

Television across Europe:
regulation, policy and independence
Republic of Macedonia

Table of Contents

1. Executive Summary	1169
2. Context	1170
2.1 Background	1171
2.2 Structure of the television sector	1174
2.3 Market shares of the main players	1176
3. General Broadcasting Regulation and Structure	1177
3.1 Regulatory authorities for the television sector	1178
3.1.1 The Broadcasting Council	1178
3.2 Licensing	1183
3.3 Enforcement measures	1185
3.4 Broadcasting independence	1186
4. Regulation and Management of Public Service Broadcasting	1188
4.1 The public broadcasting system	1188
4.2 Services	1191
4.3 Funding	1193
4.4 Governance structure	1196
4.4.1 Composition	1196
4.4.2 Appointments	1197
4.4.3 Sanctions that can be invoked against public service broadcasters	1198
4.5 Programme framework	1198
4.5.1 Output	1198
4.5.2 Quotas	1201
4.6 Editorial standards	1203
5. Regulation and Management of Commercial Broadcasting	1204
5.1 Public service obligations for commercial broadcasters	1204
5.2 Commercial television ownership	1205
5.3 Cross-media ownership	1206

5.4 Funding	1209
5.5 Programme standards	1211
6. European Regulation	1216
7. The Impact of New Technologies and Services	1219
7.1 Policy on new media	1219
7.2 Conditions for new platforms	1220
8. Conclusions	1222
9. Recommendations	1224
9.1 Policy	1224
9.2 Regulatory bodies	1226
9.3 Industrial relations and ethical issues	1226
Annex 1. Laws and regulations cited in the report	1227
Annex 2. Bibliography	1229

Index of Tables

Table 1.	Audience shares of the television channels (2004)	1176
Table 2.	Audience shares of the radio channels (2004)	1177
Table 3.	Licence fee collection rates (1993–2005)	1194
Table 4.	MRT budget revenue sources (2004)	1195
Table 5.	MTV programme framework – breakdown by genre and type of programme (2003)	1200
Table 6.	Quotas for minority language programming on the national public service broadcasters	1202
Table 7.	Quotas for minority language programming on the local public service broadcasters	1202
Table 8.	Gross advertising spending in the television advertising market – breakdown by channel (2003)	1209

List of Abbreviations

BC	Broadcasting Council, <i>Sovet za radiodifuzija</i>
ESM	Electro-economy of Macedonia, <i>Elektrostopanstvo na Makedonija</i>
MB	Macedonian Broadcasting, <i>Makedonska radiodifuzija</i>
MR	Macedonian Radio, <i>Makedonsko radio</i>
MRT	Macedonian Radio & Television, <i>Makedonska radio-televizija</i>
MTV	Macedonian Television, <i>Makedonska televizija</i>

1. EXECUTIVE SUMMARY

The reform of the media system in the Republic of Macedonia has been underway for more than a decade. At the outset, due to the absence of appropriate laws, changes were rather abrupt and somewhat improvised. The media landscape was flooded with more than 300 private radio and television stations. To suppress the chaos on the airwaves, the Government introduced a moratorium on issuing new licences for frequencies. Major laws – such as the Law on Broadcasting Activity, and the Law on the Establishment of the Public Enterprise Macedonian Radio & Television (MRT) – were passed six years after the country became independent and are still in force. In 2005, a new Law on Broadcasting Activity was drafted and should be adopted before the end of 2005. By contrast, changes in the print media were slower and the first privately owned dailies appeared much later. However, foreign capital is now present in the print media, which is not the case with broadcasting.

Today, there are three segments in the broadcasting sector – terrestrial public service broadcasting, with 47 radio and television stations; terrestrial commercial broadcasting, with 148 stations, including five national television channels and three national radio stations; and cable radio and television networks, with 66 registered operators, of which 54 distribute radio and television programmes. On the national level, two private television stations, A1 and Sitel, compete with the first and third channels of Macedonian Radio & Television (MRT). There is fierce competition among stations, yet the content of the programmes is rather poor, consisting of mainly news bulletins, soap opera serials, and other light entertainment programmes. The broadcasting industry has serious problems when it comes to protecting independent editorial policy. There is no collective bargaining and there are no collective agreements between media owners and journalists.

A major novelty in the broadcasting sector was the establishment, in 1997, of the Broadcasting Council, as the independent regulatory authority. Parliament elects all the members of the Broadcasting Council and its composition reflects the strength of the major political parties in Parliament and the Government. The Council is financially independent, with its expenditure paid from licence fees and revenues collected from private broadcasters for the licences they were granted. However, there is concern because of the Council's limited competencies. It chiefly offers proposals and opinions, and it is the Government that actually makes all major decisions such as granting and cancelling licences or sanctioning broadcasting companies. This deprives the Council of its autonomy and so of its responsibility for the performance of the audiovisual sector.

MRT presents the most difficult problems. Reforming this company is a difficult process, mostly because of the Government's unwillingness to give up control of the national broadcaster. The MRT management is appointed from the ruling political structures, which, in turn, influences how the company is run and also its programme profiling. At the same time, MRT has serious financial problems because many viewers

refuse to pay the licence fee, while operating costs remain sky-high due to outdated equipment and technology, inefficient organisation, and a high number of superfluous employees, together with a lack of highly qualified professionals. All of this inevitably also has consequences for programme quality. The situation is even worse with local public broadcasting organizations, where reforms have not started yet. The biggest problem is the lack of financing and the undefined ownership status.

Commercial broadcasting is constrained by unduly restrictive regulation and economic and political pressures. Broadcast licences are granted to those applicants who fulfil prescribed conditions regarding the programme framework and technical equipment. The founder of a commercial broadcasting company can only be a single legal or natural person. The founder may be granted only one licence at the national level, and two at the local level. The licence cannot be transferred to a third party. Foreign legal entities are only allowed to act as co-founders and to own up to 49 per cent of the founding capital. Owners of print media, holders of public office and political party officials are not permitted to establish a broadcasting company. Owners of radio or television stations, especially the major ones, are often backed by influential business or political structures. Smaller stations barely manage to survive, and do so often thanks to external donors.

Broadcasters use outdated equipment and technology. Shifting from analogue to digital signal is not yet envisaged. Capacity and resources required for developing new media platforms are scarce. Owing to the poor overall economic situation and low standards of living, the number of Internet users in Macedonia is low.

Ethnic diversity is a determining feature of society in the Republic of Macedonia. Especially after the major ethnic clashes in 2001, the issue of representing ethnic diversity in the media was high on the political agenda. Several monitoring projects showed that especially in times of tensions and looming intra-State conflicts, media of different ethnic communities tend to report ongoing developments in different, often contradictory terms. Often it is said that viewers and listeners in the Republic of Macedonia receive a different image of reality, depending on the “ethnicity” of the newspapers and broadcasters they prefer, especially with respect to reporting on news and current affairs. Essentially, there are two parallel public spheres – one created by Macedonian-language media and another by the Albanian-language media.

2. CONTEXT

The restructuring of the media sector in Macedonia commenced in 1991 and has now reached its fourth phase of development. The first stage, until 1997, was the longest and most difficult, with broadcasting lacking a consistent legal framework. It was marked by the appearance of numerous unlicensed private radio and television stations. The Government tried to resolve this situation by introducing a moratorium on the

licensing of new frequencies. It also suspended a certain number of radio and television stations. The second stage, until 1999, saw the passage of major broadcasting laws, the institutionalisation of public service broadcasting, and the granting of the first frequencies to private radio and television stations. The third stage, until 2003, saw the consolidation of the broadcasting market. There was an increase in the range of programmes and competition, and cable networks were also regulated. The fourth stage (since 2003) has been marked so far by the consolidation of private broadcasting and transformation of public service broadcasting.

2.1 Background

In August 2001, the political leaders of the country signed the Ohrid Framework Agreement, brokered by the EU and the USA. This accord ended an armed uprising by groups of ethnic Albanians in the Republic of Macedonia. It provided a new legal and political basis for resolving ethno-political issues in the country through decentralisation and power sharing, as well as further democratisation and strengthening the rule of law. An essential element of this agreement and the accompanying political initiatives, both domestic and external, is to foster an atmosphere of interethnic tolerance and dialogue in which news media should play a central role.¹

There is unquestionably an impressive number of news media and, in particular, broadcasters – almost 300 – for a country of Macedonia's size (25,713 sq. km) and population (2,022,540, according to the 2002 census). The ethnic composition of the country is as follows: 64.18 per cent are Macedonians, 25.17 per cent Albanians, 3.85 per cent Turks, 2.66 per cent Roma, 1.77 per cent Serbs, 0.84 per cent Bosnians and 1.97 per cent others.²

Macedonia has presently 518,003 registered radio and television receivers, of which 369,292 are owned by households and 48,711 by legal persons.³ Some 9,000 households are exempted from the licence fee due to poor reception of the broadcasting signal.⁴

On becoming independent in 1991, the Republic of Macedonia embarked on political and economic reforms, including media restructuring. It commenced in the broadcasting sector, followed somewhat later by the print media. The media system was built without a consistent normative legal and institutional framework, and with limited economic, technical and human resources. Changes, although radical, were

¹ The 2001 Ohrid Framework Agreement, 13 August 2001, available at http://faq.macedonia.org/politics/framework_agreement.pdf (accessed 10 June 2005)

² State Statistical Office, *Statistical Yearbook of the Republic of Macedonia 2003*, pp. 44–48.

³ MRT internal database, information for July 2004.

⁴ An additional 250 households are exempted as the head of the household is a blind person. Broadcasting Council, unpublished documentation, July 2004.

often improvised and lacked rules. Within a few years the country was flooded with private broadcasters. This was a serious blow to the State broadcaster, Macedonian Radio & Television (*Makedonska Radio-Televizija* – MRT), which until then had been the only legal electronic media outlet. Today, however, the media system operates within a clearly defined institutional frame.

