

**Project: “Building Capacity towards sustainable capital development  
in North Macedonia”**

**Activity Area IV - Development and Delivery of Capacity Building  
activities on Climate Change and Labour and Social Policy**

**Action Plan to support the development of green, climate-smart,  
gender sensitive, and inclusive employment across the key economy  
sectors**

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## List of abbreviations

ALMMPS	Active Labour Market Measures, Policies, and Services
AP	Action Plan
EA	Employment Agency
EE	Energy Efficiency
ENDC	Enhanced Nationally Determined Contributions
EU	European Union
GCF	Green Climate Fund
MoEL	Ministry of Economy and Labour
MoSPDY	Ministry of Social Policy, Demography and Youth
MoEPP	Ministry of Environment and Physical Planning
NAPs	National Adaptation Plans
NDCs	Nationally Determined Contributions
MKD	Republic of North Macedonia
SAC	Strategic Advisory Committee
SSO	State Statistical Office
SDGs	Sustainable Development Goal(s)
UNDP	United Nations Development Program

## Executive Summary

The **Action Plan goal** is to support the process of climate change-related capacity building activities in the labour and social protection sector.

The scope is to present measures for facilitation of green jobs, climate-smart and inclusive employment across key economic sectors in the country.

North Macedonia committed to the SDG 8 and, namely, the Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

The Third Biennial Update Report on Climate Change indicates that proposed mitigation measures can create between 5,309 and 7,848 green jobs in 2030 under different assessment scenarios. Measures that contribute the highest share in the number of new domestic green jobs are: retrofitting of existing residential buildings (42%), construction of passive houses (21%), solar thermal collectors (8%) and (renewable energy sources) RES without incentives (6%) in 2035. At least 27% of the maximum number of jobs would be for women.<sup>1</sup> Meeting this demand for skilled labour and its dynamics over time requires adjustments in the existing and development of new education and labour market policies.

Yet, there is a mismatch between the anticipated demand for green jobs and available education/training programmes and labour policies. Low investment in human capital translates into inequalities and a lack of opportunities for citizens to achieve their full potential.

## 1. Introduction

### 1.1. Background information on economic and environmental context in North Macedonia.

North Macedonia is a landlocked country in Southeast Europe, characterized by diverse landscapes ranging from mountainous regions to fertile valleys. With a population of approximately 2.1 million, the country is transitioning from an agriculture-based economy to one that is more diversified and industrialized. Key economic sectors include agriculture, industry, services, and information and communication technologies.

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<sup>1</sup> The Biennial Update Reports on Climate Change is available here- [Klimatski Promeni](#)

Despite economic progress, North Macedonia faces significant environmental challenges, such as air and water pollution, deforestation, and waste management issues. The heavy reliance on coal for energy production contributes significantly to greenhouse gas (GHG) emissions, necessitating urgent action towards cleaner and more sustainable energy sources.

**Climate Change Context:** Climate change poses a significant threat to North Macedonia's socio-economic stability. The country experiences increasing temperatures, changing precipitation patterns, and more frequent extreme weather events, adversely affecting agriculture, water resources, and public health. Addressing these challenges requires a coordinated approach that integrates climate resilience into national policies and economic planning.

As a non-Annex I party to the United Nations Framework Convention on Climate Change (UNFCCC) and a signatory of the Paris Agreement, North Macedonia has committed to reducing its CO<sub>2</sub> emissions from fossil fuels by 51% by 2030 compared to 1990 levels. This ambitious target is part of the country's enhanced Nationally Determined Contributions (NDCs).

## 1.2. Overview of National Determined Contributions and their relevance to the action plan.

North Macedonia's National Determined Contributions (NDCs) outline the country's commitment to combat climate change by focusing on reducing greenhouse gas (GHG) emissions and enhancing climate resilience. As part of the Paris Agreement, North Macedonia has pledged to reduce its CO<sub>2</sub> emissions from fossil fuels by 51% by 2030 compared to 1990 levels.

