

FOURTH PERIODIC REPORT ON AVMS AND AEC PERFORMANCE

PROformance
WATCH II

May–August
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British Embassy
Skopje



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FOURTH PERIODIC REPORT ON AVMS AND AEC PERFORMANCE

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INTRODUCTION

Eurothink – Center for European Strategies, in cooperation with NGO Infocenter, Transparency Macedonia and Helsinki Committee for Human Rights of the Republic of Macedonia, implements the project “Monitoring Efficiency, Effectiveness, Transparency and Accountability of Media Regulatory Authorities – PROformance Watch II”.¹ Project activities were initiated in June 2018 and they focus on monitoring relevant performance track records of two regulatory authorities by 2020. This project is supported by the British Embassy in the Republic of Macedonia.

In particular, the project team monitors efficiency, effectiveness, transparency, accountability, and protection of public interest on the part of two regulatory authorities: the Agency for Audio and Audiovisual Media Services (AVMS) and the Agency for Electronic Communications (AEC), on the basis of previously developed methodology, good practices and lessons learned under the project “PROformance Watch I” (2016-2018). Relevant performance track-records of these regulatory bodies are duly analysed and presented in periodic monitoring reports, thus providing information to the public about key aspects of policy design and implementation that fall within relevant areas of operation for both agencies.

The project “PROformance Watch I”, supported by the British Embassy in the Republic of Macedonia, aimed to improve civil society capacity to engage in monitoring performance of regulatory authorities and, by means of strengthened checks-and-balances, contribute towards improved performance on the part of both agencies. In that, regulatory authorities took into account recommendations made with a view to improve transparency, accountability and performance of their respective mandates. Although goals defined under the project’s first phase have been attained, further efforts are needed to fully integrate the system of checks-and-balances as mechanism for improving performance of these public institutions. Hence, the project “PROformance Watch II” is designed to follow-up on achievements from the previous phase, monitor performance of these two institutions and present findings in user-friendly manner, thereby informing the public of any structural or other barriers in operation of regulatory authorities. The periodic reports published under this project feature monitoring findings and recommendations aimed to contribute towards argument-based public debate and oversight to improve performance of regulatory authorities.

This (fourth) periodic report covers AVMS and AEC performance in the period May–August 2019 and uses the methodology previously developed under the project “PROformance Watch I”. Pursuant to “AVMS and AEC Performance Monitoring Matrix”, designed in consultations with the two regulatory bodies and published in January 2017,² this periodic report monitors and takes into consideration specificities and operation of both regulatory authorities in terms of transparency and accountability, efficiency and independence, performance and protection of public interest.

In addition, for the purpose of enabling streamlined and user-friendly presentation of monitoring findings related to operation of these bodies, and based on the methodology developed, monitoring reports are designed to facilitate readability and interpretation of findings in terms of key monitoring elements. Introduction of individual monitoring matrices in all four areas identified allows citizens, journalists, expert public and other interested parties direct insights into remarks, problems and performance of these regulatory authorities, as observed and reported by the project team. In particular, monitoring findings on AVMS and AEC performance are structured under separate monitoring matrices, as follows:

- 1. Transparency and Accountability;**
- 2. Effectiveness and Independence;**
- 3. Performance and Law Enforcement;**
- 4. Public Interest.**

First, each matrix provides general assessment of formal and factual aspects related to operation of both regulatory authorities. Then, indicators defined per individual area note the extent to which work performed by these regulators has made an essential impact on improved performance and enhanced independence of both agencies. The section with comments and recommendations provides references to compliance indicators, as well as existence of external factors of influence or risks. Use of charts does not only serve the purpose of presenting observed state-of-affairs, but they also indicate to potential risks related to operation of regulatory authorities.

¹ Project implementation started in June 2018 and will monitor AVMS and AEC performance by March 2020. This project is supported by the British Embassy in the Republic of Macedonia and represents continuation of the project under same title which was implemented in the period September 2016 - March 2018 by the same project consortium and with support from the same donor.

² “AVMS and AEC Performance Monitoring Matrix”, available at: <http://eurothink.mk/documents/sHGS5RQrpszZA2TfG>

AGENCY FOR AUDIO AND AUDIOVISUAL MEDIA SERVICES (AVMS)

1. TRANSPARENCY AND ACCOUNTABILITY

General overview/assessment

In this monitoring period, AVMS demonstrated continuity in terms of accountable and transparent operation. It published high number of press releases and reactions, and was regularly present in the media. Only in the month of July, online portals and televisions published more than 170 news reports related to AVMS.

AVMS Director disclosed his work expenses related to travel, representation and telephone costs in the first half of 2019.

AVMS organized four public procurements, but annulled the tender procedure for analysis of gender issues and representation of men and women in broadcasting programmes.

Programme transparency and accountability

Sessions of AVMS Council	<p>In the period May-August 2019, AVMS Council held 15 sessions, of which two were public and streamed live on AVMS's YouTube channel.³ Relevant agendas, minutes and decisions from these sessions were regularly published on the agency's website.</p>
Sessions of AVMS Council Public meetings	<p>AVMS held its second public meeting⁴ for 2019, at which AVMS Director Zoran Trajchevski presented activities from the previous quarter that were implemented according to the agency's annual work program.</p> <p>This meeting included promotion of two publications: Media Literacy Policy and Media Regulatory Authorities and Protection of Minors, both developed under the project "Reinforcing Judicial Expertise on Freedom of Expression and the Media in South-East Europe" (JUFREX), co-financed by the European Union and the Council of Europe.</p> <p>The public meeting was streamed live on AVMS's YouTube channel.⁵</p>
Complaints	<p>Citizens presented AVMS with 14 complaints,⁶ Citizens presented AVMS with 14 complaints, which is by 9 complaints less compared to the previous monitoring period.</p> <p>Most often complaints concerned contents broadcasted by television or radio stations. Some complaints concerned transmission of foreign programme services by operators, and non-compliance with standards on protection of minor audiences.</p> <p>AVMS regularly publishes complaints and responses thereto on its website.</p>

³ AVMS YouTube channel, available at: <https://www.youtube.com/channel/UCEYyMdFonG29RzsAjeRt-rQ>

⁴ AVMS second public meeting, available at: <https://bit.ly/2B8oEaU>

⁵ Video from AVMS second public meeting, available at: [доستانо на: https://bit.ly/32bUYpd](https://bit.ly/32bUYpd)

⁶ Complaints lodged to AVMS, available at: <https://bit.ly/2MAfPvL>

<p>Websites, Facebook, YouTube, press releases, etc.</p>	<p>AVMS’s official website is regularly updated with documents and other information related to its operation.</p> <p>In this reporting period, AVMS’s Facebook⁷ page hosted several notices about its activities, while interested audiences were able to follow live streams of AVMS Council’s sessions and public meetings on the agency’s YouTube⁸ channel.</p> <p>AVMS also administers website designated for Media Literacy Network,⁹ which hosts information about ongoing activities of this network and its members.</p> <p>In this period, AVMS published high number of press releases (39), i.e. almost 10 press releases per month. At the same time, it was present in the media (online portals and televisions) mainly due to its reactions to statements by politicians, but also due to the parliament delay for appointment of new composition to AVMS Council. Only in the month of July, the media published more than 170 news reports related to AVMS.</p>
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Financial transparency and accountability

<p>Public procurements and service contracts signed</p>	<p>AVMS organized four public procurements, all of which used lowest price as selection criterion to award contracts. They concerned procurement of work clothes; maintenance and servicing of elevators and platform; systemic examinations; water and electricity installation services.¹⁰</p> <p>In this reporting period, one tender procedure¹¹ was annulled and concerned procurement of research study, i.e. analysis of gender issues and representation of men and women in broadcasting programmes. Reasons indicated for tender annulment implied that no bids were submitted, i.e. no bids were acceptable.</p> <p>Notifications on contracts signed and notifications on tender annulments are published on AVMS’s website.</p> <p>Moreover, AVMS announced the tender procedure for procurement of monitoring system for radio and television services and supervision of public electronic communications network operators.</p> <p>At its 30th session,¹² AVMS Council unanimously adopted the decision for procurement of a moped for its needs. Justification for this procurement implied that the moped would ease the work of courier staff and would reduce postal service costs. This procedure was organized in compliance with AVMS’s annual plan for public procurements.</p> <p>At the same session, AVMS Council adopted the decision to organize public procurement for maintenance and servicing of its HVAC system for period of two years.</p> <p>AVMS denied claims by the Center for Civil Communications presented on 9 July 2019 during presentation of the third periodic report under this project whereby, in the last year, this agency has annulled high share of its tender procedures.¹³ According to the regulatory agency, only two public procurements were annulled in 2018.</p>
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⁷ AVMS Facebook page, available at: <https://bit.ly/2pl1xqB>