The first private radio and television stations appeared in 1991–1992: TV Tera, TV Teko, TV A1, Radio Kanal 77 and Radio Kanal 4. Over the next few years, media outlets multiplied rapidly in almost all major cities and even in remote towns throughout the country. In 1991, Parliament transformed MRT into a “public broadcasting enterprise”. MRT’s major activities were the production and broadcasting of radio and television programmes, as well as construction, maintenance, and development of the broadcasting network in the country. Later, in 1996, the first private printed media appeared, and in 2001–2002 the first cable operators were launched.

There have been four distinct stages in the development of the media in Macedonia since the State became independent. The *first stage* (1991–1997) was the “big bang”, marked by the rapid spread of new private radio and television stations, reaching more than 300 in total. Most of these stations were entered in the registry of the Secretariat for Information (later the Ministry of Information, and today the Information Agency), but they lacked any legal documents. They operated on the principle of “registration” without strict rules or criteria regarding their output or their organisational, financial and technical resources. At the same time, 12 out of the 29 local public service radio stations launched their own television programmes, but without having either a broadcast licence or a broadcasting frequency assigned to them in a legal way.

So it was no surprise that the Ministry of Transport and Communications did not know (or did not want to know) the total number of private electronic media, most of which had no clearly defined status or purpose. They lacked basic technical working conditions and, not surprisingly, their broadcasting depended on randomly chosen and illegally used frequencies. It was evident that the State was tolerating chaos on the airwaves.

From time to time, governments attempted to resolve the undefined legal situation through drastic actions. The former Ministry of Information began the process of putting the media sector in order in 1994, when it imposed a moratorium on granting frequencies (which lasted until 1997), on the ground that the airwaves were overcrowded. This stopped the entry of private radio and television stations into the registry. The following year, the Ministry of Transport and Communications continued this campaign and issued a decision to close down 24 private radio and television stations in Skopje, but did not carry out its threat to extend the campaign

throughout the country. The major criterion in these measures was violation of the technical standards set out in the Law on Communications, Radio and PTT.⁵

The *second stage* (1997–1999) included the passage of two major laws in the field of broadcasting: the Law on Broadcasting Activity (1997)⁶ and the Law on Telecommunications (1996).⁷ A law establishing MRT was also adopted, the Law on the Establishment of the Public Enterprise Macedonian Radio-Television (1998).⁸ By January 1998, all the basic laws that govern this area had been adopted.⁹

The first frequencies were granted for private radio and television stations. As a result, 170 public and private broadcasters started to *legally* air their programmes. A few months after its establishment in 1997, the Broadcasting Council, together with the Ministry of Transport and Communications, determined the number of broadcast licences that could be granted in Macedonia. The Council then successively announced two public tenders. The first was for four national broadcast licences (two each for radio and television) and 203 local broadcast licences (123 for radio and 80 for television). The second tender was for one national licence (radio) and 28 local licences (12 for radio and 116 for television). In total, 140 broadcast licences were granted at this time – three national licences (one for radio and two for television) and 137 local licences (80 for radio and 57 for television).¹⁰

However, the creation of a legal framework did not solve the accumulated problems; it merely relieved some pressure. Pirate broadcasters, including those that were denied frequencies, continued broadcasting and their number changed often on a daily basis – new stations appeared, while others just evaporated. In practice, the declared postulates of a dual broadcasting system, namely public service broadcasting combined with a limited number of private and radio television stations, were ignored. Commercial radio and television stations (140 in total) became dominant on the market and public service broadcasting (MRT and the 29 local public service broadcasters) was pushed to the margins.

The *third stage* (1999–2003) brought gradual consolidation to the broadcasting market. There was an increase in programme choice and competition. Specialised outlets were launched focusing on news and current affairs, entertainment, sports,

⁵ Law on Communications, Radio and PTT, *Official Gazette of RM* No. 14/79. Sections of this law pertaining to broadcasting were later replaced by the Law on Broadcasting Activity (1997).

⁶ Law on Broadcasting Activity, 16 July 1997 *Official Gazette of RM* No. 20/97.

⁷ Law on Telecommunications, *Official Gazette of RM*, No. 33/96;

⁸ Law on the Establishment of the Public Enterprise Macedonian Radio-Television, *Official Gazette of RM*, No. 6/98 (hereafter, Law on MRT 1998).

⁹ Also relevant are: Law on Concessions, *Official Gazette of RM*, No. 42/93; Law on Copyright and Related Rights, *Official Gazette of RM*, No. 47/96; Law on Public Enterprises (1994) *Official Gazette of RM*, No. 38/96; Law on Trade Companies (1996), *Official Gazette of RM*, No. 28/96.

¹⁰ Broadcasting Council, *Bulletin No. 2*, 1998, pp. 4–12, available in English at http://217.16.71.152/en/Files/Bilten2_angl.pdf (accessed 6 July 2005).

music and other strands. Political pluralism also increased. The public was finally able to choose among different views and opinions and to develop its own judgement. Yet many media outlets did not necessarily produce high quality as well. It was no surprise that some licences were soon cancelled because the operators did not respect their legal obligations. Subsequently, new tenders for broadcast licences were announced. In 2000, for example, on 7 March, 22 radio and ten television broadcast licences were cancelled¹¹ mostly because fees for broadcast licences had not been paid or because the broadcasters did not start the programme within the time frame determined by the contract. Yet on 16 June 2000, 15 new broadcast licences were granted, eight for radio (one national) and seven for television.

The status of cable broadcasters was regulated. Illegal cable television had existed since 1995, the first one in the town of Strumica. By 2000, the number of cable operators had reached 30.¹² Although a first tender was announced in March 2000, the first broadcast licences to 66 distributors of radio and television programmes were only granted between July 2001 and March 2002, after the tender procedure was completed. By the end of 2002, 54 cable operators had started the distribution of programmes.¹³

In the *fourth stage* (since 2003), commercial broadcasting matured and the national public service broadcaster, MRT, started its transformation. Also, the first steps were taken to introduce digital broadcasting technologies. The passage of a new Law on Broadcasting Activity is in the final stage and it is expected that Parliament will adopt it before the end of 2005. This new law should contribute to the further liberalisation of the media market, and reform the whole system for regulating broadcasting (see section 6).

2.2 Structure of the television sector

The television sector is highly fragmented. The public television broadcaster, MRT, comprises Macedonian Television (MTV) and Macedonian Radio (MR). MRT operates three national television channels, three national radio channels and 29 local radio stations (of which 12 also broadcast television programmes).

The third channel of Macedonian Television (MTV3) and the second channel of Macedonian Radio (Mac. Radio2) broadcast programmes in minority languages –

¹¹ Government Decision on 7 March 2000, Broadcasting Council, *Bulletin No. 5*, 2000, pp. 35–40.

¹² B. Nineski (ed.), *Pecatenite i elektronskite medijumi vo Makedonija*, (*Printed and Electronic Media in Macedonia*), Tribuna makedonska, Skopje, 2000, pp. 180–185.

¹³ Broadcasting Council, *Bulletin No. 5*, 2000, Skopje, available in Macedonian at http://217.16.71.152/mk/Files/bilten5_mk.pdf (accessed 6 July 2005), pp. 45–54 (hereafter, Broadcasting Council, *Bulletin No. 5/2000*); and Broadcasting Council, *Izvestaj na Sovetot za radiodifuzija na Republika Makedonija za juli 2001 – dekemvri 2002*, (*Report for July 2001 – December 2002*), available on the BC website at <http://www.srd.org.mk> (accessed 6 July 2005).

Albanian, Turkish, Romanes, Vlach, Serbian and Bosnian – in accordance with the share of these minorities in the overall population of the country (see section 4.5.3).

Four local stations broadcast programmes in Macedonian, Albanian and Turkish (Tetovo, Gostivar, Struga, Debar); one station in Macedonian, Albanian and Romanes (Kumanovo); two stations in Macedonian and Vlach (Štip and Krusevo); and one in Macedonian and Albanian (Kičevo).

There are 126 commercial terrestrial broadcasting outlets, including two national television channels and three national radio stations. There are 67 local radio stations and 54 local television stations. Of these, 13 local television stations broadcast in Albanian and two in Romanes, while ten local radio stations have programmes in Albanian, three in Romanes, and one in Turkish. One radio station in Skopje has parallel, bilingual, programmes in Macedonian and Albanian.

There are 66 cable operators, of which 65 distribute radio and television programmes. Most of them are in Skopje (12 operators). They are obliged to offer in their programme package at least 20 television channels, including foreign, national and local private and public broadcasters. They also have to obtain a broadcast licence, as for terrestrial broadcasters (see section 3.2).

MRT and the commercial station A1, in Skopje, transmit satellite-based programmes. Present legislation (the Law on Broadcasting Activity) does not determine the conditions required for other media outlets to obtain permission for satellite broadcasting.

The question of the viability of so many media outlets concentrated in such a small country is never raised, even by those who are in charge of the broadcasting industry, namely the Government and the Broadcasting Council. In spite of warnings that the market is too fragmented and cannot accommodate more competitors, on 9 February 2004 the Broadcasting Council announced a new tender for granting radio and television broadcast licences. It justified its move by the need to enhance pluralism and consumer choice, especially by providing new national broadcasters. TV Sitel and some of the other existing radio and television stations reacted vehemently to the notion of introducing four additional national television stations, as this would mean more competition for them.