The NDCs prioritize several key sectors, including energy supply, buildings, and transport, as these are the primary contributors to the country's GHG emissions. The targets set within the NDCs emphasize a transition to renewable energy sources, increased energy efficiency, and the adoption of sustainable practices across various economic activities.

The Action Plan aims to align with and support North Macedonia's NDCs by fostering the development of green, climate-smart, and inclusive employment. This alignment is crucial for ensuring that employment strategies not only contribute to economic growth but also support the country's climate goals.

Key areas where the Action Plan intersects with the NDCs include:

**Promotion of Green Jobs:** By encouraging job creation in sectors like renewable energy, sustainable agriculture, and eco-friendly construction, the Action Plan directly supports the mitigation targets of the NDCs.

**Climate-Smart Employment:** Integrating climate resilience into labor market policies ensures that employment strategies are sustainable and contribute to the low-carbon economy envisioned in the NDCs. This includes promoting jobs that focus on adaptation measures, such as improving water management and enhancing the resilience of agricultural practices.

**Inclusive Employment:** Ensuring that employment opportunities are accessible to women, youth, and marginalized communities aligns with the social inclusion aspects of the NDCs. This approach promotes equitable growth and leverages the full potential of the workforce to support climate action.

**Capacity Building:** Strengthening the capacities of public institutions, the private sector, and civil society organizations is vital for the effective implementation of the NDCs. The Action Plan includes initiatives for building the necessary skills and knowledge to support green and inclusive employment.

**Policy and Legislative Support:** Reviewing and updating labor and social policies to incorporate climate change adaptation and mitigation measures ensures that the legal and regulatory framework supports the NDC objectives. This includes setting guidelines for businesses to adopt sustainable practices and technologies.

**Education and Training:** Developing education and vocational training programs that equip the workforce with skills for green jobs supports the long-term sustainability goals of the NDCs. By fostering a knowledgeable and skilled workforce, North Macedonia can better achieve its climate targets.

### **Integrating NDCs with National Strategies**

The Action Plan also aligns with broader national strategies such as the Long-Term Climate Action Strategy, the National Sustainable Development Goals (SDGs), and the Economic Reform Program (ERP). By ensuring coherence between the Action Plan and these strategic frameworks, North Macedonia can leverage synergies and achieve greater impact in its climate and employment policies.

In summary, the Action Plan not only supports the specific targets outlined in North Macedonia's NDCs but also contributes to the overall sustainable development of the country. By promoting green, climate-smart, and inclusive employment, the Action Plan helps create a resilient economy that is prepared to meet the challenges of climate change.

## 2. Objectives

### 2.1. Main objectives for developing green, climate-smart, and inclusive employment.

The primary objective of this Action Plan is to foster the development of green, climate-smart, and inclusive employment across key economic sectors in North Macedonia. This includes the following specific objectives:

**Promote Green Jobs:** Enhance the creation and quality of green jobs in sectors such as renewable energy, sustainable agriculture, and eco-friendly construction, aligning with the country's commitments under the Paris Agreement and its NDCs.

**Climate-Smart Employment:** Integrate climate resilience into labor market policies to ensure that employment strategies support sustainable development and the transition to a low-carbon economy.

**Inclusive Employment:** Ensure that employment opportunities are accessible to all demographic groups, including women, youth, and marginalized communities, thereby promoting social equity and inclusive growth.

**Capacity Building:** Strengthen the capacity of public institutions, private sector, and civil society organizations to support and implement green and inclusive employment initiatives.

**Education and Training:** Develop and implement education and vocational training programs that equip the workforce with the necessary skills for green and climate-smart jobs.

**Policy and Legislative Support:** Review and update existing labor and social policies to incorporate climate change adaptation and mitigation measures, promoting sustainable practices across all sectors.

### 2.2. Alignment of these objectives with long-term national climate goals and strategies.

The objectives outlined in this Action Plan align closely with North Macedonia's long-term national climate goals and strategies, which are articulated in several key documents and initiatives. The alignment ensures that the development of green, climate-smart, and inclusive employment supports the country's broader climate and economic development objectives.

