

<b>The step under review</b>	<b>Restructuring plan for state owned railways operator and railway infrastructure manager adopted by January 2025 (June 2025)</b>
<b>Baseline</b>	Baseline 2024
<b>Deadline of the step</b>	June 2025
<b>Actual results</b>	<p><i>Selection of new Board members through open, independent, and merit-based processes</i></p> <p>In accordance with the Law on Public Enterprises and the by-law titled <i>Rulebook on the Form and Content of the Public Call for Expression of Interest Related to the Application of Candidates for Selection as Members of the Management and Supervisory Boards of Public Enterprises; the Manner of Submitting Applications; Application Forms; and the Manner of Scoring and Selection of Candidates</i> (published in the Official Gazette of the Republic of North Macedonia No. 213/2024, dated 17.10.2024), new Board members for the <b>Public Enterprise for Railway Infrastructure – Railways of the Republic of North Macedonia – Skopje</b> are selected through a transparent and publicly open procedure.</p> <p>Public calls for applications, the public invitations for interviews with qualified candidates, and the CVs of the appointed Board members are available on the website of the Public Enterprise for Railway Infrastructure Railways of Republic of North Macedonia – Skopje, - under the section <a href="#">Јавни Огласи - МЖИ</a>. Articles 5 and 6 of the aforementioned Rulebook provide detailed guidance on the merit-based process for candidate selection.</p> <p><b>JSC Transport Skopje</b></p> <p>The governing bodies of the joint-stock company JSC Transport Skopje are the Supervisory Board and the Management Board, in accordance with the Law on Trade Companies and its related Articles noted below.</p> <p>According to Article 378, <b>the Supervisory Board</b> is appointed by the Government of the Republic of North Macedonia, with one - quarter of its members are independent, based on criteria prescribed in Article 378-a.</p> <p>According to Article 379, the Chairman of the Supervisory Board is elected by a majority of all members and must meet the criteria prescribed in Article 379-a.</p> <p><i>Based on Article 383 of the Law on Trade Companies, the Government, in a session held on <b>July 5, 2024</b>, issued Decision No. 14-5770/1, recalling and appointing new members of the Supervisory Board.</i></p>

The **Management Board members** are appointed by the Supervisory Board in accordance with Articles 374 and 374-a.

*On 03.02.2025, at its Second Meeting, the Supervisory Board adopted Decisions No. 193/1-2, 193/1-3, 193/1-4, 193/1-5, 193/1-6, 193/1-7, 193/1-8 appointing acting members of the Board of Directors, pursuant to Articles 374 and 380.*

A draft version of the “Decision for establishing a Working Group for monitoring and reporting the implementation of the steps of the Reform Agenda, with a focus on railways” was prepared by the Ministry of Transport and submitted via e-mail on 30.06.2025 to the EUD, EBRD, EIB, WB, AFD for feedback. Until the proposed deadline of 04.07.2025, the EUD, EIB, WB and AFD responded confirming they had no comments and expressed readiness for joint cooperation and commitment to successful implementation of the Reform Agenda.

On 04.07.2025, the DECISION for establishment of the Working Group was signed by the Minister of Transport and archived as No. 14-4891/4. The Working group consists of representatives from the Ministry of Transport, representatives from JSC Transport Skopje and representatives from PE Railways Infrastructure. Representatives from the EU Delegation and International Financing Institutions (IFI’s) will also participate.

The working group has the following tasks:

- Monitoring implementation of the reform steps outlined in paragraph 1 of the Decision;
- Monitoring implementation of the Action Plans of both JSC Transport - Skopje and PE Railways Infrastructure.

The coordinator and members of the Working Group will prepare and submit quarterly reports to the Reform Coordinator for each separate step.

If necessary, representatives from other institutions and representatives from Enterprises may be invited to the Working Group, depending on the topic under consideration.

Considering the fact that the Working Group is already established, the first meeting is scheduled to take place by the end of July 2025, and further on, the meetings will be scheduled regularly on quarterly basis.

Consultations between the Ministry of Transport and the **Public Enterprise for Railway Infrastructure Railways of Republic of North Macedonia – Skopje** in relation to the preparation of the Action Plan for Restructuring of **PE Railways Infrastructure** began in autumn 2024.

Following multiple internal drafts and coordination, the “Action Plan for Restructuring and Development of the railway infrastructure manager in the