Expectations that the market itself would correct the unrealistic expansion of broadcasting organisations were not fulfilled. It is questionable whether the market is even capable of achieving this, given that it is the Government, not the Broadcasting Council, which is still in charge of granting broadcast licences. Currently, the Government decides on such detailed provisions as the area to be covered by broadcasts, the permitted time of broadcasting and even the ratio of own and external content in the programme, and it is also the Government that decides if a broadcaster should lose its broadcast licence (see section 3.1). This may change once the new Law

on Broadcasting Activity comes into force, but it is still too early to predict the final content of the new law.

In the meantime, the mid-term development of the television industry seems to be mapped. On 5 July 2004, the Government decided that new national broadcast licences should be granted to TV Telma, TV Kanal 5, and Alsat-M, and new local licences granted to five television and 14 radio stations.

2.3 Market shares of the main players

According to television and radio polls in early 2005, the top position in television ratings goes to A1, a private national station, followed by MTV 1 and MTV2, the first and second channels of MTV. Fourth comes Sitel, a private national station. Among radio stations, the top position is taken by Antena 5, a private national radio station, followed by the first channel of Macedonian Radio (Mac. Radio1) and Kanal 77, a private national radio station.

Table 1. Audience shares of the television channels (2004)

	Audience share (per cent)
A1	42.3
MTV1	11.4
MTV3	9.3
Sitel	8.9
Koha	2.7
Kanal 5	2.4
Era	1.7
MTV2	1.3
Foreign (31)	10.5
Local ones (36)	9.5
Total	100

Source: BRIMA-Gallup¹⁴

¹⁴ BRIMA-Gallup, Day After Recall, poll conducted at request by APEMM and IREX/ProMedia, 4-18 May 2004, with a sample of 5,292 polled persons in the Republic of Macedonia (hereafter, BRIMA-Gallup poll).

Table 2. Audience shares of the radio channels (2004)

	Audience share (per cent)
Antena 5	14.5
Mac. Radio1	11.4
Kanal 77	10.5
Aracuba	5.2
Ros	5
Visar	4.3
Tetovo	4.3
Fortuna	2.3
Mac. Radio2	2.1
Arbana	2.1
Foreign (5)	0.8
Local ones (68)	37.5

Source: BRIMA-Gallup¹⁵

The major problem remains the lack of serious competition as far as programme content is concerned. Both public service broadcasters and commercial stations offer mostly news, serials, and advertisements. There is little ground to expect improvements in this situation.

3. GENERAL BROADCASTING REGULATION AND STRUCTURE

When the Law on Broadcasting Activity established the Broadcasting Council in 1997, it was the first time that the Republic of Macedonia had had an independent regulatory authority to represent the interest of citizens in the audiovisual field. However, the Council has limited competencies. It only provides *opinions* and *proposals* on major issues, such as the management of licence granting, the granting and cancelling of licences, economic control and sanctioning of broadcasters. The Government has retained the power to take *decisions* in these areas. Licences are granted to those stations that offer a better quality and range of programmes as well as ensuring better technical capacity. Entities participating in the public tender for licences have no right to file appeals against the Government's decisions.

¹⁵ BRIMA-Gallup poll.

The issue of editorial independence is dealt with in the Law on Broadcasting Activity and the Anti-monopoly Law, but only in a declarative manner. There are no concrete mechanisms to protect the broadcasting industry. There are no collective agreements between associations of journalists and media owners, and media employees are not unionised.

3.1 Regulatory authorities for the television sector

Several State bodies and independent agencies in the Republic of Macedonia share the responsibility for regulating the television sector. The most important are:

- The Broadcasting Council;
- The Ministry for Transport and Telecommunications;
- The Agency for Electronic Communications;
- The Ministry of Culture;

The Broadcasting Council prepares the decisions to issue or revoke broadcast licences, proposes the allocation of funds collected from the licence fee, monitors broadcasters' compliance with the terms of their broadcast licences, monitors the development of the broadcasting sector, and prepares initiatives concerning media policy in the field of broadcasting. The Ministry for Transport and Telecommunications is in charge of the technical telecommunications infrastructure in the country. The Agency for Telecommunications governs the frequency spectrum, including the issuing of technical broadcasting licences and monitoring of the use of allocated frequencies. The Ministry of Culture enforces copyrights and other intellectual property rights.

3.1.1 The Broadcasting Council

The 2005 draft Law on Broadcasting Activity foresees important changes to the powers and responsibilities of the Broadcasting Council (see section 6). However, as yet it is still too early to assess whether this draft will be passed without further changes.

Composition

The Broadcasting Council (*Sovet za radiodifuzija*) comprises nine members, who are supposed to be experts in the field of public information, business, education, culture, and other related sectors. Members of ethnic minorities should be equitably represented in the Council.¹⁶ In the first line-up of the Broadcasting Council, the Vice-President was an ethnic Albanian and one of the members a Roma. Today, the Vice-President is an ethnic Albanian.

¹⁶ Law on Broadcasting Activity, art. 23.

The Council's members are chosen, and can be removed, by Parliament.¹⁷ Their term of office is six years, with the right to be re-appointed. Adopting a practice widespread in Europe, the terms of the members are staggered, to avoid them all coinciding with the parliamentary cycle. The first line-up of the Council includes three members appointed for a two-year term, three members for four years, and three members for six years. This solution ensured that in future the mandate of the Council would remain staggered, while at the same time, as new members are appointed every two years, this would ensure continuity in the work of the Council. The Government's 2005 draft for the new Law on Broadcasting Activity foresaw that a completely new Broadcasting Council should be elected within eight months of the adoption of the law. However, the members of the present Council opposed this idea.

Council members elect the President and Deputy President from their own ranks – both receive a monthly salary for their work and are the only professional officers of the Council, the other members receive a fee.¹⁸ Members cannot be recalled from their position during their term of office, unless a member resigns.¹⁹ They can only be removed from their office if they are sentenced for an offence which renders them unworthy of performing the office and for which there is a sentence of not less than six months in prison, or for unjustified absence from the work of the Council for more than six months.

The appointment procedures leave the possibility for direct Government influence on the composition of the Council. Namely, the proposed list of the members of the Council is first established in the Parliamentary Commission for Appointments and Elections, a body composed of representatives of the political parties in Parliament. Parliament has the final say²⁰ and civil society, professional organisations and academia have little influence on the composition of the Council.

The following cannot be members of the Council: members of Parliament, Government Ministers, employees of broadcasting organisations or State agencies, members of the leadership of political parties, or individuals who own shares, capital or have other economic interests in broadcasting organisations.²¹ However, no such ban applies to members or activists of political parties. The lack of an explicit ban is harmful in the over-politicised Macedonian environment. For example, even before the first Council was constituted, it was public knowledge who would be proposed, and from which party – some candidates were senior party officials.²² This later had a huge impact on the work of the Broadcasting Council, especially when it came to granting

¹⁷ Law on Broadcasting Activity, art. 23.

¹⁸ Law on Broadcasting Activity, art. 25.

¹⁹ Law on Broadcasting Activity, art. 29.

²⁰ Law on Broadcasting Activity, art. 23.

²¹ Law on Broadcasting Activity, art. 24.

²² One of the reporters for this report, Vesna Šopar, experienced this during her tenure in the Council from 1997–1999.

broadcast licences. The influence of party politics is also felt in other fields, such as the nomination of members of boards of public enterprises. The Council's independence and integrity are thus directly imperilled. Its credibility and authority in the eyes of the general public, and *vis-à-vis* broadcasting companies, also suffers.

Indeed, no member would admit that he is a member or follower of a political party; but it is sufficient that she or he defends during Council meetings the interests of some owner of a broadcast licence who is close to the same political option or party. If one looks at the composition of the Council, it becomes clear that in some cases, party affiliation, rather than competence and professionalism, plays the major role.

Tasks and responsibilities

The Broadcasting Council is an independent regulatory authority created with the intention of ensuring the public interest in this field.²³ It was established immediately after the passage of the Law on Broadcasting Activity on 16 July 1997. So far it has assumed a large number of tasks:²⁴

- preparing proposals to the Government for granting broadcast licences;
- preparing proposals to the Government for determining the licence fee;
- preparing proposals to the Government for the regulation of cable radio and television programmes;
- monitoring the content of broadcasting in the country;
- promoting new communication technologies;
- ensuring the reception of high-quality broadcasting signals throughout the country;
- managing the financing of broadcasting projects in the public interest;
- establishing market conditions for new opportunities in the broadcasting sector; and
- providing support to electronic media, through recommendations, seminars, workshops and roundtables.

The Council holds limited competencies on key issues in the broadcasting sector. This situation is disturbing and contradicts EU standards. For example, it is the Ministry of Transport and Communications that grants and manages frequencies. The Council only offers *proposals* for granting licences, while the Government makes the final

²³ Law on Broadcasting Activity, art. 23.

²⁴ V. Šopar, Z. Andreovski and D. Kolar-Panov (ed.), *Mediumite vo procesot na politička i socijalna transformacija vo Republika Makedonij*, (*Media in Process of Political and Social Transformation in RM*), Institute for sociological, political and juridical research, Skopje, 2001, pp. 27–45.

decision. It is also the Government that signs the licensing contract, while the Council monitors its implementation. The Council's lack of authority devalues its supervisory role over broadcasting companies. The Republic of Macedonia is one of the few countries in Europe in which the Government grants licences, technical permits and authorisations for private broadcasters.

Correspondingly, the Council has no authority to impose sanctions on broadcasting companies. It can only take steps such as delivering written warnings for violations, requesting the relevant inspectorate to impose sanctions (as per the supervisory procedure), or proposing to the Government that a broadcast licence be cancelled (see section 3.2). This means that it is the competent inspectorates within the ministries which, either on their own initiative or upon proposals from the Council, carry out concrete measures against broadcasting companies that violate laws.²⁵

Legally, the Council is entitled to:²⁶

- consider issues in the field of broadcasting;
- draft proposals for granting or cancelling broadcast licences;
- monitor the implementation of the licensing contracts;
- monitor the implementation of legal provisions relating to the production and broadcasting of programmes;
- propose the distribution of funds collected from the licence fee that are earmarked for projects of public interest;
- provide opinions and suggestions relating to the development of the broadcasting sector.