**Nationally Determined Contributions (NDCs):** The Action Plan directly supports North Macedonia's commitments under the Paris Agreement by promoting employment in sectors critical for achieving the NDC targets, such as renewable energy, energy efficiency, and sustainable agriculture.

**Long-Term Climate Action Strategy:** The objectives align with the Long-Term Strategy on Climate Action, which emphasizes the importance of integrating climate considerations into all aspects of economic development, including the labor market.

**National Sustainable Development Goals (SDGs):** The Action Plan contributes to achieving the SDGs, particularly Goal 8 (Decent Work and Economic Growth), Goal 13 (Climate Action), and Goal 5 (Gender Equality).

**Economic Reform Program (ERP):** The objectives are in line with the ERP, which outlines measures to enhance economic resilience and promote sustainable growth through green and inclusive employment.

**Green Growth Strategy:** The Action Plan supports the Green Growth Strategy by fostering an enabling environment for sustainable investments and innovation in green technologies.

By ensuring that the objectives of the Action Plan align with these national strategies and goals, North Macedonia can create a coherent and integrated approach to sustainable development, leveraging synergies between climate action and employment policies to achieve long-term resilience and prosperity.

## 3. Scope and Approach

### 3.1. Definition of key sectors to be targeted by the action plan.

The Action Plan aims to focus on several key sectors that are critical for achieving green, climate-smart, and inclusive employment. These sectors include:

**Renewable Energy:** Promoting the development and use of renewable energy sources such as solar, wind, and hydro power. This sector is crucial for reducing CO<sub>2</sub> emissions and creating sustainable jobs.

**Sustainable Agriculture:** Enhancing agricultural practices to be more sustainable and resilient to climate change. This includes promoting organic farming, efficient water use, and soil conservation techniques.



**Eco-friendly Construction:** Encouraging the construction of energy-efficient buildings and retrofitting existing structures to meet higher environmental standards. This sector provides significant opportunities for green jobs.

**Waste Management and Recycling:** Improving waste management systems and increasing recycling rates to reduce environmental impact and create jobs in the green economy.

**Information and Communication Technologies (ICT):** Leveraging ICT to support climate-smart solutions and innovations. This includes developing technologies that improve energy efficiency and reduce emissions

### 3.2. Methodologies and frameworks to be used for implementing the action plan.

The implementation of the Action Plan will involve several methodologies and frameworks to ensure its effectiveness and alignment with national goals:

**Stakeholder Consultation and Engagement:** Engaging key stakeholders, including government ministries, civil society organizations (CSOs), private sector representatives, and the general public. This will ensure that the Action Plan is inclusive and reflects the needs and capacities of all relevant actors.

**Capacity Building and Training Programs:** Developing and delivering training programs to build the capacity of public institutions, private sector, and civil society organizations. This includes training on climate-smart practices and green job creation.

**Policy and Legislative Reviews:** Reviewing and updating existing policies and legislation to integrate climate considerations. This will ensure that the regulatory framework supports the goals of the Action Plan and encourages sustainable practices.

**Monitoring, Reporting, and Evaluation (MRE):** Establishing robust MRE systems to track the implementation and impact of the Action Plan. This includes setting key performance indicators (KPIs) and conducting regular evaluations to ensure continuous improvement.

**Public-Private Partnerships (PPPs):** Encouraging collaboration between the public and private sectors to foster innovation and investment in green technologies and practices. This will help to mobilize the necessary resources and expertise for successful implementation.

### 3.3. How the action plan integrates with existing policies and strategic frameworks.

The Action Plan is designed to be fully integrated with existing national policies and strategic frameworks to ensure coherence and synergy. Key integration points include:

**Alignment with Nationally Determined Contributions (NDCs):** The Action Plan supports the NDC targets by promoting green jobs and climate-smart practices across key sectors. This alignment helps North Macedonia meet its international climate commitments under the Paris Agreement.

**Support for the Long-Term Climate Action Strategy:** The objectives and actions outlined in the Action Plan are consistent with the Long-Term Climate Action Strategy, which emphasizes the integration of climate considerations into economic development.