⁸ AVMS YouTube channel, available at: <https://bit.ly/2IMFiRD>

⁹ Website of the Media Literacy Network, available at: <https://bit.ly/2oCvT8d>

¹⁰ AVMS public procurements, available at: <https://bit.ly/2MAgfCl>

¹¹ Notifications on tender annulments, available at: <https://bit.ly/32cHf1g>

¹² Minutes from AVMS Council’s 30th session, available at: <https://bit.ly/2IO14UO>

¹³ AVMS disclaimer about high share of annulled tender procedures, available at: <https://bit.ly/33uCKz8>

Work expenses of AVMS Director	<p>AVMS published work expenses of its director Zoran Trajchevski in the first six months of the year.</p> <p>In the period 1 January–30 June 2019, Trajchevski has incurred work expenses in total amount of 273,231 MKD. This sum is by 12,000 MKD lower compared to work expenses reported for the second half of 2018 (294,742 MKD). Hence, AVMS Director has spent 195,153 MKD on visits abroad (90,272 MKD for airline tickets and 104,881 MKD for hotel accommodation). Representation, i.e. catering service costs amounted to 59,809 MKD, and mobile phone costs accounted for 18,269 MKD.</p>
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Comments/Recommendations

- The practice on public disclosure of AVMS Director's work expenses should continue in the future.
- According to the new Law on Public Procurements from April 2019, estimated values for public procurements should not be published by expiration of deadlines for submission of bids. It remains to be seen whether monitoring and analysis of public procurements will establish positive impact by new legal provisions on low number of agencies and companies interested to participate in tender procedures organized by AVMS, but also on number of annulled tender procedures on the grounds that no bids were submitted or no acceptable bids were submitted.

2. EFFECTIVENESS AND INDEPENDENCE

General overview/assessment

Reforms in the media sphere, including selection and appointment of new members to AVMS Council and MRT Programme Council by the Parliament, are still deadlocked. The government and opposition continued to exchange accusations, in spite of remarks from the European Commission's 2019 Progress Report that implementation of legal amendments will require strong political commitment.

AVMS Council initiated another procedure to establish ownership structure at 1TV, while amidst the affair "Racket" it publicly reacted to criticism by the Association of Journalists (AJM) indicating that, as regulatory authority, it holds limited competences to monitor origins and flow of capital at broadcasters.

The company GBC Communications motioned criminal charges against members of AVMS Council and AVMS Director on the grounds of unconscious performance and abuse of public office and authority. This lawsuit concerns award of radio license in Macedonian and Albanian language. AVMS Council rejected the proposal to postpone taking decision under this procedure with the justification that the agency has fully complied with the law-stipulated procedure.

Policies, strategies and regulations

EC Report	<p>In its Progress Report published on 29 May 2019,¹⁴ under Chapter 10: Information Society and Media, the European Commission noted that amendments to the Law on Audio and Audiovisual Media Services were adopted, but their implementation will require strong political commitment to guarantee professionalism and respect for the principles of transparency and merit-based appointments.</p> <p>Moreover, the European Commission reported that financial sustainability of private media and working conditions for journalists remain a challenge, and that financial sustainability of the public service broadcaster (MRT) needs to be ensured.</p> <p>The country has addressed recommendations from EC's</p>
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¹⁴ European Commission's Progress Report for the Republic of North Macedonia, published on 29 May 2019, available at: <https://bit.ly/2EGrVAe>

	<p>2018 Report, notably by creating climate that is favourable for expression of pluralist viewpoints. AVMS, as indicated in this report, had supervisory role during the referendum and the presidential elections. Due to ambiguities in the legal framework, the State Election Commission and AVMS presented contradictory instructions about access to paid advertising.</p>
<p>EC Report Selection of new composition to AVMS Council</p>	<p>In July, the media¹⁵ published series of reports on deadlocked selection and appointment of new members to AVMS Council and MRT Council at the Parliament and on the list of candidates, indicating that appointment deadlines have expired long time ago. This issue attracted the public's attention and triggered numerous inter-party exchanges.</p> <p>The governing party called Ilija Dimovski, chair of the parliamentary committee on elections and appointments, to urgently schedule the session for this agenda item. In the media, Dimovski clarified that he had scheduled the committee's session, but parliamentary groups had not arrived to align their positions about candidates that applied on the open calls announced by the Parliament before the presidential elections that were put on hold during the election period.</p> <p>By the cut-off date for this report, the parliamentary committee on elections and appointments has not held any session and the process for appointment of new composition to AVMS Council is still deadlocked.</p>
<p>Macedonian Radio-Television</p>	<p>At the panel discussion dedicated to stable and independent financing for public service media, organized as part of the Regional Conference "Financing Public Service Media (PSM) in the Western Balkans",¹⁶ AVMS Director indicated that the last round of amendments have not been adopted as result of serious economic analysis of MRT's financial needs that would have ensured reforms and would have created true public service broadcaster in the country.</p> <p>AVMS Director also indicated that comparison of MRT's annual budget with those of public service media in Croatia, Slovenia and Serbia clearly show the poor situation at our national public service broadcaster. This regional conference, held in Sarajevo, was also attended by Robert Popovski, Minister without Portfolio in Charge of Communications, Accountability and Transparency, and Smilka Janeska-Sarkanjac, MRT Programme Council's Chair.</p>
<p>New procedure to examine ownership structure at 1TV</p>	<p>At its 26th session¹⁷ AVMS Council took decision to initiate ex-officio procedure to examine existence of secret trustees in ownership structure at 1TV. This agenda item was also featured on two previous sessions held by AVMS Council.</p> <p>Reason for initiation of this procedure is the fact that, in interview for this television, Bojan Jovanovski had stated that he owns the media outlet, but data from the Central Register enlist other natural persons as media owners: Mile Jovanovski (95%) and Jasna Ercegovikj (5%). AVMS's decision obliged this media outlet to respond to above-indicated statement and to submit notary-certified depositions by natural persons that are enlisted as television owners.</p>

¹⁵ The media on selection of members to AVMS Council and MRT Programme Council, available at: <https://bit.ly/33p3yAY>

¹⁶ Regional Conference "Financing Public Service Media (PSM) in the Western Balkans", available at: <https://bit.ly/35vfTpi>

¹⁷ Minutes from AVMS Council's 26th session, available at: <https://bit.ly/2VHu6ei>

	<p>Moreover, AVMS was presented with motion to initiate procedure on examination of ownership structure at 1TV.</p> <p><u>Reaction to AJM’s press release</u></p> <p>Amidst disclosure of the affair “Racket” and apprehension of Bojan Jovanovski, AVMS reacted¹⁸ to press release issued by the Association of Journalists (AJM) wherein it was indicated that the regulatory agency had not taken measures against possible abuse of 1TV for illegal activities. AVMS assessed such criticism as tendentious and stressed that the media laws do not give the regulatory agency competences to examine origins of capital invested in televisions.</p> <p><u>Mol’s disclaimer and AVMS’s reaction</u></p> <p>Ministry of Interior¹⁹ denied allegations made by AVMS Director Zoran Trajchevski in his interview for the show “Code” aired on TV Telma that Bojan Jovanovski, informal owner of 1TV, has been awarded security detail by the police. In its disclaimer, the Ministry of Interior indicated that Jovanovski has not been granted personal security and that AVMS should protect the public from misinformation and be mindful of ethics when informing the public.</p> <p>AVMS reacted²⁰ with press release titled “Verification of information is not misinformation”, wherein it clarified that Trajchevski, speaking for the show “Code”, has said that they are waiting for Mol to respond to allegations in order to establish truthfulness of knowledge obtained.</p> <p>In its next press release,²¹ AVMS reported that Mol had informed them that it had not taken any activities and measures to award personal security to Jovanovski. Trajchevski reported on this matter at AVMS Council’s 28th session²² and emphasized he is unclear what has Mol negated because in the named show he had not said that Jovanovski has personal security from Mol, but raised the question whether he is assigned such protection by the police.</p> <p><u>Reaction to MOST</u></p> <p>AAVMS issued another press release and called the Citizens’ Association MOST, whose F2N2 project addressed this case, not to make “frivolous assessments about misinformation” and not to spread untruthful data about the regulatory agency. According to AVMS, after its reaction, MOST corrected the disputable announcement.</p>
<p>Lawsuit on award of radio license</p>	<p>A number of online portals²³ reported that the company GBC Communications has filed lawsuit against AVMS and criminal charges against members of AVMS Council and AVMS Director Zoran Trajchevski on the grounds of unconscious performance and abuse of public office and authority.</p> <p>This lawsuit is filed before the Administrative Court and concerns AVMS’s decision to award radio license in Macedonian and Albanian language. Disposition of the lawsuit motion indicates that, during the relevant procedure, AVMS Council has violated the law by allowing Fisnik Tateshi from Struga to be awarded radio license with national concession although, at the public opening of bids, this applicant has submitted incomplete documents. According to AVMS’s open call, incomplete or incorrect applications would not</p>