The Council is not entitled to appoint members of the MRT Board or the directors of local broadcasting companies. Its influence is reduced to monitoring and issuing warnings about perceived violations. The recommendations that the Council provides on its own initiative – on issues such as the media coverage of elections, teleshopping or re-broadcasting of foreign-made programmes – are not binding on the broadcasting companies.

There is also reason for concern because the Council can only provide non-binding “opinions and proposals” on developing broadcasting policy.²⁷ This implies that the Government and Parliament do not have to consult the Council on important issues. In the absence of legal guarantees, the Council therefore only operates as an advisory

²⁵ These are: the Inspectorate of Transport and Communications at the Ministry of Transport and Communications; the Inspectorate of Culture in the Ministry of Culture; and the Market Inspectorate in the Ministry of Economy.

²⁶ Law on Broadcasting Activity, art. 22.

²⁷ Law on Broadcasting Activity, art. 22.

body. In turn, this practically deprives the Council of its responsibility for the state of affairs in the audiovisual field.

The fields in which the Council is independent are its finances and organisation. The funding of the Council comes from a portion of the broadcast licence fees paid by private broadcasters.²⁸ Nevertheless, experience suggests that financial independence from the Government is not sufficient as a genuine defence against possible political pressure if the Council is not committed to transparency in its work.

The issue of transparency²⁹ is critical when the Council decides about proposing to grant licences to commercial terrestrial broadcasters and cable operators, or when it comes to granting funds for projects of public interest. Regular press conferences have been part of the Council's effort to ensure transparency, as well as the publishing of its revenues and expenditures. Nonetheless, the Council avoids offering the public full insight into its deliberations when, for example, it examines requests for broadcast licences, licences for cable operators, or funding projects of public interest. Providing transparency in this procedure is important, as there have been cases when the Government, without any explanation, has refused to endorse proposals from the Council. This was, for example, the case in 1999 with the second tender for television projects of public interest. Perhaps, if the Council's sessions had been open to the public, this would not have occurred. In other words, the Government would have found it difficult to explain why it had decided to alter or even disregard the Council's proposals.

In its effort to enhance the development of the broadcasting sector, and to win the confidence of the media and the general public, the Council has initiated different forms and types of external communication. These include various meetings with broadcasting companies on issues of concern to the broadcasters, scientific seminars, panel discussions, and workshops on all topical problems related to the broadcasting business.³⁰ The Council has also established contact with NGOs, even if they are in many cases among the Council's most outspoken critics. The Council has also established a commission for complaints from viewers and listeners, and monitoring groups made up of viewers and listeners. Additionally, there is an e-mail address to

²⁸ Law on Broadcasting Activity, art. 28; For instance, for the period July 1998 – July 1999, the Broadcasting Council had total incurred expenses of Macedonian Dinar (MKD) 24,021,976 (or approximately €387,000). The exchange rate used for this report is €1 = 61,95 MKD. Broadcasting Council, *Bulletin* No. 4, 1999, Skopje, available in Macedonian at http://217.16.71.152/mk/Files/bilten4_mk.pdf (accessed 6 July 2005), p. 43, (hereafter, Broadcasting Council, *Bulletin* No. 4/1999).

²⁹ Law on Broadcasting Activity, art. 28.

³⁰ The Broadcasting Council organised several seminars, with domestic and foreign experts, including: "Application of NT and Programme Service Broadcasting in Digital Era" (1999); and "Against Piracy on Macedonian Airwaves" (1999); also a workshop on "Broadcasting Laws" (2000); a forum on "Protection of Children and Youth from TV Violence and Pornography" (2000); and a forum on "Radio and TV Programmes and Cultural Identity" (2001).

which people can send remarks on the programmes offered by radio and television stations. The Council regularly publishes documents related to broadcasting, research data, and tender documentation on granting licences, work reports and plans.

3.2 Licensing

Previously, the Broadcasting Council had responsibilities for terrestrial, cable and satellite broadcasting, but after the new Law on Telecommunications was adopted, in June 2004, cable television should be supervised by the Directorate of Telecommunications, which is now responsible to grant licences to cable operators (see section 7.1).

There are different conditions for a national broadcast licence and a local one.³¹ National broadcasters must reach at least 70 per cent of the total population with their signal.

Broadcasting companies must apply for a broadcast licence, but it is not specified in the law whether this only applies only for terrestrial broadcasting, or also for cable or satellite broadcasting.

Three laws govern the procedure for granting licences: the Law on Broadcasting Activity, the Law on Telecommunications, and the Law on Concessions.³² There are some contradictions between these laws. For example, a provision of the Broadcasting Law states that broadcast licences can only be awarded after a public tender, whereas the Law on Concessions allows the Government to also issue a licence without a public competition. The 2005 draft Law on Broadcasting Activities concentrates all powers with respect to the issuing of broadcasting licences within this law.

In accordance with the current Law on Broadcasting Activity, the Government is responsible for granting licences³³ – it announces the public tender, determines the conditions, and selects the successful contestant for the broadcast licence.³⁴ The Broadcasting Council is in charge of the whole administrative aspect of the procedure connected to licences.³⁵

The Law on Broadcasting Activity states that a licence is granted to those commercial broadcasting companies that offer “better conditions”.³⁶ These conditions are determined according to what the company proposes in terms of its programme content. In particular, with respect to: programmes serving the needs of a certain minority in a specific region; the fulfilment of technical standards, including working

³¹ Law on Broadcasting Activity, art. 17, 18.

³² A “concession” here means a broadcast licence.

³³ Law on Broadcasting Activity, art. 4.

³⁴ Law on Broadcasting Activity, art. 10, 11, 12

³⁵ Law on Broadcasting Activity, Ch. III Granting Broadcasting Concession, art. 13-18.

³⁶ Law on Broadcasting Activity, art. 13.

conditions at its premises; the editorial and technical staff; and the financial resources for carrying out the programme.³⁷ Provided that all “formal and essential conditions are fulfilled in the public notice”,³⁸ the Council will propose to the Government that the broadcast licence is granted.

Except for the final decision, all activities connected to granting or cancelling a licence are in the hands of the Council. Consequently, it should be the Council that grants or refuses a licence, not the Government.

To date, the Government has only granted licences to those broadcasting companies that were proposed by the Council. However, the procedure is not transparent. Only a list of those who have been granted licences is published, not of all those proposed by the Council.

According to the Law on Concessions, participants in the tender do not have the right of appeal if their application is rejected. However, the new draft Law on Broadcasting Activity foresees that participants in a tender may appeal to the Broadcasting Council if their application is rejected. Furthermore, if they are not satisfied with the Council’s decision, they would have the right to bring a legal action in front of a court.

For every tender, the Broadcasting Council engages outside experts who assess whether the applicants fulfil technical, economic, programming, staff, and financial conditions for work. According to the Law on Broadcasting Activity, there is no legal possibility to transfer the licence to a third party. This provision impedes the development of the broadcasting sector – for example, in case of bankruptcy or the death of the broadcast licence holder,³⁹ there is no other option but for the Council to propose cancelling the licence.

Further problems stem from other ambiguities. These include who is allowed to appear as licence holder. It could be the founder of the commercial broadcasting company, the contractor, the holder of the operation permit, or the commercial broadcasting

³⁷ In accordance with Article 15, the legal or natural person, taking part in the public competition, should submit the following data: full name, nationality, type of organisation, expert staff and ownership structure, data about participation of the applicant in other broadcasting enterprises, type and content of planned programmes, duration of daily news, technical report on the studio, studio equipment, permanent or planned equipment for broadcasting, detailed work plan, and documents on the financial capacity to carry out the work plan. In accordance with Article 14, the public tender should contain the following elements: the type of broadcasting service (radio, television, other), and the area of operation; technical parameters for the broadcasting of the programme (such as frequencies, power and location.); starting date of the activity and duration of the licence; the amount and manner of payment of the licence fee; duration of the broadcast programme (daily, weekly, etc.); the time frame and address for submitting the application for participating in the competition; and other conditions which need to be met by the licence holder. Law on Broadcasting Activity, art. 14, 15.

³⁸ Law on Broadcasting Activity, art. 16.

³⁹ Law on Broadcasting Activity, art. 19.

company. Also in question is how to win a licence, whether it is just on the basis of a public bid or also on the basis of a request or offer from interested parties. The former option is provided in the Law on Broadcasting Activity and the Law on Concessions, while the latter is included in the Law on Telecommunications.

Furthermore, there is only one procedure for granting licences. The procedures do not foresee special procedures adapted to the various types of broadcasting – terrestrial, satellite or cable. There is also no possibility for licences to be of different classes and for different activities, such as university radio stations that would enjoy a special legal status, pursuant to their role and nature.

3.3 Enforcement measures

In the case that the licence holder does not respect the contractual obligations, the Broadcasting Council is entitled to:⁴⁰

- issue a notice of warning;
- issue a notice of warning with a request to the licence holder to publish it;
- request that the competent inspectors from the Directorate of Telecommunications of the Ministry of Telecommunications undertake measures foreseen in the law;
- propose to the Government to cancel the licence.

As foreseen in the Law on Broadcasting Activity and extended in the licence contract,⁴¹ the Government may, upon the proposal from the Council, cancel the licence in the following circumstances:

- if the licence holder does not commence performing the activity by the deadline established in the contract;
- if the licence has been granted on the basis of inaccurate information;
- if the licence holder does not conform to the requirements for performing the activity determined by the contract and the law;
- if the licence holder does not take action within a set time at the demand of the authorities to solve irregularities;
- if the legal entity is bankrupt.

