential producers that use a premium for 2019, and provided 20.000.000 denars. As of 2021, three public announcements have been published for awarding contracts for the right to use the premium, 38 contracts have been signed and six photovoltaic power plants have been put into operation.

In the period 2014-2017, for direct impact on climate change mitigation, RNM has received international assistance amounting to 114 million USD from various sources, and in the period 2018-2019, 25.1 million USD.

The received financial assistance in 2018 and 2019 by sources of funds is presented in the following graph:

Received financial assistance

2018-2019
in 000 USD



The audit covered institutions that directly or indirectly participate in the creation of measures and policies for climate change mitigation, such as Ministry of Environment and Physical Planning, Ministry of Economy, Ministry of Transport and Communications, Ministry of Agriculture, Forestry and Water Economy, Energy Agency, LSGUs, Association of LSGUs of RNM, Macedonian Academy of Sciences and Arts, the Hydro-meteorological Administration and one non-governmental organization.

To overcome ascertained state of affairs, auditors gave recommendations to the competent institutions based on the results of the performed audit for improving realization of competencies of the institutions to provide added value in relation to climate change mitigation in the country.

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