¹⁸ AVMS press release about AJM’s opinion, available at: <https://bit.ly/318i2DW>

¹⁹ Mol disclaimer, available at: <https://bit.ly/2O17MQ1>

²⁰ AVMS press release, available at: <https://bit.ly/2OTco6f>

²¹ AVMS press release, available at: <https://bit.ly/32bB9ON>

²² Minutes from AVMS Council’s 28th session, available at: <https://bit.ly/35vgbfS>

²³ Media reports, available at: <https://bit.ly/2IMNxxg> и <https://bit.ly/33tLFB7>

	<p>be taken into reconsideration.</p> <p>AVMS was requested to postpone enforcement of this decision, but the regulatory authority did not accept this motion. At its 20th session, AVMS Council discussed this agenda item and Trajchevski elaborated that GBC Communications had applied on the open call, but did not provide adequate financial documents to guarantee operation of its radiobroadcaster. At the same time, according to AVMS, possible award of radio license to GBC Communications would create illegal media concentration. Under tally of five votes “for” and one abstained, AVMS Council rejected the motion for postponed enforcement of the decision on awarding radio license with national concession in Macedonian and Albanian language.</p> <p>Moreover, AVMS clarified that three lawsuits were filed against this regulatory agency, two of which had already resulted with decisions by the Administrative Court in their favour.</p>
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Implementation of activities

<p>Supervisions, controls, licenses and other activities</p>	<p>AVMS conducted extraordinary administrative supervision²⁴ at all television and radio broadcasters and established that none of them has made changes to respective ownership structures without previous notification to the agency.</p> <p>AVMS performed regular administrative supervision²⁵ at all 120 television and radio broadcasters. Subject of this supervision concerned their obligation to publish data on ownership structure, editorial desk and financing sources for the previous year, which they should comply with by 30 June 2019. Only two broadcasters have not complied with this legal obligation.</p> <p>AVMS Council took unanimous decision to initiate misdemeanour proceedings before competent court against MRT2 on the grounds of non-compliance with the legal provision to publish the impressum.²⁶</p> <p>AVMS Council took unanimous decision to revoke TV Senja’s broadcasting license due to failure to settle annual charge for television broadcasting.²⁷ After this broadcaster made the relevant payment, the procedure was discontinued.²⁸</p>
<p>Studies, research surveys</p>	<p>In this monitoring period, AVMS promoted two publications: Media Literacy Policy and Media Regulatory Authorities and Protection of Minors,²⁹ both drafted under the project “Reinforcing Judicial Expertise in Freedom of Expression and the Media in South-East Europe” (JUFREX), co-financed by the European Union and the Council of Europe.</p> <p>In that, the publication Media Literacy Policy serves as blueprint for further development of media literacy in the country and covers four components: Critical Consciousness; Digital Wellness; Awareness of Emotions; and Full Citizenship, which will be in the focus of the agency’s work in the forthcoming period, together with other relevant factors in this sphere.</p>

²⁴ Report on performed administrative supervision, available at: <https://bit.ly/2INf6WT>

²⁵ Regular administrative supervision at all 120 radio and television broadcasters, available at: <https://bit.ly/2MdHrYk>

²⁶ Minutes from AVMS Council’s 24th session, available at: <https://bit.ly/2OTfyH9>

²⁷ Minutes from AVMS Council’s 22nd session, available at: <https://bit.ly/319CzI7>

²⁸ Minutes from AVMS Council’s 24th session, available at: <https://bit.ly/2OTfyH9>

²⁹ The publications “Media Literacy Policy” and “Media Regulatory Authorities and Protection of Minors” are available at: <https://bit.ly/2B8oEaU>

	<p>Purpose of the publication Media Regulatory Authorities and Protection of Minors is to contribute to wider understanding of the concept of protection of minors from harmful contents in audiovisual media services, and the role of national regulatory authorities in this area.</p> <p><u>Report on media ownership in 2018</u></p> <p>In this period, AVMS developed the report on media ownership.³⁰ It features data on owners of broadcasting and printed media, data on changes made to ownership structures at broadcasters and integration of capital among broadcasters in 2018, but also activities taken by AVMS to prevent illegal media concentration.</p> <p>A total of 138 entities (25 legal entities and 113 natural persons) appear as owners of 123 broadcasters. Only one from the five terrestrial televisions with national concession is fully owned by natural person (TV Kanal 5 is owned by is Emil Stojmenov). Legal entities are founders of three televisions (TV Alfa, TV Sitel and TV Telma). Dominant owner of TV Alsat-M is legal entity (99.86%) and remaining shares are held by two natural persons.</p> <p><u>Ratings of radio stations and shares in total viewership of individual televisions in the second quarter of 2019</u></p> <p>AVMS published data on ratings of radio stations and shares in total viewership of individual television stations in the second quarter of 2019.³¹ Hence, TV Sitel has highest viewership shares at daily and weekly level, while the most listened radio station is Antenna 5 FM.</p> <p><u>2018 market analysis</u></p> <p>AVMS developed the analysis of audio and audiovisual media services market in 2018.³² This analysis covers data on economic performance of the public service broadcaster and commercial television and radio stations, but also data on measurement of their listener and viewership ratings. Moreover, total revenue in this industry continued to decrease in 2018. Compared to the previous year, Macedonian Radio-Television (MRT)'s revenue is reduced by 44%, while commercial televisions suffered revenue drop by 4.52%, and commercial radios - by 3.60%.</p>
<p>Working and other meetings</p>	<p>AVMS Director Zoran Trajchevski held a work meeting with co-reporters from the monitoring mission of the Council of Europe's Parliamentary Assembly.³³ Items discussed at this meeting concerned state-of-affairs in the media, media freedom and independence, with emphasis on media reforms, amendments to the Law on Audio and Audiovisual Media Services, public service broadcaster, and the media in general.</p> <p>AVMS representatives participated in the closing conference of the project "Reinforcing Judicial Expertise in Freedom of Expression and the Media in South-East Europe (JUFREX)", held in Sarajevo, Bosnia and Herzegovina; 15th Subcommittee on Innovation, Information Society and Social Policy within the Committee on Stabilization and Association; 49th EPRA Meeting; and Meeting of ERGA Contact Network.</p>

³⁰ Report on media ownership, available at: <https://bit.ly/2pl6pfn>

³¹ Data on ratings of radio stations and shares in total viewership of television stations in the second quarter of 2019, available at: <https://bit.ly/35yAetB>

³² Analysis of audio and audiovisual media services market in 2018, available at: <https://bit.ly/2ZtiwDG>

³³ Delegation of co-reporters from CoE's Parliamentary Assembly on work visit at AVMS, available at: <https://bit.ly/2MAIjXn>

Working and other meetings

■ The Parliament is recommended to continue and complete selection of new members to AVMS Council and MRT Programme Council. Failure to comply with legal obligations has blocked the reform process at this regulatory authority, which only confirms the European Commission's remark that implementation of legal changes requires strong political commitment.

■ Another recommendation is urgent start of reforms at the public service broadcaster. Situation at MRT, and especially its financial sustainability, were indicated as problem by all relevant factors (EU, the government, AVMS), but legal changes made thus far have not brought deep reforms, except for cancellation of broadcasting fee and transfer of MRT's funding under the state budget. The competent ministry, AVMS and all relevant factors need to be proactive and make serious reform efforts that should enable creation of truly independent public service broadcaster.