So far, many written notices have been issued to the broadcasters, but there have been few proposals to cancel a licence.⁴² Indecent programme content and over-stretched

⁴⁰ Government Decision on broadcasting licences, *Official Gazette of RM*, No. 22/98, art. 34.

⁴¹ Law on Broadcasting Activity, art. 19, 35.

⁴² Broadcasting Council, *Bulletin No. 5/2000*, pp. 23–34.

advertising time are among the most frequent causes for such warnings. However, in spite of warnings, many broadcasters continue with breaches of their broadcast licence. There is no provision in the law that would sanction such behaviour, although the Council has threatened to take into account the number of warnings issued to a broadcaster when considering their application for a prolongation of their broadcast licence.

3.4 Broadcasting independence

After monitoring the coverage of the presidential elections in 2004, the Broadcasting Council concluded that,

most media, during the elections, fully respected the rules on objective, fair and impartial coverage of the elections. It is worthy to mention here the conduct of the public service broadcaster on national level MRT that showed [...] editorial independence and professionalism. The same goes for most commercial media, but not for the public service broadcasters on the local level, whose dependence on the ruling parties and groups is still noticeable.⁴³

Nonetheless, many media pundits in the Republic of Macedonia consider that media independence is still imperilled. Roberto Belicanec, Director of the Media Development Center, a NGO based in Skopje, has said that the legal provisions for the independence of the media are, in their present form, the most serious obstacles to media independence.⁴⁴

The Constitution and several laws provide the legal framework for broadcasting independence. The printed media are governed by general provisions in the Constitution⁴⁵ and the Journalists' Code.⁴⁶ The electronic media are regulated by provisions in the Law on Broadcasting Activity, but these contains few concrete protection mechanisms. The issue of editorial independence is dealt with in the Law on Broadcasting Activity and the Anti-monopoly Law.⁴⁷ However, the effects of this legislation remain most of the time at the level of mere declarative statements. The experience of viewers and listeners is that in spite of the media's legal obligations to provide objective news and reports, they are routinely confronted with the overt bias of many media outlets towards particular political options and personalities.

⁴³ Broadcasting Council, *Elektronskite medijumi i pretsedatelskite izbori vo 2004 godina*, (*The electronic Media and the Presidential elections in 2004*), a report, in the Broadcasting Council, *Bulletin No. 15/2004*.

⁴⁴ Interview with Roberto Belicanec, director of the Media Development Center, Skopje, 6 July 2004.

⁴⁵ Constitution, art. 16.

⁴⁶ *Kodeks na novinarite na Makedonija*, (*Code of Journalists of Macedonia*), published by the Association of Journalists of the Republic of Macedonia (Združenie na novinarite na Makedonija), Skopje, 20 January 2002.

⁴⁷ Anti-monopoly Law, *Official Gazette of RM*, No. 5/04.

The Law on Broadcasting Activity stipulates that (for both public and private broadcasters) broadcasting is based on the principle of the “independence and autonomy of the broadcasting organisations”,⁴⁸ a norm which should protect media outlets from Government influence. The same article also prevents “the monopoly of individuals or groups on broadcasting companies”, a norm that should protect journalists from proprietors. It goes on to articulate the principle of “appropriate and impartial treatment of political entities in the programmes of the broadcasting companies, which shall not serve the sole purpose of any political party, group or acquired rights of individuals”, which should provide for editorial independence and impartiality. Furthermore, the law elaborates the same issues in additional articles, practically repeating these principles. The law also states that a programme must not serve the sole purpose of a particular political party or particular interests,⁴⁹ and that State officials and municipal administrations and their representatives may not influence the production of radio or television programmes, or their work activities.⁵⁰

However, the real situation clearly shows that ways are nonetheless found to turn broadcasters into political tools. Political pressures can take different forms – sometimes transparent, sometimes subtle, deep behind the scenes.

What raises particular concern is the absence of regulations on the editorial independence of the broadcaster from the owner of the media company. Regulation for industrial relations in the broadcasting sector, in particular the protection of the rights of employees, is also missing. Journalistic independence is obviously closely related to their professional status and to the rights of journalists. There are almost no collective agreements that protect some of the fundamental rights of workers, such as the obligation for media owners to participate in the costs of social security and other benefits for employees. In general, journalists are not willing to talk about their contractual relations with their employer. The public service broadcaster, MRT, introduced collective agreements only as late as 2003.⁵¹ There is no trade union activity in radio and television stations. The protection of social and labour rights of journalists and other media workers has not been a sufficient priority for the Macedonian Association of Journalists, which is more concerned with protecting the political rights of journalists, and freedom of expression in general.

With regard to commercial broadcasters, it is hard to talk about independence when many media owners (or members of their immediate family) are politically active, and when many media outlets are minor parts of bigger business conglomerates. Živko Andreovski, a media analyst based in Skopje, is not alone in holding that there are

⁴⁸ Law on Broadcasting Activity, art. 8.

⁴⁹ Law on Broadcasting Activity, art. 32.

⁵⁰ Law on Broadcasting Activity, art. 34.

⁵¹ Until the introduction of collective agreements in MRT, employees’ rights were governed by the old Labour Law (*Official Gazette of RM*, No. 80/93. The Law amending and appending the Labour Law, *Official Gazette of RM*, No. 3/94, No. 14/95, No. 53/97, No. 59/97, No. 21/98).

strong grounds for concern about the factual independence of journalism, not only in the broadcasting sector in Macedonia.⁵²

4. REGULATION AND MANAGEMENT OF PUBLIC SERVICE BROADCASTING

The transformation of MRT from a State broadcaster to a public service broadcaster has proven to be a difficult process. This is mainly due to the lack of adequate regulation, although, the lack of adequate debate on the mission of public service broadcasting at the national level has added to the difficulty. However, the quality of MRT's output has improved since some internal reforms were introduced and the MRT Declaration on Professional and Ethical Principles (hereafter, MRT Declaration) was enacted in 2003.⁵³ In the Broadcasting Council's monitoring reports on coverage of the 2004 presidential elections, MRT was commended. However, the challenge remains how to reduce further the dependence of public service broadcasting on public authorities and other political influences.

The local public radio stations are far behind the national broadcaster in terms of the transformation process. Making matters worse, the draft new Law on Broadcasting Activity lacks concrete visions on the mission and legal status of the local public service broadcasters. Many local public service broadcasters have occasionally suspended operations for several weeks because of financial problems. Often, they fail to fulfil the basic programme criteria, as over the past decade they have not become immune to the attempts by local politicians to control them.

4.1 The public broadcasting system

Public service broadcasting is currently being established. This is not an easy task, because Governments, and even the broadcasters themselves, are reluctant to accept change. The public service broadcasting system comprises three entities, all publicly owned broadcasting enterprises:

- Macedonian Radio & Television (MRT), the national public service broadcaster, comprising MR and MTV.⁵⁴

⁵² Interview with Živko Andrevski, media analyst, Skopje, 13 July 2004.

⁵³ MRT Declaration on Professional and Ethical Principles for Programmes, adopted in 2003, internal MRT document, available in the MRT archives, Skopje, (hereafter MRT Declaration).

⁵⁴ MRT has the following organisational units: MTV; MR (Macedonian Radio); production services resources; administrative and financial services; news desk for all MRT channels; and common programme activities.

- A total of 29 public local radio stations – 12 of these also broadcast television programmes, although this is not legally regulated.
- Macedonian Broadcasting (MB), the company in charge of the transmission infrastructure.⁵⁵

The transformation of MRT is proving to be a long and difficult process. As in other South-eastern European countries, there is increasing resistance to the ongoing process, for several reasons. First, there is unwillingness on the part of the political elite to lose control of influential media outlets. Second, there are difficulties in changing the mentality of the political class, with regard to general social reforms. Finally, there is a need to restructure, and reduce the number of employees in oversized, publicly owned companies such as MTV.

MRT is a publicly owned enterprise founded by Parliament.⁵⁶ The tasks of MTV are established by the Law on the Establishment of the Public Enterprise MRT (hereafter, Law on MRT) of 27 January 1998. This law contains only a few articles, some of them providing basic requirements for the broadcaster, but it does not precisely define the tasks of MRT. For instance, Article 7 states that MRT is obliged to immediately broadcast statements by the authorised bodies and organisations – for example, announcements referring to catastrophes, outbreaks of disease, mass unrest, and other events which present a danger to the life, health or property of citizens, or to the security of the State. Article 8 states that MRT is obliged, in case of public events organised by the Government, and for which it has obtained the exclusive rights to transmit and broadcast, to provide other broadcasting organisations (public and commercial companies) with the opportunity to re-transmit these events.

The new draft new Law on Broadcasting Activity contains a more precise explanation of MRT's tasks. In order to meet the public interest, MRT is obliged to:⁵⁷

- ensure that programmes are protected from the influence of political organisations or economic interests;
- produce and broadcast programmes intended for all segments of society, without discrimination, taking care to cater for specific social groups, such as children and youth, minority and ethnic groups, people with disabilities and sick people, and people who are socially deprived;
- preserve and foster the cultural identity of the ethnic communities;

⁵⁵ After the passage of the Law on Broadcasting Activity on 24 April 1994, MRT was split into two entities – Macedonian Broadcasting and MRT. Law on Broadcasting Activity.

⁵⁶ Operation of Macedonian Radio (MR) commenced on 28 December 1944 (as Radio Skopje), by live coverage of the Second Session of ASNOM (then the national assembly). MTV (then TV Skopje) was launched on 14 December 1964.

⁵⁷ Draft Broadcasting Law, art. 121.