**Contribution to National Sustainable Development Goals (SDGs):** The Action Plan contributes to achieving the SDGs, particularly those related to decent work and economic growth (Goal 8), climate action (Goal 13), and gender equality (Goal 5). This ensures that the plan supports broader development objectives.

**Integration with the Economic Reform Program (ERP):** The Action Plan aligns with the ERP, which outlines measures to enhance economic resilience and promote sustainable growth. By fostering green and inclusive employment, the plan supports the ERP's goals.

**Support for the Green Growth Strategy:** The Action Plan is designed to foster an enabling environment for sustainable investments and innovation in green technologies, aligning with the Green Growth Strategy.

By ensuring integration with these existing policies and strategic frameworks, the Action Plan aims to create a coherent and unified approach to sustainable development, leveraging synergies between climate action and employment policies to achieve long-term resilience and prosperity for North Macedonia.

## 4. Stakeholder Engagement

### 4.1. Identification of primary stakeholders and their roles

Effective stakeholder engagement is crucial for the successful implementation of the Action Plan. The primary stakeholders involved include government ministries and bodies, civil society organizations (CSOs), private sector representatives, and international partners. Each stakeholder has a specific role to play in fostering green, climate-smart, and inclusive employment.

Government Ministries:

Ministry of Social Policy, Demography and Youth (MoSPDY):

- Lead agency for integrating climate change considerations into labor and social policies.
- Responsible for coordinating with other ministries and stakeholders to ensure policy coherence.

Ministry of Environment and Physical Planning (MoEPP):

- Provides technical expertise on environmental and climate-related issues.
- Ensures alignment of the Action Plan with national climate policies and international commitments.

Ministry of Economy and Labour:

- Promotes green economic initiatives and supports the development of green jobs.
- Coordinates with the private sector to encourage sustainable business practices.

Ministry of Education and Science:

- Integrates climate change and sustainability into educational curricula.
- Supports vocational training programs for green skills development.

Civil Society Organizations (CSOs):

- Play a key role in raising awareness about climate change and advocating for inclusive policies.
- Provide on-the-ground insights and support for implementing community-based initiatives.

#### Private Sector Representatives:

- Essential for driving innovation and investment in green technologies and sustainable practices.
- Collaborate with government and CSOs to create job opportunities and promote sustainable economic growth.

#### International Partners:

- Include organizations such as the Green Climate Fund (GCF) and the United Nations Development Programme (UNDP).
- Provide financial and technical support for implementing the Action Plan.
- Facilitate knowledge exchange and capacity building.

#### Educational Institutions:

- Universities, vocational training centers, and research institutions.
- Develop and deliver training programs to equip the workforce with necessary green skills.

## 4.2. Strategy for engaging stakeholders throughout the planning and implementation phases.

A comprehensive strategy for stakeholder engagement ensures that all relevant parties are involved in the planning and implementation phases of the Action Plan. The strategy includes the following key components:

1. Initial Stakeholder Mapping and Analysis:
  - Identify all relevant stakeholders and their interests, influence, and capacity.
  - Conduct an analysis to understand the roles and potential contributions of each stakeholder.
2. Establishing Stakeholder Committees and Working Groups:
  - Form committees and working groups to facilitate regular communication and collaboration among stakeholders.
  - Include representatives from government, CSOs, private sector, and educational institutions in these groups.

3. Regular Consultations and Workshops:

- Organize consultations and workshops at various stages of the Action Plan development and implementation.
- Use these platforms to gather input, share progress, and address concerns from different stakeholders.

4. Communication and Information Sharing:

- Develop a communication plan to keep stakeholders informed about the Action Plan's progress, milestones, and outcomes.
- Use multiple channels (e.g., meetings, reports, newsletters, online platforms) to ensure broad and effective dissemination of information.

5. Capacity Building and Training:

- Provide targeted training programs to build the capacity of stakeholders to support the implementation of the Action Plan.
- Focus on enhancing skills related to climate-smart practices, green job creation, and inclusive employment strategies.

