



ANALYSIS

of projects from central area

CLIMATE CHANGE

2005 – 2014

in

Republic of Macedonia

Skopje, October 2014.



Ministry of Environment
and Physical Planning



*Empowered lives.
Resilient nations.*

This document was produced for the First Biennial Update Report on Climate Change - Ministry of Environment and Physical Planning, with the technical and financial support of the United Nations Development Programme (UNDP) and the Global Environmental Facility (GEF).

The First Biennial Update Report on Climate Change is a significant national contribution to fulfilling the country's commitments to the UNFCCC.

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Annex 1: Database of projects from central area Climate Change

Shortcuts / Acronym

BUR	Biennial Update Report
COP	Conference of the Parties
CSO/F	Civil Society Organization / Foundation
GEF	Global Environment Facility
EI	Educational Institutions
EU	European Union
IIO	International Institutions and Organizations
M/LG	Municipality / Local Government
MGRM	Ministries of the Government of the Republic of Macedonia
PI	Public Institution
PC	Private Companies
UN	United Nations
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization

1. INTRODUCTION

1.1. UNFCCC

The Conference of the Parties (COP), at its seventeenth session, adopted the guidelines for the preparation of biennial update reports (BURs) from Parties not included in Annex I to the Convention (non-Annex I Parties). These guidelines outline the objectives and scope of the information to be reported and should take into account their development priorities, objectives, capacities and national circumstances. Also by decision 2/CP.17, the COP decided that non-Annex I Parties, consistent with their capabilities and the level of support provided for reporting, should submit their first BUR by December 2014. It also decided that non-Annex I Parties shall submit a BUR every two years, either as a summary of parts of their national communication in the year in which the national communication is submitted or as a stand-alone update report.

1.2. Subject

Review of the financial support of the country in terms of climate change is one of the information that should be included in BURs, both – national (allocations of budget) and international (donors). This type of analysis is published for the first time in R. Macedonia. There are some sources, like Central Donor Assistance Database of the Government of the Republic of Macedonia, but many projects are not registered.

For that purpose, CSO Proaktiva was engaged to assemble and analyze that kind of information from different sources for the preparation of first BUR.

1.3. Objective

The main objective is to sublime the effect of completed and ongoing projects from central area Climate Change implemented in R. Macedonia, also to promote to the wide public. The successful projects will induce realization of new ones in this area resulting of increased number of activities in the fight against climate changes.

1.4. Methodology

For the purpose of this analyses are used: web page of The Secretariat for European Affairs (Government of the Republic of Macedonia); web pages of enforcers; media articles, interviews and reports; meetings; direct communication and other useful information.

Total analysis including all projects is prepared according to the: sector; policy; location; budget; period of realization; enforcers, beneficiaries; donors etc.

2. PROJECTS

Total of 422 projects are included in the Analyses, which begin between 01.01.2005 and 30.09.2014. They are divided in 11 groups according to the sector of belonging.

#	SECTOR	Number of Projects	%
1	WATER RESOURCES	69	16,4%
2	WASTE	12	2,8%
3	AGRICULTURE	16	3,8%
4	BIODIVERSITY	12	2,8%
5	ENERGY	83	19,7%
6	FORESTRY	1	0,2%
7	TRANSPORT	20	4,7%
8	HEALTH	5	1,2%
9	ENVIRONMENTAL PROTECTION	122	28,9%
10	EDUCATION	37	8,8%
11	OTHER	45	10,7%
	TOTAL	422	100,0%

From the table we can see that most of the projects, 112 or almost 29 % are in Environmental Protection sector, also most abundant are Energy and Water Resources projects. All the rest sectors have less than 10 %.

2.1. Location

Projects are divided according to location of realization: local (implemented in one or few municipalities), national (implemented on the whole territory of R. Macedonia) and regional (bilateral, cross border and other projects implemented in more countries).