- promote public dialogue, tolerance and the advancement of the multicultural character of the country;
- promote the respect of basic human freedoms and rights, democratic values, privacy and dignity;
- respect speech and language standards of both majority and non-majority communities;
- foster domestic audiovisual creativity which contributes to the development of culture in the Republic of Macedonia;
- provide adequate and impartial treatment of all political subjects during election campaigns;
- meet contemporary technical standards in broadcasting;
- provide archives of radio and television recordings and other audiovisual works, materials, and documents.

The present management of MRT took office in 2002 and introduced several reforms to improve the performance of the organisation. It introduced several documents on strategies to restructure MRT, including decreasing the number of employees and slashing of running costs. The management achieved progress in the unification of the editorial policy of various news departments' radio and television. Nevertheless, experts think that much more should be done, especially in the ranks of middle management.⁵⁸

The transformation of MRT is progressing in several directions:⁵⁹

- statutory and organisational changes;
- introducing programmes produced by independent producers;
- streamlining economic activities;
- drafting internal regulations and rules on job descriptions, organisation and wages;
- reorganising and strategies for dealing with redundancies.

There is no concept for the local radio services, with regard to their mission, number and types of such broadcasters, their legal status and the manner of financing.

The division of power between the ethnic Macedonian majority and the ethnic Albanian minority remains a highly divisive issue, occupying centre-stage in political

⁵⁸ R. Lyne, *Report to MRT General Manager Gordana Stošić*, Skopje, 28 June 2004. R. Lyne is manager of the OSCE/TF project on MRT reconstruction.

⁵⁹ Programme on MRT Transformation, Authority for MRT restructuring and transformation, March 2003, internal MRT document, available in the MRT archives, Skopje.

debate in the country. It also reflects on the media situation and, especially, on how the public service broadcaster is regulated and governed.

Until spring 2003, the Macedonian and the Albanian language news desks of Macedonian Television operated independently of each other. This was also the case for the editorial offices for culture or education. This led to differences in setting the news agenda, so that at some points in time there was little similarity in how the programmes in Macedonian and Albanian presented reality, especially the political agenda. According to one empirical research, less than 50 per cent of the content of the news broadcast in the two languages covered the same items.⁶⁰ An obvious feature in the selection of the news priorities, according to this research, was to pay much more attention to events in the “own” community, even of minor significance, than in the whole of the country. The activities of the Macedonian or, respectively, Albanian party in the ruling coalitions were closely covered in the corresponding news programmes.

At present, there is a central news desk preparing news broadcasts in Macedonian available to the news desks of all sections of MRT. The editors of the programmes in the languages of the ethnic communities are free to choose from the news offered by the central desk and to add their own input. Usually, the head of the Albanian language news desk is also deputy head of the news programme of all news programmes of MRT. Nonetheless, both initial empirical research and anecdotal evidence show that both the news agenda itself and the overt or latent tendency of the news in the various languages, differ.

4.2 Services

The Law on MRT determines the services to be provided by the national broadcaster, including:⁶¹

- producing and broadcasting radio and television programmes with informative, educational, cultural, scientific, sports, music, entertainment and other content;
- broadcasting in Macedonian and the languages of the ethnic minorities that live in the Republic of Macedonia;
- offering programmes on cultural and historical heritage and traditions;
- maintaining relations with emigrants from the Republic of Macedonia abroad;
- broadcasting radio and television programmes of other broadcasting organisations and independent producers;

⁶⁰ Sefer Tahiri, *The transformation of the news programmes of Macedonian Radio and Television, unpublished research paper*, University of Skopje, July 2004.

⁶¹ Law on the Establishment of the Public Enterprise Macedonian Radio-Television, *Official Gazette of RM*, No. 6/98, last amended by the Law amending and appending the Law on the Establishment of the Public Enterprise Macedonian Radio-Television, *Official Gazette of RM*, No. 78/04, (hereafter, Law on MTV), art. 6.

- producing and selling audio and video cassettes and tapes, compact discs, films, viewtext, and other audio and video activities;
- producing, arranging, keeping, registering and exploiting television recordings and other audiovisual products, materials and documents of national interest.

In total, MTV broadcasts 73 hours daily on its three terrestrial channels and one satellite channel. The first channel, MTV1, broadcasts non-stop programmes, with news and current affairs reporting, cultural, documentaries, education and scientific content. MTV2 broadcasts 12 hours daily, featuring entertainment and shows, sports and programmes in the languages of other communities translated into Macedonian. MTV3 presents programmes for 13 hours – in Albanian for 9.5 hours, in Turkish for 2.5 hours, and three times per week for 30 minutes in Serbian, Romanes, Vlach, and Bosnian.⁶²

At the end of 2004, Parliament resolved to reduce the output of MTV significantly, by deciding that the third channel, MTV3, would in future broadcast the entire proceedings of the parliamentary sessions,⁶³ with its present content moved to the MTV2. MTV3 started with an experimental Parliament programme on 29 March 2005.

MRT lacks adequate staff for producing the different programming strands for multiple radio and television channels. Many young employees, usually hired on a part-time basis, were in recent years the driving force behind producing genre programmes. However, they are now leaving MRT, because the station cannot provide them with resources and funds.

Due to huge financial problems, the majority of local public service broadcasters have difficulties in supplying their own programmes. Some of them (including Radio Gevgelija, Radio Debar and Radio Prilep) were deprived of their power supply for a while in 2002 and 2003, after having failed to pay electricity bills, and had to stop broadcasting.⁶⁴ On average, the local public radio stations have between 8 to 16 hours of programming daily. Twelve of them also broadcast television programming, also between eight and 16 hours per day. Local public television stations usually focus on

⁶² The third channel existed from 1991 to 2000, initially as an experimental channel. Since August 2002, the third channel has broadcast programmes in the languages of the ethnic minorities.

⁶³ Parliament has decided to produce the new Parliament Channel itself, rather than MTV. MRT just has a one-time obligation to assist Parliament in selecting and installing the required equipment, and is also expected to choose five people who will provide initial training for Parliament TV team. Comment from OSI Roundtable, Skopje, 17 January 2005 (hereafter, OSI Roundtable comment). *Explanatory note: OSI held roundtable meetings in each country monitored to invite critique of its country reports in draft form. Experts present generally included representatives of the Government and of broadcasters, media practitioners, academics and NGOs. This final report takes into consideration their written and oral comments.*

⁶⁴ Broadcasting Council, “Radio i televiziskata programa”, (“Radio and TV Programmes”), Annual monitoring report, in *Bulletin No. 14/2003*, Skopje, p. 9, (hereafter, Broadcasting Council, *Radio and TV Programmes*).

entertainment and commercial content, which means that they do not fulfil even the basic programme criteria for public service broadcasting.⁶⁵

4.3 Funding

Macedonian public service broadcasting has for a long time been confronted with a very difficult financial situation. This is mostly due to the poor collection rate of the licence fee, which is MRT's main source of income. It is also a result of high costs incurred by working with outdated equipment and organisational structures – MRT is overstaffed, but lacks high-quality editorial staff and specialists in information technology. The funding model of the public service broadcaster is determined by Parliament and its funding rules are stipulated in the Law on Broadcasting. The Law on MRT sets out that MRT is financed by:⁶⁶

- a portion of the licence fee;
- advertising services;
- sale of programmes;
- income from other services and activities, sponsorships and donations;
- funds provided by the Republic of Macedonia for financing programmes produced for Macedonians in neighbouring countries, Europe and overseas;
- sale of news and current affair reports and other features to external customers.

The Law on Broadcasting Activity determines the distribution of funds generated through collection of the licence fee:⁶⁷

- 61 per cent is allocated to MRT operative costs;
- 7.5 per cent is allocated for the technical development and technical equipment of MRT;
- 16.5 per cent is allocated to Macedonian Broadcasting, the company in charge of telecommunications;
- 5 per cent is allocated for public local radio and television stations;
- 10 per cent is allocated for private radio and TV and independent producers for the creation of programmes of public interest – allocated through a tender administered by the Broadcasting Council (see section 5.5).

⁶⁵ Emilija Petreska and Snežana Trpevska, "Darstellung der Mediensysteme: Mazedonien", ("The media landscape in the Republic of Macedonia"), in *Internationales Handbuch Medien 2004/2005*, (*International Media Handbook 2004/2005*) Hans-Bredow-Institut, Nomos Verlagsgesellschaft, Baden-Baden, 2005, pp. 451–463, (hereafter, Petreska and Trpevska, *Media landscape in RM*).

⁶⁶ Law on MRT, art. 24.

⁶⁷ Law on Broadcasting Activity, art. 77.

The licence fee should be paid every month together with the electricity bill, by all consumers except those who are exempted.⁶⁸ At the moment the licence fee is set at to €4.78.⁶⁹ However, there are problems with collection, with as many as 35 per cent of viewers avoiding paying it. The reluctance to pay can be attributed to viewers' dissatisfaction with MRT, but even more to their difficult personal financial situation, with low standards of living and a high unemployment rate. As shown below in Table 3, the licence fee collection rate was 56 per cent.

Table 3. Licence fee collection rates (1993–2005)

	Collected fee (millions)	Collection rate (per cent)
1993	333.9	64.7
1994	561.1	46.8
1995	617.4	49.8
1996	531.7	41.8
1997 (Jan to May: compensation)	185.1	36.4
1997 (June to Dec: licence fee)	453.6	65.7
1998	741.2	65.6
1999	615.2	68.1
2000	612.7	64.6
2001	503.2	56.6
2002	502.3	50.8
2003	563.6	52.8
2004	622.6	56.6
2005 (Jan-March)	53.3	56.0

Source: MRT⁷⁰

The licence fee is the main source of MRT's revenue (see Table 4). The poor collection rate therefore further aggravates MRT's weak financial standing. In 2004, MRT's total

⁶⁸ The new draft Law on Broadcasting Activity 2005 provides that the broadcasting fee should continue to be collected through the Electro-economy of Macedonia (ESM), regardless of whether ESM is privatised or not.