6. Monitoring and Feedback Mechanisms:

- Establish mechanisms for continuous monitoring and evaluation of stakeholder engagement activities.
- Collect feedback from stakeholders to improve engagement strategies and ensure that their needs and concerns are addressed.

7. Public-Private Partnerships (PPPs):

- Promote PPPs to leverage resources, expertise, and innovation from the private sector.
- Encourage collaborative projects that contribute to the goals of the Action Plan.

8. International Collaboration:

- Engage with international partners to benefit from their experience, technical support, and funding opportunities.
- Facilitate knowledge exchange and learning from best practices in other countries.

By implementing this comprehensive stakeholder engagement strategy, the Action Plan aims to ensure inclusive participation, foster collaboration, and enhance the effectiveness of its initiatives. This approach will help create a supportive environment for the development of green, climate-smart, and inclusive employment across North Macedonia.

## 5. Governance and Institutional Framework for implementation of the action plan

The implementation of the Action Plan requires robust governance and institutional coordination. A significant governance challenge lies in the coordination among multiple authorities, each with overlapping responsibilities in the climate change domain. Ensuring effective coordination is critical to overcoming fragmentation and fostering a coherent approach to climate action and employment.

**The following section provides potential roles and responsibilities of stakeholders for the implementation of the Action Plan. Please note that proposed roles and responsibilities may only serve as vague suggestions and guiding principles. Actual roles and responsibilities have to be jointly defined and agreed by all involved stakeholders.**

Institution	Role	Responsibility
<b>Ministry of Social Policy, Demography and Youth (MoSPDY)</b>	Lead agency for implementing the Action Plan.	<ul style="list-style-type: none"> <li>• Strategic Oversight: Provide overall leadership and ensure the integration of climate-smart and inclusive employment strategies into national labor policies.</li> <li>• Coordination: Facilitate inter-ministerial collaboration to align the efforts of various stakeholders, including the Ministry of Economy, the Ministry of Environment, and others.</li> <li>• Implementation: Oversee the rollout of training programs and initiatives that support the creation of green jobs and the upskilling of the workforce in line with the actions outlined in the Excel Action Plan.</li> <li>• Monitoring and Evaluation: Establish a robust monitoring system to track progress against the key performance indicators specified in the Action Plan.</li> </ul>
<b>Employment Agency</b>	Implementing body	<ul style="list-style-type: none"> <li>• Implementation: Oversee the rollout of training programs and initiatives that support the creation of green jobs and the upskilling of the workforce in line with the actions outlined in the Excel Action Plan.</li> <li>• Monitoring and Evaluation: Establish a monitoring system to track progress against the key performance indicators specified in the Action Plan</li> </ul>

<p><b>Ministry of Environment and Physical Planning (MoEPP)</b></p>	<p>Provide environmental and climate-related expertise.</p>	<ul style="list-style-type: none"> <li>• <b>Policy Alignment:</b> Ensure that the Action Plan aligns with national climate policies and international commitments, such as the Paris Agreement and the Nationally Determined Contributions (NDCs).</li> <li>• <b>Technical Support:</b> Provide technical guidance on integrating climate resilience into employment strategies and project implementation.</li> <li>• <b>Environmental Monitoring:</b> Monitor the environmental impact of the Action Plan and ensure compliance with environmental regulations.</li> </ul>
<p><b>Ministry of Economy and Labour (MoEL)</b></p>	<p>Support economic development through green job creation.</p>	<ul style="list-style-type: none"> <li>• <b>Economic Incentives:</b> Develop and promote economic incentives for businesses to adopt sustainable practices and create green jobs.</li> <li>• <b>Private Sector Engagement:</b> Facilitate partnerships between the government and private sector to encourage investments in green technologies and practices.</li> <li>• <b>Resource Mobilization:</b> Work with financial institutions and international donors to secure funding for projects under the Action Plan.</li> </ul>
<p><b>Ministry of Education and Science (MoES)</b></p>	<p>Integrate climate-smart education and training into curricula.</p>	<ul style="list-style-type: none"> <li>• <b>Curriculum Development:</b> Work with educational institutions to incorporate green skills training into vocational and higher education programs.</li> <li>• <b>Program Implementation:</b> Support the development and rollout of specific training programs that align with the needs of the green economy, as outlined in the Excel Action Plan.</li> <li>• <b>Research Support:</b> Encourage research and innovation in climate-smart technologies and practices.</li> </ul>
<p><b>Civil Society Organizations (CSOs)</b></p>	<p>Advocate for inclusive and climate-resilient policies.</p>	<ul style="list-style-type: none"> <li>• <b>Community Engagement:</b> Mobilize communities and raise awareness about green employment opportunities.</li> <li>• <b>Support Implementation:</b> Provide grassroots support for the implementation of community-based projects within the Action Plan.</li> </ul>





