

The regulatory framework in Northern Macedonia is based on the Energy Act of 2018 and the accompanying secondary legislation. The law covers energy policy, electricity market structure and consumer protection. Policy documents include the 2030 Energy Development Strategy and the Energy Efficiency Improvement Strategy.

Key authorities in the energy sector are: the Government, responsible for energy policy and the adoption of secondary legislation; Ministry of Economy, responsible for implementing and monitoring energy laws and policies, and submitting amendments and new laws to the Assembly; the Energy Regulatory Commission, an independent regulatory body issuing licenses and regulating prices and system tariffs; and the Energy Agency, which supports the implementation of the country's energy policy.

The electricity market in Northern Macedonia has been completely unbundled since 2006. MEPSO, under state control, is in charge of the transmission system, while the private company EVN Macedonia (part of the Austrian EVN group) operates the distribution system. About 1,500 companies are currently eligible for supplier selection. The Energy Act transposes Directive 2009/72/EC, while the electricity market liberalization process is ongoing. The consortium of EVN Macedonia and EVN Electricity has been selected as the universal supplier. The state-owned energy company ELEM is obliged to offer 80% of the electricity generated to the universal supplier in 2019, while the remaining amounts will be purchased by the universal supplier in the free market. This percentage will fall every year until it reaches 30% in 2025.

The share of coal and natural gas thermal power plants in the planned generation in 2017 was 69%, hydropower plants 28% and other plants 3%. The planned imports are 1.840 GWh.