■ Events related to 1TV are new indicator about the urgent need for creation of adequate policy, regulation and efficient mechanisms on monitoring media ownership, including money flows.

3. PERFORMANCE AND LAW ENFORCEMENT

General overview/assessment

In this period, AVMS awarded one-time monetary assistance to employee who was injured in traffic accident.

Human resources

One-time monetary assistance to employee	AVMS Council took decision on one-time monetary assistance to employee who was injured in serious traffic accident on the road Skopje-Tetovo, near Laskarci. ³⁴ Disbursement of these funds is based on employee's long-term absence from work.
Technical errors in print and agency title in Albanian language	At its 23rd session, AVMS Council established typing errors in the agency title and print in Albanian language. ³⁵ These errors were corrected.

Comments/Recommendations

■ Care for employees and their wellbeing should be imperative for any employer. In the opinion of AVMS, it is good that these aspects are already integrated in its rulebook.

4. PUBLIC INTEREST

General overview/assessment

AVMS continued to be active in the area of media literacy, and in this reporting period it actively reacted for protection of independence of journalists, editors and the media from the authorities and politicians.

Moreover, AVMS reacted to discriminatory language against LGBTI community members featured in the media and statements by politicians.

³⁴ Minutes from AVMS Council's 23rd session, available at: <https://bit.ly/2q5cGMI>

³⁵ Ibid.

Creation of enabling environment for the media

Media freedom	<p>On the occasion of the World Press Freedom Day,³⁶ AVMS stated that citizens are witnessing increasingly more misinformation and that fake news imposes great threat to the media and democracy. In that regard, AVMS reminded that fast, accurate and timely information remain the main challenge for the media in order to inform the public and perform their role as check-and-balance mechanism to authorities.</p>
Media literacy	<p>Meeting of the Media Literacy Network was held at AVMS premises,³⁷ at which representatives from the Macedonian Institute for Media, Metamorphosis Foundation and Youth Educational Forum informed about ongoing activities related to re-granting civil society organizations under projects financed by the European Union. At this meeting, AVMS presented the document Media Literacy Policy.</p> <p>AVMS and OSCE Mission signed the memorandum of cooperation for joint activities aimed to improve media literacy in the state.³⁸</p>
Program on media accessibility to persons with sensory disabilities	<p>AVMS Council adopted the report on implementation of the program on ensuring media accessibility for persons with sensory disabilities in the period 2016-2018.³⁹</p>
Reactions to the Prime Minister	<p>AVMS reacted⁴⁰ to engagement of active journalists as advisors to the Prime Minister. In particular, AVMS warned that such double engagements might be an obstacle to ensuring professional distance in informing the public and could endanger the freedom of expression.</p> <p>AVMS condemned statement⁴¹ made by Prime Minister Zoran Zaev in the affair “Racket”. In particular, it found that,⁴² AVMS reacted to engagement of active journalists as advisors to the Prime Minister. In particular, AVMS warned that such double engagements might be an obstacle to ensuring professional distance in informing the public and could endanger the freedom of expression.</p> <p>AVMS condemned statement made by Prime Minister Zoran Zaev in the affair “Racket”. In particular, it found that, as holder of public office, instead of accepting and respecting the role of journalists as critics of government’s work, the Prime Minister attempts to discredit a journalist by using the word “vain”, and instead of demonstrating highest level of respect for differences, he uses derogatory labels for LGBTI persons, alluding to the word “gay”. Furthermore, the press release indicated that Prime Minister Zaev does not even respect the presumption of innocence.</p>
LGBTI community in the media	<p>In another press release, AVMS reacted⁴³ to broadcast of the show “Word by Word” aired on TV Alfa, for having used the term “gay” that discriminates LGBTI persons. Also, AVMS performed ex-officio extraordinary programme supervision and found that this television had violated two principles important for performance of its broadcasting activity.</p>

³⁶ Congratulatory press release on the occasion of World Press Freedom Day, available at: <https://bit.ly/33vz3to>

³⁷ Meeting of the Media Literacy Network, available at: <https://bit.ly/32ddgq3>

³⁸ AVMS and OSCE Mission in Skopje will work on raising awareness about media literacy, available at: <https://bit.ly/2nMAnc4>

³⁹ Report on implementation of the program on ensuring media accessibility for persons with sensory disabilities in the period 2016-2018, available at: <https://bit.ly/2OGUaV9>

⁴⁰ AVMS press release, available at: <https://bit.ly/33spkny>

⁴¹ Statement by Prime Minister Zoran Zaev about the affair “Racket”, available at: <https://bit.ly/2ILF64Y>

⁴² AVMS press release about the statement by Prime Minister Zoran Zaev, available at: <https://bit.ly/2IKcYzi>

⁴³ AVMS press release about TV Alfa, available at: <https://bit.ly/2MFC2bx>

Reaction to protection of autonomy and independence of journalists, editors and the media

AVMS reacted⁴⁴ to the resignation letter by Branko Geroski, executive editor at newspaper Sloboden pecat. In its press release, the regulatory authority underlined that independence and autonomy of editors and journalists must be guaranteed.

AVMS⁴⁵ reacted to statement made at the press conference organized by the Secretary General of the Government that he would file lawsuits against journalists and the media. Hence, the agency informed that such actions amount to direct pressure on media work.

In another press release⁴⁶ for the same case, AVMS condemned invitation for informal talks at the Sector of Internal Affairs Skopje for journalists Goran Momirovski and Ljupcho Zlatev due to their writings about alleged abuse of public office by the Secretary General of the Government and the request to disclose their information sources.

AVMS published another press release⁴⁷ related to statements made by high-ranking government officials about plans to file lawsuits against journalists for linking them to the affair “Racket”.

Comments/Recommendations

■ In this reporting period, monitoring activities observed frequent reaction on the part of AVMS to pressures and verbal attacks on journalists by politicians, representatives of the government and state institutions, which had not been practiced in the past when the number of political attacks and pressures on journalists and the media was much greater and more frequent.⁴⁸

■ AVMS's vigilance and preparedness to react to discriminatory language in the media targeting LGBTI community is positive step forward and should be standard in protection and promotion of fundamental human rights and the public interest.

⁴⁴ AVMS press release, available at: <https://bit.ly/2pgG4iR>

⁴⁵ AVMS press release about threats against the media, available at: <https://bit.ly/33xt3jP>

⁴⁶ AVMS press release about request for disclosure of information sources, available at: <https://bit.ly/33vsQO3>

⁴⁷ AVMS press release about announcements of lawsuits against journalists concerning the affair “Racket”, available at: <https://bit.ly/32e0F5J>

⁴⁸ AVMS's website section on [press releases](#), as well as [записниците](#) from AVMS Council sessions, do not include reactions by this regulatory agency to many verbal and physical attacks on journalists by high-ranking government and political party representatives that had happened in the past. For example, AVMS has not reacted to the case of journalist Tomislav Kezharovski from his police detention in May 2013 to present day. Throughout that period, reactions of domestic and international community, especially reactions of domestic and international relevant institutions and organizations for protection of freedom and independence of media and journalists ([OSCE](#), [Reporters without Borders](#), [Freedom House](#), [International Federation of Journalists](#), [European Federation of Journalists](#), [Association of Journalists](#) etc.) were continuous and fierce. AVMS has failed to react to [physical attack](#) by then-current Deputy Prime Minister Vladimir Peshehevski on Sashe Ivanovski, owner of the portal *MakTel*, which happened in mid-2015. Reactions to this event were issued by domestic and international relevant institutions and organizations for protection of freedom and independence of media and journalists ([Freedom House](#), [Amnesty International](#), [Association of Journalists](#) etc.). Moreover, AVMS failed to register verbal [attack/insult](#) targeting Santa Argirova, then-current editor of news programme at MRT1, by then-incumbent leader of VMRO-DPMNE Nikola Gruevski at the political party rally on 16 October 2016.

AGENCY FOR ELECTRONIC COMMUNICATIONS (AEC)

TRANSPARENCY AND ACCOUNTABILITY

General overview/assessment

In this monitoring period, the regulatory agency continued to demonstrate solid level of transparency and accountability.

AEC published high number of press releases, organized public consultations and implemented series of public procurements. Information hosted on all three websites was regularly updated, but certain data are still missing, contrary to remarks and recommendations from previous monitoring reports under this project.