		<ul style="list-style-type: none"> <li>• <b>Policy Advocacy:</b> Ensure that the Action Plan includes provisions for marginalized and vulnerable groups to benefit from green job creation.</li> </ul>
<b>Private Sector Representatives</b>	Invest in and adopt sustainable practices that contribute to the Action Plan.	<ul style="list-style-type: none"> <li>• <b>Job Creation:</b> Collaborate with the government to create employment opportunities in key sectors such as renewable energy and sustainable agriculture.</li> <li>• <b>CSR Integration:</b> Integrate climate-smart initiatives into corporate social responsibility programs, contributing to broader Action Plan objectives.</li> </ul>
<b>International Partners</b>	Provide financial and technical support for Action Plan implementation.	<ul style="list-style-type: none"> <li>• <b>Funding:</b> Avail financial resources for implementing key projects and initiatives under the Action Plan.</li> <li>• <b>Technical Assistance:</b> Provide expertise in areas such as project design, implementation, and monitoring.</li> <li>• <b>Knowledge Sharing:</b> Facilitate the exchange of best practices from similar initiatives in other countries.</li> </ul>

**To ensure the successful implementation of the Action Plan, a set of robust mechanisms are suggested to be established. These mechanisms shall be designed to facilitate coordination, monitoring, and continuous improvement across all levels of implementation. Following principles can be used as guidance when setting up workable steering and governance structures for the implementation of the Action Plan.**

### **Inter-Ministerial Task Force**

A dedicated task force can be appointed, comprising representatives from key stakeholders such as the Ministry of Labor and Social Policy, the Employment Agency, the Ministry of Environment and Physical Planning, the Ministry of Economy, and others. This task force will be responsible for overseeing the coordination and implementation of the Action Plan. It will address challenges that arise during implementation and ensure alignment with national strategies. The task force will also play a crucial role in ensuring that all actions are synchronized across different sectors, maximizing the impact of the Action Plan.

### **Monthly Coordination Meetings**

Regular meetings should be held with all relevant stakeholders, including government ministries, civil society organizations, private sector representatives, and international partners. These monthly meetings will serve as a platform to review progress, discuss and resolve challenges, and make necessary adjustments to the Action Plan.



## Centralized Monitoring System

A centralized monitoring system should be developed to track the implementation of the Action Plan. This system will collect data on key performance indicators (KPIs) and provide regular reports to the Ministry of Labor and Social Policy. The data collected will be crucial for assessing the effectiveness of the Action Plan, identifying areas for improvement, and making data-driven decisions. The centralized system will also enable real-time tracking of progress, ensuring transparency and accountability.

## Public-Private Partnerships (PPPs)

Public-Private Partnerships (PPPs) will be a key mechanism for leveraging resources and expertise in the implementation of the Action Plan. These partnerships will focus on critical sectors such as renewable energy, green construction, and sustainable agriculture. By fostering collaboration between the government and the private sector, PPPs will help to drive innovation, secure necessary funding, and accelerate the transition to a green economy. The government will actively promote and support these partnerships, recognizing their importance in achieving the goals of the Action Plan.