#	SECTOR	LOCAL	NATIONAL	REGIONAL
1	WATER RESOURCES	57	7	5
2	WASTE	6	3	3
3	AGRICULTURE	3	10	3
4	BIODIVERSITY	3	3	6
5	ENERGY	37	28	18
6	FORESTRY	0	1	0
7	TRANSPORT	13	5	2
8	HEALTH	1	4	0
9	ENVIRONMENTAL PROTECTION	25	67	30
10	EDUCATION	31	4	2
11	OTHER	9	21	15
	TOTAL	185	153	84
	PERCENTAGE	43,8%	36,3%	19,9%

Locally are realized over 80 % of the projects from Water Resources and Education, while over 50 % of projects from Health, Agriculture and Environmental Protection sector are realized on national level. In the Energy sector more than 55 % of projects belong to national and regional level. Locally implemented are more frequent than national and regional projects.

2.2. Period of realization

According to the period of realization, projects are separated in 5 groups: up to 12 months; from 13 to 24 months; from 25 to 36 months; from 37 to 60 months and longer than 60 months.

#	SECTOR	< 12 M	< 24 M	< 36 M	< 60 M	> 60 M	AVERAGE (MONTHS)
1	WATER RESOURCES	28	23	5	8	5	23,3
2	WASTE	5	6	1	0	0	13,8
3	AGRICULTURE	3	4	6	1	2	29,2
4	BIODIVERSITY	5	2	3	2	0	23,2
5	ENERGY	30	36	11	4	2	19,3
6	FORESTRY	0	0	0	1	0	49,5
7	TRANSPORT	5	11	3	1	0	18,6
8	HEALTH	1	2	2	0	0	17,0
9	ENVIRONMENTAL PROTECTION	40	44	20	11	7	24,0
10	EDUCATION	23	10	2	2	0	14,4
11	OTHER	12	18	6	9	0	23,9
	TOTAL	152	156	59	39	16	
	PERCENTAGE	36,0%	37,0%	14,0%	9,2%	3,8%	

Most of the projects are in the interval from 13 to 24 months (37 %), also up to 12 months (36 %).

Sector wise fastest realized are the projects from Waste, Education and Health.

If we consider all projects and their total duration, we can conclude the average time of a project is 21,6 months.

2.3. Status

We divided projects to ongoing and completed.

#	SECTOR	NUMBER OF PROJECTS	ONGOING	COMPLETED
1	WATER RESOURCES	69	21	48
2	WASTE	12	2	10
3	AGRICULTURE	16	2	14
4	BIODIVERSITY	12	3	9
5	ENERGY	83	9	74
6	FORESTRY	1	0	1
7	TRANSPORT	20	3	17
8	HEALTH	5	1	4
9	ENVIRONMENTAL PROTECTION	122	22	100

#	SECTOR	NUMBER OF PROJECTS	ONGOING	COMPLETED
10	EDUCATION	37	1	36
11	OTHER	45	6	39
	TOTAL	422	70	352
	PERCENTAGE	100,0%	16,6%	83,4%

Ongoing or still in the process of realization are 16,6 % or 1/6 of projects, most of them belonging to sectors: Water Resources, Biodiversity and Health.

2.4. Budget

The total budget of all 422 projects is 275.304.069,71 EUR or on average 652.379,31 EUR per project.

#	SECTOR	TOTAL BUDGET (EUR)	AVERAGE BUDGET (EUR)
1	WATER RESOURCES	70.525.886,09	1.022.114,29
2	WASTE	3.214.613,83	267.884,49
3	AGRICULTURE	16.482.122,25	1.030.132,64
4	BIODIVERSITY	9.427.202,12	785.600,18
5	ENERGY	80.030.940,83	964.228,20
6	FORESTRY	268.244,82	268.244,82
7	TRANSPORT	4.571.622,84	228.581,14
8	HEALTH	5.924.876,70	1.184.975,34
9	ENVIRONMENTAL PROTECTION	55.745.048,52	456.926,63
10	EDUCATION	9.685.084,24	261.759,03
11	OTHER	19.428.427,47	431.742,83
	TOTAL	275.304.069,71	652.379,31

Highest average budget is in the sectors: Health (mostly national projects); Agriculture (infrastructure for irrigation systems); Water Resources (water supply and sanitation systems) and Energy (building of Renewable Energy Power Plants).

