

 Early Warning System

EBRD-51747

Regional Gasification Project



Quick Facts

Countries	North Macedonia
Specific Location	Gostivar, Kicevo, Sveti Nikole, Veles
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	A
Voting Date	2024-04-24
Borrower	NOMAGAS JSC Skopje
Sectors	Energy, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 106.24 million
Loan Amount (USD)	\$ 106.24 million
Project Cost (USD)	\$ 151.06 million



Project Description

As stated on the project disclosure page, the EBRD is considering a sovereign-guaranteed loan of up to EUR 98.6 million in favour of NOMAGAS. The loan proceeds would be used for construction of 100% hydrogen ready (i) natural gas interconnection pipeline with Greece (66km; interconnection) and (ii) two natural gas transmission pipelines, Gostivar to Kicevo (34km; Section 1) and Sveti Nikole to Veles (28km; Section 2) in North Macedonia.

The investments will supply gas to North Macedonia. This enables an accelerated transition away from coal and towards renewable energy by decommissioning existing coal fired Thermal Power Plants (TPPs) by 2030. It is expected that 1.7 GW of renewable energy will also be deployed, which will result in net 82% reduction of Green House Gas emission by 2030. Furthermore, the Project will significantly reduce air pollution by displacing (i) inefficient forms of heating in the commercial and residential sectors and (ii) use of petroleum products and solid fuels. The Project is also 100% hydrogen ready and does not prevent the entry of low carbon solutions into the end use markets. The Project facilitates the diversification of gas supply to North Macedonia through the Trans Adriatic Pipeline ("TAP") and LNG terminals in Greece, also providing possibility to supply neighbouring Serbia. This will improve the competitiveness of private sector businesses and reduce gas prices, through increasing gas supply by 2.5 times (from existing 0.8 bcm to 3.6 bcm) and thereby further support the decarbonisation of the energy sector at lower cost of supply.

North Macedonia has adopted the Just Transition Roadmap in June 2023, ensuring protection of vulnerable people and communities. This was recognised and supported by the Climate Investment Funds (CIF) and North Macedonia became pilot country for the Accelerating Coal Transition (ACT) Programme. In this line, the EBRD helped to develop and signed at COP 28 a Joint Declaration with the Government of North Macedonia and other partner institutions, for in-country platform for North Macedonia to ensure just and accelerated coal transition.

The Project is assessed as Paris Aligned, and consistent with the EBRD Energy Sector Strategy (2024-2028).



Investment Description

- European Bank for Reconstruction and Development (EBRD)



Private Actors Description

As stated by the EBRD, NOMAGAS is a joint stock state owned company and licenced gas transmission system operator (TSO), established in June 2022 from the merger between the two-state owned TSOs, National Energy Resources (NER) and JSC GAMA Skopje (GAMA).



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	NOMOGAS JSC Skopje	Client	Energy



Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>



Bank Documents

- [Environmental and Social Impact Assessment](#)