# 6. Performance Indicators and Monitoring the implementation of the action plan

## 6.1. Key performance indicators for measuring progress towards the action plan's goals.

The following Key Performance Indicators (KPIs) are to be treated as suggestions, which need to be refined, and agreed with the respective stakeholders. The indicators in the following section can give guidance for the process to define indicators to be applied for the implementation of the Action Plan. KPIs might be used to measure the effectiveness of the plan in achieving its objectives across various sectors.

Theme / Action	KPI	Target
Creation of Green Jobs	Percentage of green jobs occupied by women, with a focus on inclusivity.	Ensure that at least 30% of green jobs are filled by women, reflecting the emphasis on gender equality.
Training and Upskilling	Number of training programs developed and implemented,	Implementation of sector-specific training programs for

	along with the number of participants.	green jobs, with a particular focus on vulnerable groups and gender balance in participation.
Development of Social Services	Number of new social services developed and the number of social enterprises established, with gender-disaggregated data.	Increase the number of social enterprises and services, particularly those targeting groups at social risk.
Policy and Strategic Integration	Number of public appearances, social media posts, and other forms of outreach conducted to promote the Action Plan.	Conduct extensive public outreach to raise awareness about the importance of green skills and jobs, and the benefits of the green transition.
Public Engagement and Awareness	Number of public appearances, social media posts, and other forms of outreach conducted to promote the Action Plan.	Conduct extensive public outreach to raise awareness about the importance of green skills and jobs, and the benefits of the green transition.
Educational and Training Program Outcomes	Number of participants in educational and training programs at various levels.	Increase the participation in vocational and higher education programs that focus on green skills and ensure that these programs are accessible to a diverse group of students.
Gender-Sensitive Employment	Percentage of green jobs occupied by women.	At least 30% of new green jobs to be filled by women by 2030.
Climate-Smart Training Programs	Number of training programs developed and implemented.	Establishment of 10 new training programs by 2026.
Policy Integration	Number of policies reviewed and updated to include climate resilience.	Update at least 5 key policies by 2025.

## 6.2. Monitoring and evaluation mechanisms.

To effectively track the progress of the Action Plan, a comprehensive Monitoring and Evaluation (M&E) framework will be established. This framework will ensure that all KPIs are regularly monitored, and any necessary adjustments are made to the implementation process. Following key principles can be considered when drafting a concrete M&E framework for the implementation of the entire action plan or individual actions from it. Any M&E framework to be developed for the Action Plan must closely align or integrate into existing monitoring systems already in use in the lead implementation agency, the MoLSP.

### Regular Reporting

- Frequency: Quarterly reports submitted by each responsible institution, covering progress against the KPIs.
- Responsible Entities: Key ministries and agencies, including the Ministry of Labor and Social Policy, the Ministry of Environment and Physical Planning, and the Employment Agency.

### Annual Evaluations

- Scope: Conduct annual evaluations to assess the overall impact of the Action Plan, using both quantitative and qualitative methods.
- Methodology: Include stakeholder surveys, impact assessments, and an analysis of labor market trends related to green jobs.

### Stakeholder Consultations

- Purpose: Engage stakeholders through regular consultations to gather feedback and ensure the Action Plan remains responsive to emerging needs and opportunities.
- Method: Organize workshops and forums to discuss progress, challenges, and potential improvements with government, private sector, and civil society representatives.

### Centralized Data Collection System

- Function: Establish a centralized system managed by the Ministry of Labor and Social Policy for collecting and analyzing data related to the Action Plan.
- Data Sources: Include data from educational institutions, training providers, social enterprises, and other relevant stakeholders.

### Continuous Improvement Process:

- Approach: Implement a continuous improvement loop where findings from the M&E activities are used to refine and enhance the Action Plan's strategies.

- Feedback Integration: Use feedback from annual evaluations and stakeholder consultations to make iterative adjustments to the plan.