According to the budget, projects are divided in 5 groups: up to 100.000 EUR; from 100.001 to 250.000 EUR; from 250.001 to 500.000 EUR; from 500.001 to 1.000.000 EUR and over 1.000.001 EUR.

#	SECTOR	<100.000	<250.000	<500.000	<1.000.000	> 1.000.001
1	WATER RESOURCES	14	9	27	5	14
2	WASTE	5	3	2	1	1
3	AGRICULTURE	4	0	4	4	4
4	BIODIVERSITY	7	1	0	0	4
5	ENERGY	60	9	6	2	6
6	FORESTRY	0	0	1	0	0
7	TRANSPORT	14	0	3	2	1
8	HEALTH	1	0	1	1	2
9	ENVIRONMENTAL PROTECTION	46	28	21	13	14
10	EDUCATION	18	4	10	4	1

#	SECTOR	<100.000	<250.000	<500.000	<1.000.000	> 1.000.001
11	OTHER	25	5	7	2	6
	TOTAL	194	59	82	34	53
	PERCENTAGE	46,0%	14,0%	19,4%	8,1%	12,6%

Most often (46 %) are projects with budget lower than 100.000 EUR, next are the ones with budget from 250.001 to 500.000 EUR.

2.5. Project enforcers

Enforcers belong to 8 different types of entities: Civil Society Organization / Foundation (CSO/F); Private Companies (PC); Educational Institutions (EI); Public Institution (PI); Municipality / Local Government (M/LG); Ministries of the Government of the Republic of Macedonia (MGRM) and International Institutions and Organizations (IIO).

#	SECTOR	PROJECTS	CSO/F	PC	EI	PI	M/LG	MGRM	IIO
1	WATER RESOURCES	69	4	6	1	3	10	20	25
2	WASTE	12	2	1	0	1	2	1	5
3	AGRICULTURE	17	5		4			3	5
4	BIODIVERSITY	12	4		1	1			6
5	ENERGY	86	51	1	2	8	5	1	18
6	FORESTRY	1	1						
7	TRANSPORT	20	9	1			4		6
8	HEALTH	4		1				2	1
9	ENVIRONMENTAL PROTECTION	126	28	6	8	8	16	2	58
10	EDUCATION	37	2	13	12		7	2	1
11	OTHER	48	5	5	7	3	6	3	19
	TOTAL	432	111	34	35	24	50	34	144
	PERCENTAGE		25,7%	7,9%	8,1%	5,6%	11,6%	7,9%	33,3%

1/3 of projects were implemented by International Institutions and Organizations and more than 1/4 by Civil Society Organization and Foundation.

The other entities directly included in project implementation take from 5,6 to 11,6 %.

2.6. Beneficiaries

There are 7 different groups of beneficiaries: Civil Society Organization / Foundation (CSO/F); Private Companies (PC); Educational Institutions (EI); Public Institution (PI); Municipality / Local Government (M/LG) and Ministries of the Government of the Republic of Macedonia (MGRM).

#	SECTOR	PROJECTS	CSO/F	PC	EI	PI	M/LG	MGRM
1	WATER RESOURCES	75			2	18	35	20
2	WASTE	14	2			1	6	5
3	AGRICULTURE	11	1	1	2	2	1	4
4	BIODIVERSITY	10	3		1	2	1	3
5	ENERGY	72	5	5	7	12	38	5

#	SECTOR	PROJECTS	CSO/F	PC	EI	PI	M/LG	MGRM
6	FORESTRY	1						1
7	TRANSPORT	21			1	1	13	6
8	HEALTH	4				1		3
9	ENVIRONMENTAL PROTECTION	115	9	1	10	11	27	57
10	EDUCATION	30			20		9	1
11	OTHER	41	3		9	6	12	11
	TOTAL	394	23	7	52	54	142	116
	PERCENTAGE		5,8%	1,8%	13,2%	13,7%	36,0%	29,4%

From the table above we can see that, usually beneficiaries are Municipalities and Ministries of the Government of the Republic of Macedonia (MGRM).