Despite changes to the composition of AEC Commission, work biographies of commissioners, including those of the two new members and AEC Director, are still not available on the agency's main website.

Monitoring activities observed improved quality in terms of minutes composed from AEC Commission's meetings, i.e. they are more detailed and comprehensive. However, some of them lack important information that is of public interest, such as the reasons for dismissal of AEC Commission President.

Activities are underway to reconstruct two websites (aek.mk and komuniciraj.mk), but for the time being, except for changed graphic layout, there are no other visible changes in terms of contents, structure and availability of information.

Continuity in terms of AEC's poor activity on the social networks (Facebook, Twitter, and YouTube) remains another major problem in communication with the public.

Programme transparency and accountability

Meetings of AEC Commission

In the period May-August 2019, AEC Commission held seven meetings.⁴⁹

After long period, three minutes from meetings held by AEC Commission were published on its official website, but beyond the law-stipulated deadline,⁵⁰ which represents interruption of the good practice for regular publication of such minutes. Having in mind that meetings are closed, these minutes are only means for the public to be informed about AEC Commission's work and their timely publication is very important. .

Three commissioners did not attend AEC Commission's 13th meeting⁵¹ held on 15 August 2019.⁵² Given that majority of commissioners were not in attendance, this meeting was postponed for indefinite period of time. Minutes from AEC Commission's 13th and 14th meeting did not provide reasons for absence of these members.

Quality of information presented in minutes

In the previous monitoring reports, the project team regularly noted lack of more detailed information in minutes from meetings

⁴⁹ Minutes from AEC Commission's meetings, available at: <https://bit.ly/2pArVgo>

⁵⁰ Article 20 of the Law on Electronic Communications

⁵¹ Minutes from AEC Commission's 13th meeting in 2019, available at: <https://bit.ly/2pv1jNZ>

⁵² Absent commissioners at AEC Commission's 13th meeting: Deshira Imeri, Stevica Josifovski and Ervin Redjepagikj

	<p>of AEC Commission. In this period, monitoring activities noted improved quality in terms of manner in which minutes are compiled, especially their comprehensiveness. A positive example in that regard is the fact that, under the section on approval requests for public procurements, minutes include notable change of detailed rationale and need for public procurements. In addition, minutes include proposals by staff members from expert services in relation to public procurements.</p> <p>Nevertheless, some minutes lack key information that are of public interest. An example thereof are minutes from AEC Commission's 14th meeting⁵³ at which, on proposal by commissioner Stevica Josifovski, the agenda included assessment of performance track record by AEC Commission President Gordana Klincharova and proposal to dismiss her and appoint new president. These minutes do not include details about reasons for her dismissal and do not refer to defence elaboration by AEC Commission President.</p> <p>More information on dismissal of AEC Commission President is provided in Section 2: EFFECTIVENESS AND INDEPENDENCE.</p>
<p>Public consultations, meetings and decisions</p>	<p><u>Public consultations</u></p> <p>In this monitoring period, AEC initiated two public consultations:</p> <ul style="list-style-type: none"> ■ decision on setting maximum roaming charges for public mobile communications networks in the Western Balkans; ■ proposed amendments to AEC's 2019 financial plan. <p>No direct meetings were held for these two public consultations.</p> <p>All necessary documents and proposed amendments⁵⁴ were timely posted and available on AEC's website.</p> <p><u>Decisions</u></p> <p>A total of four decisions were published in this period:⁵⁵</p> <ul style="list-style-type: none"> ■ amendments to the decision on definition of relevant markets that are subject of regulation; ■ setting maximum roaming charges for public mobile communications networks in the Western Balkans; ■ dismissal of AEC Commission President; ■ appointment of AEC Commission President.⁵⁶
<p>Websites, Facebook, YouTube, press releases, etc.</p>	<p>AEC's official websites and social media profiles are important information tools, especially in regard to the regulatory agency's transparency and accountability.</p> <p><u>Websites</u></p> <p>AEC's main website (aek.mk)⁵⁷ continued the practice for timely publication of most documents, information, press releases and other contents related to its operation.</p>

⁵³ Minutes from AEC Commission's 14th meeting in 2019, available at: <https://bit.ly/2mV2zJ8>

⁵⁴ Public consultations, available at: <https://bit.ly/2oPqDhq>

⁵⁵ AEC decisions, available at: <https://bit.ly/2nbiFOY>

⁵⁶ Decision on dismissal of AEC Commission President and decision on appointment of new AEC Commission President were published on 10 September 2019, but their date of adoption is 29 August 2019.

⁵⁷ AEC website, available at: <http://www.aek.mk>

However, some segments are marked by lack of information. At the same time, despite changes to the composition of AEC Commission, its main website does not host work biographies of commissioners, including those of the two new members and AEC Director.

As regards availability of information on the website komuniciraj.mk, the section on subscription contracts and non-ionizing radiation demonstrate the good practice of active updates. Hence, AEC is recommended to reflect this practice in the website section on legislation, where the last news item dates from 2015.

Report from the public survey among residential end-users shows that only 13% of population is aware about existence of this website. Public awareness about this website is marked by continuous decrease in the last four years.

In this monitoring period, no major changes were observed in terms of regular updates to contents hosted on the third website (e-agencija.aek.mk).

It is important to note that AEC started reconstruction of two websites (aek.mk and komuniciraj.mk), but for the time being, except for change of graphic layout, there are no visible changes in structure and availability of information.

Visits to AEC's websites

In this monitoring period, the most visited website was aek.mk (16,016 visits), followed by the other two websites, with similar number of visits, i.e. komuniciraj.mk (2,362) and e-agencija.aek.mk (2,342).

Number of visits to AEC's three websites in the period May–August 2019



aek.mk
16.016



komuniciraj.mk
2.362



e-agencija.aek.mk
2.342

Social networks

In this period, activity on social networks was insignificant. AEC was present only on its YouTube channel ([aecmkd](https://www.youtube.com/channel/UCaEcmkd)), where it posted 11 videos from sessions held as part of the International Regulatory Conference in Ohrid and the Conference on Cyber Security.

AEC was not active on its second YouTube channel ([AEK TV](https://www.youtube.com/channel/UCAEKTV)), and official profiles on [Facebook](https://www.facebook.com) and [Twitter](https://twitter.com).⁵⁸

	<p><u>Press releases</u></p> <p>In the period May–August 2019, AEC published 11 press releases⁵⁹ on following topics:</p> <ul style="list-style-type: none"> ■ notification for organization of the exam for amateur radio-operators; ■ temporary discontinuation of transferability of mobile and landline telephone numbers; ■ report on quality parameters for services via public mobile networks in the area of Skopje; ■ Conference on Cyber Security, 5-6 June 2019; ■ organization of public auction to award radio frequency and spectrum 1965-1980/2155-2170 MHz; ■ International Regulatory Conference 2019; ■ notification on change of channels for DVB-T; ■ documents from the third market analysis focused on wholesale markets; ■ failed tender procedure; ■ end of public consultations and adoption of new annual financial plan.
<p>AEC's cooperation with the project team</p>	<p>For the purpose of this monitoring project, in this quarter the project team maintained continuous communication with AEC representatives. It should be noted that openness of AEC representatives to the project team was on satisfactory level in this period.</p>

Financial transparency and accountability

<p>Addition to 2019 annual plan for public procurements</p>	<p>At its 10th meeting, AEC Commission⁶⁰ approved additions to its 2019 annual plan for public procurements. According to staff from expert services, changes to this annual plan are technical in nature, i.e. procurements had been anticipated in the financial plan, but due to previous omissions, they were not enlisted in the general plan for public procurements.</p> <p>Nevertheless, the updated plan for public procurements is not uploaded on AEC's website.</p> <p>Moreover, procurement notices and notifications on signed contracts are not published on AEC's official website in spite of the fact that this was duly noted in previous monitoring reports and was indicated as shortcoming that impacts the general image on this regulatory authority's transparency.</p>
<p>Public procurements and service contracts signed</p>	<p>In the period May-August 2019, according to data available in the Electronic Public Procurement System, AEC organized 17 public procurements⁶¹ which used lowest price as selection criterion: external assessment of the information system and information infrastructure in terms of personal data protection; repair and servicing of agency vehicles; courier services – fast and priority international post traffic (2 contracts with different contracts); preventive maintenance of the central system on transferability of numbers; client information equipment (4 different contracts); printing services; conference and</p>

⁵⁸ Last post on AEC's Twitter account is dated in April 2015

⁵⁹ AEC press releases, available at: <https://bit.ly/2prUsER>

⁶⁰ Minutes from AEC Commission's 10th meeting in 2019, available at: <https://bit.ly/2o8igNG>

⁶¹ Public procurements, AEC, available at: <https://e-nabavki.gov.mk/PublicAccess/home.aspx#/contracts/0>

meeting organization services for AEC's needs (3 different contracts); representative materials; disinfection, disinsection and deratization; maintenance and servicing of thermal-technical installations at AEC buildings; and cleaning services for AEC business premises.