⁶⁹ The licence fee is set at 2.5 per cent of the average net monthly salary in the Republic of Macedonia for the previous three months.

⁷⁰ MRT, Databases of the MRT, Broadcasting Council, Ministry of Transport and Communications and others, Skopje, May 2005.

income was MKD 844.23 million (or approximately €13.73 million), which is 7.2 per cent higher than for the previous year.⁷¹ MRT's revenue from the licence fee amounted to €9.19 million in 2003, an increase of 12.2 per cent over the previous year. This was partly due to an increase in the fee (from €4.47 per month in 2002). Even with this increase, however, this revenue fell short of the projected total by 15.3 per cent; the station's average monthly inflow was €766,170 as opposed to the projected amount of €904,503.

Table 4. MRT budget revenue sources (2004)

Revenue source	Share of total revenue (per cent)
Licence fee	80.2
Revenue from advertising	12.1
Bank interest and positive exchange rates	1.4
Other revenue	6.3

Source: MRT⁷²

Generally speaking, the level of financing of MRT, is not sufficient to maintain three radio channels and three television channels. The unresolved issue of ensuring sufficient financing remains the biggest challenge for MRT.⁷³ There has been insufficient debate in the Republic of Macedonia on the future of public service broadcasting⁷⁴ and it seems that there is no public awareness about the role and mission that it should assume. More public deliberations are required to overcome the belief that MRT should be the mouthpiece of the State.⁷⁵ Some debates took place during the drafting of the new Law on Broadcasting Activity in 2003 (see section 6), but few conclusions were drawn. Government representatives did not indicate any interest in debating the future mission of public service broadcasting.

⁷¹ The total revenue of MRT in 2003 was MKD 942.37 million (or approximately €15.37 million).

⁷² MRT, *Godišen izveštaj za 2004 godina, (Annual financial statement for 2004)*, accepted by the MRT Board, Skopje, February 2005.

⁷³ OSI roundtable comments.

⁷⁴ It is interesting to note that all media experts interviewed for this report agreed that Macedonia lacks sufficient debate on the future and mission of public service broadcasting. Some thought that there has been no debate at all.

⁷⁵ According to David Quinn, there is still such a perception, and greater effort needs to be made to eliminate it. Interview with David Quinn, member of the OSCE Media Development Team in the Republic of Macedonia, and assistant to the Thomson Foundation "Project on MRT reconstruction", Skopje, 12 July 2004.

Although there has been some improvement in recent years, media experts still assess that politicians exert too much (direct or indirect) control over public service broadcasting. One of the media experts interviewed for this report stated unambiguously that, “the public service broadcaster is deliberately maintained by the Government in such reaction, in chaos, and in misery, so that it can be conditioned when there is need for that. Ironically, on the other hand, they do not want to close down this national broadcasting company.”⁷⁶

4.4 Governance structure

4.4.1 Composition

MRT is governed by the Board, the Financial Supervisory Board, and the General Director.⁷⁷

There is also a Programme Council, whose top executive officers are the Director and the Editor-in-Chief of Macedonian Radio, and the Director and Editor-in-Chief of MTV. The Programme Council monitors the implementation of the programme framework of MRT. It also responds to the complaints and proposals of viewers and listeners, and offers its comments and suggestions regarding the programmes to the MRT Board.

The MRT Board is the governing body of MRT. The Board is obliged to submit an annual report to Parliament on the work of MRT. The General Director is in charge of executing the decisions of the MRT Board and is responsible to ensure efficiency and legality of the operations of the company. The General Director is legally obliged to provide an annual report to Parliament, which Parliament can accept or refuse – however, Parliament has not refused a report to date.

Neither the Law on Broadcasting Activity, nor the Law on MRT, halted the tradition of political partisanship in MRT management. It is established practice to appoint managers who are close to the ruling parties. Due to the “party spoils” system, many of the top and middle managers at MRT lack professional training, organisational and personal skills to manage and upgrade a complex public broadcasting service. According to the law, the General Director and the Board are directly accountable to Parliament. In practice, however, MRT directors are usually accountable to the ruling political parties that originally recommended and supported their election in the Parliament.

The draft new Law on Broadcasting Activity foresees significant changes to the Board’s remit, and also changes with respect to the General Director. The Board would have the following remit:⁷⁸

⁷⁶ Interview with a person who wished to remain anonymous.

⁷⁷ Law on MRT, art. 12.

⁷⁸ Draft Law on Broadcasting Activity 2005, art. 133.

- appointing and dismissing the MRT General Director, with a two-thirds majority vote;
- implementing the public interest – for example, by ensuring editorial autonomy and independence from the State or any other interests, and programming quality and diversity;
- enforcing editorial independence and the institutional autonomy of MRT;
- approving programme policy;
- approving the development plan for MRT;
- adopting the statutes of MRT;
- approving the annual MRT work-plan;
- approving the annual financial plan.

4.4.2 Appointments

The Board consists of 11 members, who are supposed to be eminent scholars, artists and professionals. Parliament appoints seven of the members. The other four members, also appointed by Parliament, are MRT employees who are proposed by the MRT Council of Employees.

The present law prohibits any conflict of interest for the MRT Board members. For example, Board members are not allowed to be owners of, or associated with, companies that have commercial relations with MRT. Those considered not eligible for board membership also include members of the Government, other public officials or officials of political parties, and owners or employees of other broadcasting organisations.⁷⁹

Parliament also appoints and dismisses the General Director and the Deputy General Director, who both serve four-year-terms. The appointment of the General Director and his or her Deputy is confirmed by a majority vote of the parties represented in Parliament, which means that the decisive votes usually come from the ruling parties.⁸⁰ In the mid-1990s, a practice was introduced of appointing an ethnic Albanian as Deputy General Manager, nominated by the Albanian political party in the governing coalition.

The Director and Editor-in-Chief of Macedonian Radio and Macedonian Television are appointed and dismissed by the Board, upon the proposal of the General Director. The General Director can dismiss the managers of the radio and television programmes.

⁷⁹ Law on MRT art. 14.

⁸⁰ Law on MRT, art. 17, 19.

The draft new Law on Broadcasting Activity provides for the General Director to be elected by the Board, with a two-thirds majority vote, after a public competition. However, even if this change is enacted, seen realistically, the situation will not change, as political parties will certainly continue their attempts to ensure that their proxies are appointed to the Board. It also contains a provision that the Board can dismiss the General Director.

The draft law also foresees that the mandate of the members of the Board can be terminated before the regular deadline in the following cases (this is not specified in the present law):⁸¹

- if a member is absent from the meetings of the Board for more than for three months;
- if a member resigns;
- if reasons occur that prevent a person from being elected a member of the Board;
- if a member is sentenced to more than six months of imprisonment.

In future, MRT would be governed by a Council (51 members), an Executive Board and the General Director. The members of the Council would be appointed by Parliament, through a majority vote. The Executive Board would have seven members, appointed by the MRT Council after a public competition. The Executive Council would elect the Director General, and would report to the Parliament.

4.4.3 Sanctions that can be invoked against public service broadcasters

The present Law on Broadcasting Activity allows charges to be brought for minor offences against commercial and public service broadcasters. These are standard procedures in accordance with other laws. The present law only foresees reporting an offence or filing a request for charges by the Broadcasting Council as the supervisory body in the broadcasting sector.

4.5 Programme framework

4.5.1 Output

The structure of MRT's output by genre has not been updated for many years and lacks creative energy from authors and producers.⁸² This is often explained as an outcome of MRT's financial difficulties (see section 4.3).

⁸¹ Draft Broadcasting Law, art. 104.

⁸² Broadcasting Council, *Bulletin No. 14/2003*, p. 8.

Recently, MTV programmes have been increasingly of a commercialised nature, with, in particular, more music and entertainment shows. This new direction of MTV has, in recent months, led to debate amongst media experts and elicited criticism from commercial broadcasters, who accuse MTV of competing with them in entertainment and other “light” programmes.⁸³ They argue that the public service broadcaster has an obligation to show different genres for all segments of the public.

About 13 per cent of MTV local radio output consists of re-broadcasting external radio services such as BBC, VOA, and Deutsche Welle.⁸⁴

Some local television stations, after signing off in the evenings, rebroadcast programmes of foreign satellite channels. This is because they are not financially capable of producing their own programmes or paying for legally imported content. According to the Broadcasting Council, this is done without permission.

⁸³ Snežana Trpevska, and Emilija Janevska, “Indikatori za evaluacija na funkciite na javniot radiodifuzen servis”, (“Indicators on evaluation of functions of public service broadcasting”), in Broadcasting Council, *Bulletin No. 12/2003*, Skopje, p. 30.

⁸⁴ Broadcasting Council, *Bulletin No. 14/2003*, p. 9.