2.7. Donors

International donors are: countries which financed projects directly or through representatives; European Union and their programs; United Nations with their programs and organizations; international organization, institutions, foundations, banks etc.

In the following table are individual donors that have at least 1 % of the projects, and the rest are listed all together according to the previous classification.

#	DONOR	TOTAL	PERCENTAGE
1	Austria	13	3,1%
2	Germany	23	5,5%
3	Great Britain	5	1,2%
4	Italy	6	1,4%
5	Japan	25	5,9%
6	Netherland	8	1,9%
7	Norway	16	3,8%
8	Slovenia	8	1,9%
9	Sweden	7	1,7%
10	Switzerland	30	7,1%
11	United States of America	8	1,9%
12	Other countries	5	1,2%
13	European Union (EU)	24	5,7%
14	EU Program – CARDS	44	10,4%
15	EU Program – IPA	68	16,1%
16	EU Program – TEMPUS	6	1,4%
17	EU – Other Programs	3	0,7%
18	UNDP	31	7,3%
19	UNIDO	9	2,1%
20	UN – Other Organizations	7	1,7%
21	Global Environment Facility – GEF	38	9,0%
22	International Institutions and Organizations	2	0,5%
23	International Funds	2	0,5%

#	DONOR	TOTAL	PERCENTAGE
24	Community Programs	11	2,6%
25	NATO	6	1,4%
26	International Banks	12	2,8%
27	Other	5	1,2%
	TOTAL	422	100,0%

European Union and their programs provide highest amount of donations or 34,4 % of finances needed for project realization; European countries participated with 28,7 %; Non-European countries with 7,8 %; United Nations with their programs and organizations with 11,1 % and the rest 18 % are from other donors.

3. SECTORS

Following is a sector analyses for better presentation of projects which are completed or ongoing.

3.1. Water Resources

This sector has total of 69 projects usually made for building of water supply and/or sanitation systems; rivers basin management; lake management systems; water sector policy and administrative management.

The shortest project duration is 1 month, and longest 7 years.

Smallest budget is 4.980 EUR, a largest is 8.663.000 EUR.

3.2. Waste

In the Waste sector there are 12 projects which refer to waste management; solid waste management; industrial waste management; biodegradable waste management; waste oil management; recycling and collection of waste.

The shortest project duration is 13 days, and longest 3 years.

Smallest budget is 12.967,74 EUR, a largest is 1.140.000 EUR.

3.3. Agriculture

Total of 16 projects are part of the agricultural sector and the most prominent are: climate change adaptation; usage of renewable energy sources; energy efficiency; biodiversity research; organic production and food safety.

The shortest project duration is 5 months, and longest 6 years.

Smallest budget is 1.455,07 EUR, a largest is 10.250.000 EUR.

3.4. Biodiversity

Biodiversity has 12 project with emphasis on: strengthening natural resources management of national parks and lakes; bird protection; cross border cooperation etc.

The shortest project duration is 6 months, and longest 4,5 years.

Smallest budget is 18.000 EUR, a largest is 3.373.986,21 EUR.

3.5. Energy

Total of 83 projects are under the energy sector. The main goal of dozen projects is promotion of energy efficiency in: residential sector, public institutions, SMEs, street lighting and similar. Also, renewable energy sources usage (solar, wind, small hydro power plants, geothermal, biomass) is included in many projects. The other areas which are covered are climate change mitigation; sustainable energy; energy policy and administrative management etc.

The shortest project duration is 7,5 months, and longest 6,5 years.

Smallest budget is 8.771,66 EUR, a largest is 60.000.000 EUR.