No procurement notices were annulled in this reporting period.

Comments/Recommendations

■ AEC is recommended to maintain the good practice for regular publication of vast majority of information and materials on all three websites.

■ The project team welcomes the noted improvement in quality of minutes from AEC Commission's meetings. Nevertheless, some of them lack key information that is of public interest. Hence, the minutes, especially in regard to topics that are of general interest (changes to management structures, changes to annual reports, etc.) should include complete information, because otherwise an impression is created that certain information are purposefully not made publicly available.

■ More serious approach is needed in terms of utilizing social networks for better communication with the public. Again, AEC is proposed to share most of newly published contents on its websites (press releases, event announcements, etc.) also on social networks, in order to increase visibility of the regulator's work.

■ Activities are underway for reconstruction of websites aek.mk and komuniciraj.mk, but for the time being, except for changed design layout, there are no other changes in terms of structure and availability of information. AEC is recommended to take into consideration comments and recommendations under this project in the last three years.

■ AEC is recommended to provide complete and more detailed information on public procurements, including decisions on awarded public procurements and contracts signed.

■ As soon as possible, AEC's website should provide work biographies of commissioners, including for the two new members and AEC Director. The same is valid for the updated version of AEC's 2019 annual plan for public procurements.

2. EFFECTIVENESS AND INDEPENDENCE

General overview/assessment

AEC published reports on development of electronic communications market in 2018 and the first quarter of 2019, and report from the public survey conducted among residential end-users on protection of users of electronic communications services.

AEC Commission discussed current status of the Vodno antennae tower and current status of the donation awarded to PTE Skopje for Ferris Wheel on the River Vardar. Minutes from relevant meetings only vaguely describe the status of both cases.

In this reporting period, AEC underwent significant organization changes. First, commission president Gordana Klincharova was dismissed and then Stevica Josifovski was appointed in her place. On proposal from the new president, AEC Commission took decision to open procedure for dismissal of AEC Director. Formal dismissal should take place after the meeting when he will be allowed to present his defence argument.

Changes to AEC's 2019 financial plan again allocate funds under the budget item "assistance, donations and other aid" in the amount of 6,150,000 MKD.

EC's Progress Report for the Republic of North Macedonia indicated the need for long-term Strategy on Information and Communication Technologies (ICT).

Reports, projects and donations

<p>Quarterly reports on status and development of the electronic communications market</p>	<p>In the period May-August 2019, AEC published two quarterly reports,⁶² report on development of the electronic communications market in the fourth quarter of 2018⁶³ and information on status of the electronic communications market for mobile and landline telephony in the first quarter of 2019.⁶⁴</p> <p>As regards relevant shares of operators in total number of active subscribers in the fourth quarter of 2018, VIP has a share of 49.25% and Macedonian Telecom has a share of 48.60%. In the first quarter of 2019, VIP's share is 49.44% and Macedonian Telecom's share is 48.27%. The other two virtual operators, Lycamobile and Robi Telekabel, remain with insignificant market shares of 2.08% and 0.2% respectively.</p>
<p>Report from the public survey about the protection of residential users of electronic communications services – residential end-users</p>	<p>In this period, AEC published the report from the public survey about the electronic communications market in RM conducted among residential end-users,⁶⁵ which was conducted on representative sample of 1100 respondents in the period 23-31 May 2019.</p> <p>The last part of this report is dedicated to respondents' awareness about AEC and public services offered by this agency.</p> <p>According to survey data, majority of citizens (62%) are aware of AEC's existence. Awareness has been increased compared to the previous three years, but is reduced by almost 10% compared to 2014. Only 22% of citizens dispose with sufficient information about the procedure for submission of dispute resolution motions to AEC, which represents decrease by 10% compared to 2018. As regards AEC's contact centre (toll-free number 190), this tool was used by only 4% of citizens.</p> <p>Only 14% of citizens know that AEC is obliged by law to review standard subscription contracts of all operators and to approve them before their publication.</p>
<p>Renaming the donation to PTE Skopje for Ferris Wheel on the River Vardar</p>	<p>At its 10th meeting, AEC Commission reconsidered the request by PTE Skopje to change the donation subject and adopted conclusion to act in identical manner when the donation agreement was signed, i.e. to present the Ministry of Justice with annex contracts to the donation agreement in order to establish public interest in the renamed project "Construction of Pedestrian Bridge".</p> <p>Through the instrument for free access to public information, AEC was addressed with information request about the renamed donation and changed purpose of funds awarded, and about current status of the project "Ferris Wheel with Auxiliary Bridges". In the response obtained, AEC enlisted that several meetings were held with representatives from the public enterprise, but in regard to questions about current status of the project "Ferris Wheel"</p>

⁶² Quarterly reports on development of the electronic communications market, available at: <https://bit.ly/2oHVoED>

⁶³ Report on development of the electronic communications market in the fourth quarter of 2018, available at: <https://bit.ly/2oC5iaX>

⁶⁴ Information on status of the electronic communications market for mobile and landline telephony in the first quarter of 2019, available at: <https://bit.ly/2pumFLI>

⁶⁵ The public survey is available at: <https://bit.ly/2pppUn7>

	<p>and especially the changed purpose of donation funds and the changed project name, it referred us to address PTE Skopje as the project investor or the City of Skopje as founder and owner of PTE Skopje.</p> <p>Through the instrument for free access to public information, PTE Skopje informed us about current status for AEC's donation. Hence, pursuant to decision taken by the City of Skopje Council on amending the project, adopted on 30 May 2018, funds anticipated for the Ferris Wheel will be used for construction of pedestrian bridge on the River Vardar, PTE Skopje asked AEC to sign annex contracts on donation that will precisely define the construction structure. The reason for this inquiry concerns the fact that the structure in question is referred with several different names without precise details about the structure that will be constructed with donation funds (technical number of project documents, number of construction permit, address of said structure, etc.) and the structure title enlisted in the donation agreements "Ferris Wheel with Auxiliary Bridges" is not featured in the relevant construction permit and the decision on changes during construction works.</p> <p>As reminder, in the period 2014-2016, AEC donated a total of 518,252,011 MKD for construction of "Ferris Wheel with Auxiliary Bridges".</p>
<p>Donations</p>	<p>At its eight⁶⁶ and tenth⁶⁷ meeting, AEC Commission was presented with request for donation by the Faculty of Law in Kichevo and the Citizens' Association "Saint Mary, Mother of Jesus" from village Galate, but they were rejected because AEC's 2019 financial plan does not anticipate any funds for donations.</p> <p>It should be noted that amendments to AEC's 2019 annual financial plan again anticipates funds under the budget item "assistance, donations and other aid", in the amount of 6,150,000 MKD.</p> <p>More information on changes to AEC's 2019 financial plan is available in Section 3: PERFORMANCE AND LAW ENFORCEMENT.</p>
<p>European Commission's Progress Report, Chapter 10: Information Society and Media</p>	<p>EC's Progress Report for the Republic of North Macedonia, published on 29 May 2019,⁶⁸ assessed that the country is moderately prepared under Chapter 10: Information Society and Media</p> <p>In the field of electronic communications and information and communication technologies (ICT), EC's Progress Report notes that, after several years of indications, the country has finally started preparations for introduction of the European emergency number 112 in order to align services with the EU acquis. Nevertheless, the European Commission recommends continued implementation of the action plan for introduction of this number and to allocate necessary financial resources for that purpose. At the same time, the Progress Report refers to increased penetration of fixed broadband communications, but there is minor decrease in the mobile broadband internet, including 2G/3G/4G. In addition, increased investments are noted in developing</p>

