

North Macedonia Digital Economy (NODE) Project

Project Financing

WBIF	Grant	WB21-MKD-DII-01	€ 624,000
WB	Loan		€ 30,000,000
National Contribution	External Grant		€ 10,000,000
Anticipated WBIF TA Grant	External Grant		€ 300,000
Anticipated WBIF INV Grant	External Grant		€ 15,550,000
World Bank	External Grant		€ 226,301
World Bank	External Grant		€ 455,285
Total			€ 57,155,586
Total Grants			€ 624,000
Total Loans			€ 30,000,000

Project Description

North Macedonia saw the rapid development of the electronic communications market as a result of the opening up of the telecommunications sector to competition, and of the considerable progress achieved in the area of regulatory reform and harmonization with EU acquis. For example, in the mid-2000s, the country was one of the pioneers worldwide in terms of adoption of basic wireless internet technologies, thanks to the USAID funded 'Macedonia Connects' Project the country became internationally known as the first “wireless” country.

However, over time, the speed of digital infrastructure development lost steam. In the beginning of 2018, only 79.3% of the households had access to the internet at home, aligned with the statistic affirming that around the same percentage of the total population (aged 15-74) use the internet.

Through the proposed Project, the Government of the Republic of North Macedonia aims to considerably improve the state of the national Digital (broadband) Infrastructure by investing in the backhaul networks to benefit selected Project areas. The Project will have 2 components, one including the construction of the National Transport Optical Network, which will connect white zones, justified grey zones, and public institutions, while the second component will include Project Implementation Support.

Results and Benefits

- Increasing the share of households that have the possibility to access ultra-fast internet from 43.8% to 60%
- Increasing the number of households that have the possibility to access ultra-fast internet by 47,000
- Achieving a 15% share of ultra-fast Broadband subscriptions (increasing from 1.2% currently)

- **Countries:** North Macedonia
- **Code:** PRJ-MKD-DII-001
- **Sector:** Digital infrastructure

- **Lead IFI:** WB
- **Status:** Cancelled
- **Beneficiary:**