3.6. Forestry

There is only one project in this sector referring to national fire management and is completed after 49,5 months, with a budget of 268.244,82 EUR.

3.7. Transport

In the Transport sector a total of 20 projects are implemented. They are directly connected with sustainable urban transport; cycling; road infrastructure and railways.

The shortest project duration is 5,5 months, and longest 4 years.

Smallest budget is 29.715 EUR, a largest is 1.455.050 EUR.

3.8. Health

5 projects are part of Health sector. Main activities in these projects are: waste management; chemical risk management and building reconstruction.

The shortest project duration is 4 months, and longest 2 years and 4 months.

Smallest budget is 88.404 EUR, a largest is 3.000.000 EUR.

3.9. Environmental Protection

122 projects belong in this general sector. Most of them can be part of other sectors, because the main goal of some of the projects is: water management; solid and hazardous waste management; biodiversity; renewable energy sources; promotion of energy efficiency; climate change mitigation; national park and protected area management; approximation of legislation; education and other.

The shortest project duration is 4 months, and longest 2 years and 4 months.

Smallest budget is 4.498 EUR, a largest is 9.545.000 EUR.

3.10. Education

This sector includes 37 projects which deal with reconstruction in educational buildings (door and windows change; interventions of roof, floor, walls; heating system replacement and similar).

The shortest project duration is 15 days, and longest 3 years and 8 months.

Smallest budget is 7.250,62 EUR, a largest is 2.000.000 EUR.

3.11. Other

Other 54 projects belong to following sectors: disaster prevention and preparedness; biosphere protection; science; tourism; culture; democratic participation and civil society; urban and rural development; disease control; but they have direct or indirect connection to the fight against climate change, for example climate change adaptation, promotion of cycling, phase-out management plans, fire management etc.

The shortest project duration is 3 months, and longest 5 years.

Smallest budget is 8.142,86 EUR, a largest is 5.143.502 EUR.

4. CONCLUSIONS AND RECOMMENDATIONS

Considering that this is the first analyses of this type in R. Macedonia, we need to note that the number of projects in Climate Change area is probably larger. Due to lack of budget information for most of the projects, we are not in position to summarize the co-financial part of R. Macedonia (cash or in-kind), which is not negligible keeping in mind the projects where Ministry of Environment and Physical Planning is included; work of National Committee on Climate Change; projects where M/LG are included; civil society activities and other.

Overlooking all 422 projects we can note few conclusions:

- Institution are concerned about danger of climate change more and more throughout the years and climate change is on the top of the local and national government agenda.
- The total number of completed projects, directly or in directly connected to the fight against climate change is big enough.
- There is a variety of international sources for donations for this purpose.
- Cross border projects are more often implemented.
- Best results can be achieved only with cooperation among all stakeholders.

Case studies of projects with a municipality as a beneficiary show that in the future, local government, public institutions and organizations will have to give more attention to the energy efficiency; wider use of renewable energy; alternative transport; climate change adaptation and mitigation and similar activities. Especially to buildings and installations which are under their duty, but also local citizens should be stimulated through workshops, educational materials, application of incentives and other.

There are sources for investment (other than own budget) like donations and grants from national and international institutions, low interest loans etc.

Despite those they should have separate budget for financing and co-financing climate change projects, which will provide more options to joint projects on local, national and cross border level.

For preparation and implementation of projects they can find support and consultation at organizations and institutions included in previous projects.

For better results on national level implemented projects should be in the following sectors: Waste; Biodiversity; Forestry, Transport and Health, but not to neglect the other sectors and also to use previously completed projects for their replication and upgrade.

It's important to incorporate a model for investment of savings from previous projects, contributing to sustainability.

Registration of projects, detail oriented in a central database will improve promotion of projects.

Climate change should be enrolled as a separate sector, considering its importance in the present and especially in the future.

National co-financing should be noted in the database.

The database should also include results (products) for better insight of the project's effect.