## 7. Financial Resources and Mobilization

**The funding or the budgeting of individual actions was not part of the discussions during the stakeholder workshops. Therefore, no concrete budgeting proposal can be made.**

### 7.1. Overview of budget requirements.

#### **Allocation of Funds:**

The budget will be allocated across different sectors and initiatives based on their strategic importance and potential impact on achieving the Action Plan's goals.

Key areas requiring significant investment include renewable energy projects, sustainable agriculture initiatives, green skills training programs, and the establishment of social enterprises.

#### **Contingency Funds:**

A portion of the budget will be reserved for unforeseen expenses that may arise during the implementation phase. This will ensure that the Action Plan remains on track even in the face of unexpected challenges.

#### **Budget Timeline:**

The budget will be structured to align with the timeline of the Action Plan, ensuring that funds are available when needed to support the timely implementation of various initiatives.

## 7.2. Strategies for financial resource mobilization including potential funding sources

To secure the necessary financial resources for the Action Plan, a multi-faceted approach to resource mobilization will be adopted. This approach will leverage both domestic and international funding sources, ensuring that the Action Plan is fully financed and sustainable in the long term.

### **Green Climate Fund (GCF):**

**Role:** The GCF will be a primary source of international funding for the Action Plan.

**Strategy:** Develop and submit detailed project proposals to secure GCF funding for key initiatives such as renewable energy development, climate-smart agriculture, and capacity-building programs.

### **European Structural and Investment Funds (ESF+):**

**Role:** Although North Macedonia is not currently eligible for ESF funding, there is an option to become accredited in the future.

**Strategy:** Explore opportunities for accreditation and develop a roadmap for accessing ESF+ funding to support long-term projects related to sustainable development and green employment.

### **International Financial Institutions (IFIs):**

**Role:** Engage with IFIs such as the World Bank, European Bank for Reconstruction and Development (EBRD), and others to secure co-financing for large-scale projects.

**Strategy:** Present the Action Plan's initiatives to IFIs, emphasizing the alignment with global climate goals and the potential for high-impact results.

### **National Budget and Reallocation:**

**Role:** The national budget will be a crucial source of funding for the Action Plan, particularly for domestic initiatives and public sector projects.

**Strategy:** Work with the Ministry of Finance to identify existing budget lines that can be reallocated to support the implementation of the Action Plan, ensuring that climate-smart projects are prioritized in national spending.

### **Public-Private Partnerships (PPPs):**

**Role:** PPPs will play a significant role in mobilizing resources from the private sector.

Strategy: Develop attractive investment opportunities for private companies in sectors like renewable energy, green construction, and sustainable agriculture. Incentivize private investment through tax breaks, subsidies, and other financial mechanisms.

### **Donor Contributions and Grants:**

Role: International donors and grant-making organizations will be targeted to provide additional funding.

Strategy: Build partnerships with organizations such as the UNDP, European Union, and bilateral donors to secure grants for specific projects under the Action Plan.

### **Innovative Financing Mechanisms:**

Role: Explore new and innovative financing mechanisms such as green bonds, climate finance, and impact investing.

Strategy: Engage with financial markets and investors interested in sustainable development to secure additional funding streams.

## 8. Risk Management and Risk Mitigation

Addressing institutional and financial risks is crucial to the success of the Action Plan. This chapter outlines the key risks and proposed mitigation strategies. The risk assessment exercise should ideally be carried out for each individual action once moved to implementation stage.

Type of risk	Risk	Scenario	Mitigation
Institutional Risks	Coordination Failures	Lack of coordination between ministries and agencies.	Establish an inter-ministerial task force to oversee the implementation of the Action Plan.
	Capacity Constraints	Limited capacity within institutions to implement climate-smart policies.	Invest in capacity-building programs and technical assistance.
Financial Risks	Funding Shortfalls	Insufficient funding to implement the Action Plan.	Diversify funding sources and develop contingency plans for budget shortfalls.
	Resource Misallocation	Inefficient use of allocated funds.	Implement strict financial monitoring and audit procedures.

## Annex

Annex – Action Plan to support the development of green, climate-smart, and inclusive employment across the key economy sectors, with the consideration of NDC's ambitions.