⁶⁶ Minutes from AEC Commission's 8th meeting in 2019, available at: <https://bit.ly/2M0lOLa>

⁶⁷ Minutes from AEC Commission's 10th meetings in 2019, available at: <https://bit.ly/2o8igNG>

⁶⁸ European Commission's Progress Report for the Republic of North Macedonia, published on 29 May 2019, available at: <https://bit.ly/2EGrVAe>

	<p>electronic communications.</p> <p>EC's recommendations refer to the need for long-term Strategy on Information and Communication Technologies.</p>
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Policies, strategies and regulations

<p>Amendments to legislation related to AEC's operation</p>	<p>In the period, activities related to legislative changes included only one amendment to the rulebook on use of radiofrequency spectrum for radio amateur services.⁶⁹</p> <p>At the same time, the section legislation on AEC's main website (aek.mk) was updated with the Law on Amending the Law on Electronic Communications,⁷⁰ which was elaborated in details in the previous monitoring report.⁷¹</p>
<p>Change of AEC Commission President</p>	<p>At its 14th meeting,⁷² upon request by commissioner Stevica Josifovski, AEC Commission expanded its agenda with another item: <i>assessment of performance by commission president with a view to dismiss her and select new president</i>. Three commissioners approved this proposal, while the remaining two commissioners voted against.⁷³ Immediately after the vote on dismissal of commission president Gordana Klincharova, commissioner Deshira Imeri proposed Stevica Josifovski to be appointed new president, which was approved by three members⁷⁴ ((including the nominee), one commissioner was sustained and one commissioner voted against.</p> <p>Minutes from AEC Commission's 15th meeting indicate that elaboration of reasons for dismissal of the previous commission president will not be disclosed in the public.</p> <p>Moreover, the decision on dismissal of AEC Commission President,⁷⁵ which was published on AEC's website, does not enlist reasons for her dismissal although this document notes that such elaboration is integral part of the decision.</p> <p>According to LEC, AEC Commission appoints and dismisses commission president from the ranks of its members in manner and under procedure stipulated in AEC Commission's Rules of Procedure, where possible reasons for dismissal of AEC Commission President include:</p> <ul style="list-style-type: none"> ■ unconscious performance of the public office; ■ failure to act in compliance with AEC's Statute and Rules of Procedure. <p>Change of AEC Commission President is indicated as information in the website section on AEC Commission Members, but the problem with partial information on work biographies of commission president and members remains problematic.</p>

⁶⁹ Rulebook on use of radiofrequency spectrum for radio amateur services, available at: <https://bit.ly/2oPlMwI>

⁷⁰ Law on Amending the Law on Electronic Communications, available at: <https://bit.ly/2oK9yoW>

⁷¹ Third Periodic Report on AVMS and AEC Performance, January-April 2019, available at: <https://bit.ly/2kTMGSj>

⁷² Minutes from AEC Commission's 14th meeting in 2019, available at: <https://bit.ly/2mV2zJ8>

⁷³ Stevica Josifovski, Ervin Redjepagikj and Deshira Imeri voted for, while Gordana Klincharova and Goran Velinov voted against the proposal for dismissal of AEC Commission President.

⁷⁴ Stevica Josifovski, Ervin Redjepagikj and Deshira Imeri voted to approve the proposal for Stevica Josifovski to be appointed new president, while Goran Velinov was sustained and Gordana Klincharova voted against.

⁷⁵ Decision on dismissal of AEC Commission President, available at: <https://bit.ly/2MvJdD5>

Open procedure for dismissal of AEC Director

At the same meeting of AEC Commission when new commission president was appointed, procedure was initiated for dismissal of AEC Director. This proposal was approved by three commissioners, one voted against and one was sustained.⁷⁶

After enlistment of reasons for his dismissal, AEC Director was allowed to comment and provide arguments at the meeting organized for his defence.

In this case as well, relevant minutes from the meeting do not include reasons why AEC Commission President requested dismissal of AEC Director.

According to LEC,⁷⁷ AEC Director can be dismissed prior to expiration of the term of office by means of decision taken by AEC Commission in the following cases:

- upon his/her request; ■ Ако не е во можност да ја извршува должноста повеќе од шест месеци во континуитет;
- when he/she is unable to perform this office for more than six consecutive months;
- when he/she has accepted public office or another job that is irreconcilable with performance of the office AEC Director;
- when he/she is subject of enforceable court decision on criminal offence with imprisonment sentence in duration of more than six months or decision on prohibiting performance of profession, activity or public duty in duration of more than six months;
- when it is established that, in the appointment procedure, he/she has provided untruthful data or has failed to present information important for such appointment.

In case the decision is taken to dismiss AEC Director, the same should include reasons for his dismissal and detailed rationale thereof, and should be published on AEC's website within a deadline of seven days from the decision's adoption.

Comments/Recommendations

■ According to the report from public survey among residential end-users, only 22% of citizens dispose with sufficient information about the procedure for submission of dispute resolution motions to AEC, which represents decrease by 10% compared to 2018. In April 2018, the project team published an educational video [How to lodge complaints to AEC?](#),⁷⁸ which serves as detailed and user-friendly explanation of the procedure for submission of complaints. Having in mind the low share of citizens knowledgeable of this procedure, AEC is proposed to upload this video on its website and on its social media profiles, in order to reach as more citizens as possible with information about this possibility.

■ Information surfaced in the media concerning previous heavy party activity on the part of some new members in AEC Commission. Again, AEC is recommended to immediately publish their work biographies in order to allow the public complete information about quality, capacity and integrity of its new members. In that, work biographies of all commissioners and AEC Director must be published.

■ The public must be informed about reasons for dismissal of the previous commission president, as well as reasons for the proposed dismissal of the current AEC Director. Failure to publish such reasons in both cases indicates to incomplete transparency and accountability in AEC's operation, especially having in mind that these are the highest positions within AEC's structure and operation.

⁷⁶ Stevica Josifovski, Ervin Redjepagikj and Deshira Imeri voted to approve the proposal for dismissal of AEC Director, while Gordana Klincharova voted against, and Goran Velinov was abstained.

⁷⁷ Article 25, paragraph 1 of the Law on Electronic Communications

⁷⁸ Video "How to lodge complaints to AEC?", available at: <https://bit.ly/31ivGEE>

- In the shortest time possible, PTE Skopje and AEC are recommended to resolve the status of the donation related to the Ferris Wheel. At the same time, PTE Skopje and the City of Skopje need to account for funds spent and reasons for re-allocation of funds, i.e. to explain the donation's importance for citizens and the public interest.

- AEC is recommended to demonstrate greater proactivity and engagement in initiation of development of long-term Strategy on Information and Communication Technologies (ICT).

3. PERFORMANCE AND LAW ENFORCEMENT

General overview/assessment

Monitoring and analysis of AEC's performance, inter alia, is pursued on the basis of its annual operation reports, financial and audit reports, and plans for public procurements, as well as human and financial resources needed for their implementation.

In this period, AEC adopted its 2020 employment plan, but this document was not published on the website.

AEC Commission adopted proposed amendments to its 2019 financial plan, which included increase of budget funds by additional **296,253,971 MKD**, as unspent funds under AEC's 2018 financial plan. Most of these funds, i.e. 169,633,721 MKD, are allocated as addition to funds for construction of the **antennae system for radiofrequency control and monitoring**. With these changes, AEC's total budget for 2019 amounts to **774,613,971 MKD**.

Human resources

2020 employment plan

At its meeting⁷⁹ held on 29 August 2019, AEC Commission's agenda included an item for adoption of 2020 employment plan. This plan is not published on the agency's website. Publication of such plans, with indication of annual number of employees (including newly-recruited staff), contributes to improved transparency of AEC and outlines performance parameters for this regulatory authority, especially in regard to human resources.