	<p>Republic of North Macedonia for the period 2025-2027” was submitted to PE Railways Infrastructure Management Board for review and approval.</p> <p>The Plan was adopted by PE Railways Infrastructure’s Management Board on <b>31.01.2025</b>, and subsequently submitted to the Government for review and approval. The Government adopted the Action Plan on 18.03.2025, under Decision no. 50-1293/6.</p> <p>The Action Plan outlines implementation of milestones set up to be achieved by the end of 2027, in line with the Reform Agenda.</p> <p>Consultations with the Ministry of Transport and the <b>JSC Transport Skopje</b> in relation to the preparation of the “Reform Agenda and Action Plan for Restructuring of JSC Transport Skopje for the period 2025-2027”, started in autumn 2024.</p> <p>After internal coordination, the “<b>Reform Agenda and Action Plan for Restructuring of JSC Transport Skopje (2025–2027)</b>” was adopted by the Management Board on <b>03.02.2025</b> (Decision No. 207/1-2) and approved by the Supervisory Board on <b>06.02.2025</b> (Decision No. 248/1-2). The “Action Plan for Restructuring and Development of the railway operator for the period 2025-2027” was adopted by the Government on 18.03.2025, under Decision no.. 50-1356/6.</p> <p>The “Reform Agenda and Action Plan for Restructuring of JSC Transport - Skopje for the period 2025-2027” outlines steps to be completed by the end of <b>2027</b>, aligned with the Reform Agenda.</p> <p>Financial statements, annual and quarterly reports, as well as audit reports of both, the railway operator and railway infrastructure manager are published regularly on their official websites:</p> <p>PE Railways Infrastructure : <a href="#">Финансиски извештаи - МЖИ</a>.</p> <p>JSC Transport Skopje: <a href="#">Биланс на состојба и Биланс на успех 2024 – Железници на Република Северна Македонија Транспорт А.Д. Скопје</a></p>
<p><b>Evidence provided</b></p>	<p><b>Ministry of Transport (copy in.pdf)</b></p> <ol style="list-style-type: none"> <li>1. DECISION for establishing a Working Group for monitoring and reporting the implementation of the steps of the Reform Agenda, with a focus on railways</li> </ol> <p><b>Public Enterprise for Railway Infrastructure Railways of Republic of North Macedonia – Skopje (copy in.pdf)</b></p> <ol style="list-style-type: none"> <li>2. Decision from Management Board approving the Action Plan dated January 31<sup>st</sup>, 2025</li> <li>3. Information to the Government for the Action Plan dated January 31<sup>st</sup> 2025</li> </ol>

	<ol style="list-style-type: none"> <li>4. Ministry of Finance - Opinion related to the Information dated January 31<sup>st</sup>, 2025</li> <li>5. Secretariat for Legislation - Opinion related to the Information dated January 31<sup>st</sup>, 2025</li> <li>6. Ministry of European Affairs - Opinion related to the Information dated January 31<sup>st</sup>, 2025</li> <li>7. Extract from the Draft Minutes from the 61st Session of the Government of the Republic of North Macedonia held on March 18<sup>th</sup>, 2025</li> <li>8. Adopted Action Plan</li> </ol> <p><b>JSC Transport Skopje (copy in.pdf)</b></p> <ol style="list-style-type: none"> <li>9. Decision from Management Board adopting Reform Agenda and Action Plan for Restructuring of JSC Transport-Skopje dated February 03<sup>th</sup>, 2025</li> <li>10. Decision from the Supervisory Board approving the Decision adopting the Reform Agenda and Action Plan for Restructuring of JSC Transport Skopje dated February 06<sup>th</sup>, 2025</li> <li>11. Information to the Government for the Reform Agenda and Action Plan for Restructuring of JSC Transport Skopje dated February 02<sup>nd</sup>, 2025</li> <li>12. Ministry of Finance -opinion related to the Information dated February 02<sup>nd</sup>, 2025</li> <li>13. Ministry of Economy and Labor - opinion related to the Information dated February 02<sup>nd</sup>, 2025</li> <li>14. Secretariat for Legislation -opinion related to the Information dated February 02<sup>nd</sup>, 2025</li> <li>15. Ministry of European affairs -opinion related to the Information dated February 02<sup>nd</sup>, 2025</li> <li>16. Extract from the Draft Minutes from the 61st Session of the Government of the Republic of North Macedonia held on March 18<sup>th</sup>, 2025</li> <li>17. Adopted Reform Agenda and Action Plan for Restructuring of JSC Transport -Skopje</li> <li>18. Web link - Финансиски извештаи <a href="#">Биланс на состојба и Биланс на успех 2024 – Железници на Република Северна Македонија Транспорт А.Д. Скопје</a></li> <li>19. Web link - <a href="#">Јавни Огласи - МЖИ</a></li> <li>20. Web link - <a href="#">Финансиски извештаи - МЖИ</a></li> </ol>
<p><b>Checks performed in the verification of the step and related findings</b></p>	<p>Verification is based on the activities done and milestones achieved in the period from 01.01-30.06.2025.</p> <p>Bearing in mind that all activities in this area are dynamic and rolling over the years, each of them will be improved and will continue to be implemented in the future. Some of them are closely connected with the outcomes provided by</p>

	<p>various institutions (Ministries, Government, Parliament), but the Working Group will remain dedicated to working towards achieving the goals and will report accordingly.</p> <p>The sources of verification for completion of this step in the Reform Agenda are the relevant documents presented as evidence above, namely the Decisions for adoption of the Action Plans on behalf of the Management Board respectively, followed by Extract from the Minutes of the Session of the Government of the Republic of North Macedonia for final adoption of the Action Plans.</p>
<p><b>Compliance with general principles and DNSH principle</b></p>	<p>The implementation of the steps <u>does not contravene</u> the general principles outlined in Article 4 and 11(4) of Regulation (EU) 2024/1449 and Article 3 of the Facility Agreement.</p> <p>The implementation of the steps <u>does not contravene</u> the ‘Do No Significant Harm’ principle (DNSH).</p>
<p><b>Double funding</b></p>	<p>Contributions from third parties were <u>not reported</u> in support of the achievement of this step.</p>
<p><b>Clear conclusion on the achievement of the step</b></p>	<p>Fully achieved</p>