International events and meetings

In the past period (May–August), AEC staff members participated in **17 international events and meetings**:

- SEEDING 2019 Annual Conference, Romania;
- Roaming EWG Meeting, Austria;
- WB Roaming Policy Meeting, Belgium;
- OSCE Workshop on Preventing Terrorism and Countering Violent Extremism, Albania;
- 18th Meeting of CEPT/ECC's Working Group Numbering and Network (WG NaN), Slovenia;
- 39th BEREC Plenary Meeting, Belgium;
- EuroDIG World Forum, the Netherlands;
- CN2-BEREC Meeting, Italy;
- Cyber Drill, Romania;
- Meeting of the Coordination Body for Implementation of the Agreement on Abolishing Roaming Charges in the Western Balkans, Montenegro;
- Meeting of the Hellenic Telecommunications and Post Commission;
- 14th Annual Technical Meeting for CSIRTs, Scotland;
- Seminar on Radiocommunication Matters for Europe (SRME 19), Albania;
- ITU Workshop for Europe on Mapping for Terrestrial Broadband Infrastructure and Services, Poland;
- 51st ECC Plenary Meeting, Bulgaria;

⁷⁹ Minutes from AEC Commission's 14th meeting in 2019, available at: <https://bit.ly/2mV2zJ8>

	<ul style="list-style-type: none"> ■ IRG 2019 Training Workshop on FTTH Broadband Deployment; Brussels ■ TAIEX Multicountry Workshop on EU/Western Balkans ICT Dialogue, Brussels.
National and international training	<p>In the period May-August 2019, AEC staff members attended the following training:</p> <ul style="list-style-type: none"> ■ seminar for law professionals, Ohrid (8 -11 May 2019); ■ training on competition prohibition and competition clause, features of management contracts, procedure on amending employment contracts, invalid provisions from employment contracts, obligations of contracting parties and termination of employment status.

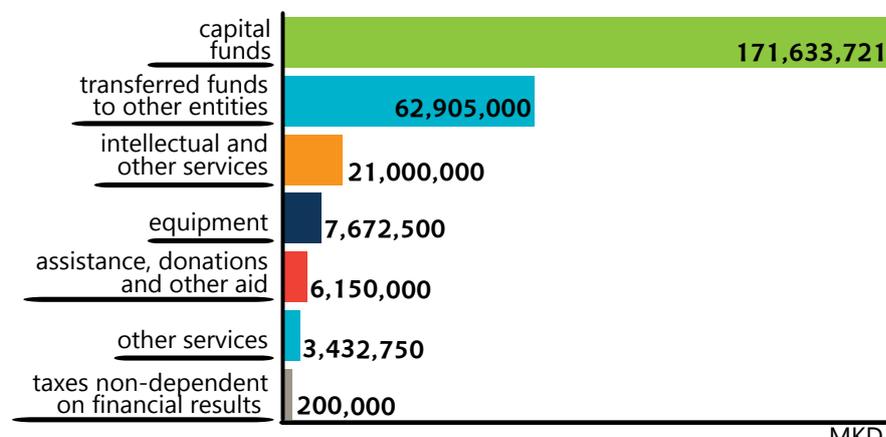
Financial resources

Changes to AEC's 2019 financial plan

At its 14th meeting,⁸⁰ AEC Commission adopted proposed changes to its 2019 financial plan. AEC's budget was increased by additional **296,253,971 MKD**, i.e. unrealized funds under its 2018 financial plan. Of this amount, **125,275,193 MKD** are *rolled-over surplus from previous years*, while remaining **170,978,778 MKD** are *rolled-over surplus from the previous year*.

With these changes, AEC's total budget for 2019 amounts to **774,613,971 MKD**.

Following budget items include increased funds:



Most of transferred funds (171,633,721 MKD) are planned for *capital investments*, whereby 169,633,721 MKD are allocated as additional funds for construction of the **antennae system for radiofrequency control and monitoring**, while 2,000,000 MKD are allocated for **readjustment of business premises**.

According to amendments to LEC⁸¹, AEC is obliged to allocate funds to finance the Operation-Technical Agency (OTA) in the amount of 62,905,000 MKD.

The remaining funds, in total amount of 38,455,250 MKD, are transferred to five budget items (intellectual and other services; assistance, donations and other aid; other services, and taxes non-dependent on financial results).

⁸⁰ Minutes from AEC Commission's 14th meeting in 2019, available at: <https://bit.ly/2poFS0Q>

⁸¹ Article 29, paragraph 9 of the Law on Amending the Law on Electronic Communications

However, surprising is the fact that after 2017, AEC again allocates funds under the budget item “assistance, donations and other aid” in the amount of 6,150,000 MKD. In the past, this regulatory agency was often criticized for awarding sums expressed in millions as donations without clear and transparent award criteria. Changes to AEC’s financial plan do not provide additional explanation or information about the type of donations that will be financed and criteria on the basis of which donation decisions are taken, especially having in mind that in the past quarter two entities requesting donations had been rejected under auspices that AEC’s 2019 financial plan does not anticipate funds for such purpose.

At the same time, proposed changes do not provide detailed explanation of the need and purpose for additional budget funds in total amount of 23,260,000 MKD.

Comments/Recommendations

- Having in mind that, in the past, AEC was regularly criticized for awarding sums expressed in millions as donations without clear and transparent award criteria, the project team recommends urgent publication of detailed information on beneficiaries and reasons for funds allocated as donations under AEC’s annual financial plan and to provide justification for the need of such donations.

- At the same time, in case AEC collects revenue higher than funds needed, it should invest surplus funds exclusively for development of the regulated subject matter. Hence, AEC is recommended not to allocate any funds for donations, but if it decides to award donations, they should be in the field of electronic communications and should bring better conditions for citizens.

4. PUBLIC INTEREST

General overview/assessment

AEC held the 2019 International Regulatory Conference, which also included organization of its first public meeting in 2019.

According to the agreement signed at the Second Western Balkans Digital Summit, from 1 July 2019 roaming charges with five Western Balkan states (Serbia, Montenegro, Bosnia and Herzegovina, Albania and Kosovo) are reduced by 27 percent.

In this monitoring period, the highest number of citizens used the toll-free number 190 for calls and messages (total of 728 calls and messages), followed by submission of complaints (in written and electronic form, i.e. 158 complaints). The least used tool is Q&A section on AEC’s website where only 30 questions were posted.

International cooperation and roaming charges

2019 International Regulatory Conference

On 21-22 May, in Ohrid, AEC organized the International Conference on Regulation of Electronic Communications. This event was attended by government representatives, representatives from regulatory authorities, European Union and ITU, operators, academic institutions and civil society organizations.

Invitation, agenda, registration template and all presentations from this conference were timely posted and are available on AEC’s website⁸².

Moreover, videos from this conference are posted to AEC’s official [YouTube](#) channel.

⁸² 2019 International Regulatory Conference, available at: <https://bit.ly/33iqMsA>

<p>Reduction of roaming charges in the Western Balkans</p>	<p>According to the agreement signed on the Second Western Balkans Digital Summit, from 1 July⁸³ roaming charges with five Western Balkan states (Serbia, Montenegro, Bosnia and Herzegovina, Albania and Kosovo) are reduced by 27 percent.</p> <p>This agreement anticipates additional charge reduction in July 2020, after which, starting from 1 July 2021, roaming charges will be fully abandoned, i.e. prices for roaming services will be the same as prices of electronic communications services on the domestic market (the so-called roaming like at home).</p>
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Public events and communication with citizens

<p>AEC's first public meeting in 2019</p>	<p>As part of the 2019 International Regulatory Commission, AEC organized its first public meeting in 2019. According to LEC, AEC is obliged to organize at least two public meetings in order to allow interested parties to express their views and opinions on development of electronic communications.</p>
<p>Complaints lodged by end-users</p>	<p>Through the instrument for free access to public information, the project team was able to learn that, in the period May-August 2019, AEC was presented with 158 motions for dispute resolution submitted by end-users, of which 118 in written (address to AEC head office) and only 40 motions in electronic format, submitted through the website (e-agencija.mk).</p>
<p>Call and messages to toll-free number 190</p>	<p>The toll-free number 190, managed by AEC, is another tool for citizens to make inquiries or lodge complaints concerning electronic communications services. Hence, in the period May-August 2019, this number was addressed with 526 calls and 202 messages.</p>
<p>Q&A website tool</p>	<p>The Q&A website section, accounting for another possibility for citizens to post questions to AEC, was used to post only 30 questions in the past period (May-August 2019).</p>

Comments/Recommendations

- In this reporting period, monitoring activities also observed low use of communication tools. Again, AEC is proposed to develop multimedia contents aimed at greater promotion of these tools. In that, social networks could be used as excellent channel for their promotion.
- AEC needs to develop its communication strategy with detailed elaboration of methods and channels through which this regulatory body will make efforts to bring these possibilities closer to citizens.

⁸³ More information about this agreement are available at: <https://bit.ly/2n06fJl>