Table 5. MTV programme framework – breakdown by genre and type of programme (2003)

Types of programme		MTV1	MTV2	MTV3	Total (all 3 channels)	Share (per cent)
1. Own and foreign programmes	Information programme	90,364	90,118	107,884	288,366	20.4
	Documentary programme	6,696	3,929	4,393	15,018	1.1
	Culture and arts programme	89,947	49,754	33,955	173,656	12.3
	Educational programme	13,004	4,610	3,695	21,309	1.5
	Foreign programme with translation	16,238	15,984	–	32,222	2.3
	Programme announcements	7,460	5,224	1,472	14,156	1.0
	Total	223,709	169,619	151,399	544,727	38.6
	Marketing programme	16,783	583	168	17,534	1.2
	Remaining programme (test card)	8,988	11,203	6,291	26,482	1.9
	Own Satellite programme	10	296	–	306	–
	Total	25,781	12,082	6,459	44,322	3.1
	Total 1	249,490	181,701	157,858	589,049	41.7
2. Repeats etc.	Repeats of recent shows, mostly from the same week	259,186	172,083	120,591	551,860	39.1
	Repeats of old shows, from past years	2,975	3,047	4,982	11,004	0.8
	Foreign programme without translation	14,723	3,679	9,790	28,192	2.0
	Foreign satellite programmes, such as BBC, VOA and DW	–	398	230,871	231,269	16.4
	Total 2	276,884	179,207	366,234	822,325	58.3
Total broadcast television programmes		526,374	360,908	524,092	1,411,374	100.0

Source: MRT⁸⁵

⁸⁵ MRT, *Izveštaj za rabota na MRT, Godišen finasov izveštaj na MRT za 2003 godina*, (Report on MRT work, after the Annual financial statement of MRT for 2003), accepted by the MRT Board, February 2004, Skopje. In 2003, the average broadcasting times were 24 hours for the first TV channel; 16 hours and 30 minutes for the second; and 24 hours for the third; and 24 hours for MTV-SAT.

On MTV1, the most watched channel of MTV, news accounts for 20 per cent of the output, education for 10.73 per cent, and entertainment and sports for 18.06 per cent.⁸⁶ There is a widespread impression that MRT programming is becoming increasingly similar to that which the commercial broadcasters offer. The reason for this is most probably the depressing financial situation of the public service broadcaster. As there is insufficient funds for the production of documentary and educational programmes, MTV resorts to showing light entertainment programmes in an attempt to retain audiences and fight off competition from the many commercial broadcasters.

4.5.2 Quotas

The Law on Broadcasting Activity only foresees obligatory quotas for national and local public service broadcasters, for programmes in the languages of the ethnic communities in the Republic of Macedonia. Other quotas, such as for domestic or European works, are included in the 2005 draft Law on Broadcasting Activity, with the purpose of bringing the country's media legislation in line with European standards.

Ethnic diversity is a determining feature of society in the Republic of Macedonia. Especially after the major ethnic clashes in 2001, the issue of the representation of ethnic diversity in the media has been high on the political agenda. Several monitoring projects have shown that, particularly in times of tensions and looming intra-State conflicts, media of different ethnic communities tend to report ongoing developments in different, often contradictory terms.⁸⁷ However, in spite of many projects, mostly financed from abroad, aimed at improving the performance of the media when reporting ethnic diversity, media in the different languages remain one of the core agents of creating different, and often conflictual, public spheres in the country.

MRT is obliged to offer content in minority languages as well as Macedonian.⁸⁸ The public service broadcaster has respected this principle, and the length of every programme for minorities corresponds to that minority's share of the population. The same is prescribed for local public broadcasters in regions that have a local majority or a "significant percentage" of minority population, though there is no clear definition of what a significant percentage is. MRT programmes contain special quotas for minority

⁸⁶ Broadcasting Council, *Radio & TV Programmes*, p. 8.

⁸⁷ IWPR, "Same world, parallel universes: The role of the media in the Macedonian conflict", in *Obrid and beyond*, IWPR, Skopje, 2002, p. 73; Veton Latifi, *Macedonian challenges in the process of the democratization and stabilization*, KAS, Skopje, 2003, p. 197; International Press Institute, *2001 World press freedom review*, IPI, Vienna, 2001, p. 186, available at http://www.freemedia.at/wpfr/Europe/wpfr_eu.htm (accessed 6 July 2005); Macedonian Institute for Media, *Macedonia: the Conflict and the Media*, Skopje, 2003.

⁸⁸ Law on Broadcasting Activity, art. 45.

ethnic communities. Programmes are broadcast in seven languages: Macedonian, Albanian, Turkish, Serbian, Romanes, Vlach and Bosnian.⁸⁹

The MRT Declaration asks journalists working in the public broadcasting service to show respect for values of all ethnic groups and to report in an unbiased manner.⁹⁰

Table 6. Quotas for minority language programming on the national public service broadcasters

	Total weekly output (hours)					
	Albanian	Turkish	Serbian	Roma	Vlach	Bosnian
MTV3	65h	17h 30m	2h 30 m	1h 30 m	1h 30m	1h 30m
Mac. Radio2	59h 30m	38h 30m	–	3h	3h	–

Source: MRT and the Broadcasting Council⁹¹

Table 7. Quotas for minority language programming on the local public service broadcasters

	Total weekly output (hours)				
	Albanian	Turkish	Roma	Vlach	Serbian
Radio Tetovo	47.5	16	–	–	–
Radio Gostivar	6	6	–	–	–
Radio Debar	24.5	2.5	–	–	–
Radio Kičevo	12	–	–	–	–
Radio Struga	14	3	–	1	–
Radio Kumanovo	12	–	12	12	–
Radio Krusevo	–	–	–	1	–

Source: MRT and the Broadcasting Council⁹²

⁸⁹ Programmes in Albanian and Turkish started in 1967.

⁹⁰ MRT Declaration, art. 55.

⁹¹ Database of MRT and the Broadcasting Council, Skopje, June 2004.

⁹² Database of MRT and the Broadcasting Council, Skopje, June 2004. This data relates only to the radio programming of the local public service broadcasters. Those which broadcast television programmes do not do so in languages of the ethnic minority communities. However, most of the cited local broadcasters do not broadcast any television programmes.

The MRT Declaration also commits the organisation to carry programmes for persons with special needs.⁹³ For example, MTV broadcasts news and other information programmes for deaf people.

4.6 Editorial standards

Public service broadcasting is guided by the Constitution, national laws (especially the Law on Broadcasting Activity), international conventions and codes of ethics. However, the MRT Declaration serves as the main guideline for editorial standards.

In 2003 and 2004, there were cases when journalists from the MTV news desk were fined for mistakes in their work that led to inaccurate information being broadcast and, so, to the violation of the MRT Declaration. The general impression of the public was that the fines were for professional failures and, therefore, were correct and not politically motivated. The exact number of such cases has not been established. According to a senior editor of the news sector of MRTV, several journalists have been fined by having to take a cut of ten to 20 per cent in their salaries for one month.

The MRT Declaration contains a provision on “Standards for Information Programmes”, which obliges employees and MRT to respect impartiality and accuracy.⁹⁴ This stipulates that “information should be impartial, and facts and views be presented in a balanced and ethical form” and that information “may not be inaccurate”.⁹⁵ Slovenian Television, the BBC and other public service broadcasters have adopted more elaborate documents than the MRT Declaration. Nonetheless, there has been improvement in providing impartial and accurate reporting since the declaration was adopted in 2003. Experts say this was best shown by MRT’s coverage of the 2004 presidential elections in Macedonia.⁹⁶

Decentralisation is a key outcome of the Ohrid Framework Agreement. However, MRT’s coverage of the November 2004 referendum on decentralisation – a highly contentious event that could have had dramatic repercussions on the stability of the country – was not as extensive as its coverage of the presidential elections. Indeed, the Broadcasting Council concluded in its monitoring that MRT had not fulfilled its obligation to inform the audience about the legal background of the referendum, the

⁹³ MRT Declaration, art. 61.

⁹⁴ MRT Declaration, art. 8-18. Article 7 refers to other guiding documents on impartial and accurate reporting, such as the Code of Ethics of Macedonian Journalists, and the Code of Ethics of the International Federation of Journalists.

⁹⁵ MRT Declaration, art. 8, 13.

⁹⁶ Interview with Snežana Trpevska, coordinator of Sector for Programme Affairs of the Broadcasting Council, Skopje, 24 June 2004.

issues to be decided in the referendum, and the technical aspects of voting.⁹⁷ An analysis of MTV's news broadcasts found news on MTV1, in Macedonian, to have been informed and balanced. However, this was not the case for news on MTV3, in Albanian, which the Broadcasting Council found to contain significant imbalance in favour of the option to vote against the proposal of the referendum's initiators to stop the decentralisation plan.⁹⁸ In the end, the referendum against decentralisation failed because the turnout fell below the required 50 per cent.

5. REGULATION AND MANAGEMENT OF COMMERCIAL BROADCASTING

By international standards, the regulation of commercial broadcasting in the Republic of Macedonia is unduly restrictive. Only one legal or physical person may be the founder of a commercial broadcasting company and the present law makes it difficult to transfer ownership of broadcasting organisations to other people. The founder may be granted only one broadcast licence at the national level, and two at the local level. The licence may not be transferred to a third party. Founders of a commercial broadcasting station may not be persons engaged in print media, political parties, and public or party officials. Foreign entities may only be co-founders and hold at most 49 per cent of the founding capital of the company.

Owners of commercial broadcasters are often individuals backed and sponsored by powerful industrial or trade businesses, or by powerful individuals who were, or are, top political party officials, Government Ministers or Members of Parliament. Advertising profits and revenues are mainly divided among the major broadcasters, while small, local commercial broadcasters often operate on the basis of donations, subsidies and assistance from NGOs. Journalists in commercial electronic outlets complain about low and late salaries, and the non-payment of social security contributions and other taxes by media owners. Such practices are mostly the outcome of the poor overall economic situation in the country.

5.1 Public service obligations for commercial broadcasters

Commercial broadcasters are obliged to fulfil general and specific conditions for obtaining a broadcast licence. There are different conditions for local and national broadcasters (see section).

⁹⁷ The Broadcasting Council found that MRT had not fulfilled the obligations stressed in the Recommendations for broadcasting specialised programmes for informing the citizens regarding the law regulating referendum issues, the content of the referendum initiative, and for the way and the techniques for voting. See: Broadcasting Council, *Bulletin* No. 17, Skopje, 2005, pp. 50–58.

⁹⁸ Broadcasting Council, *Bulletin* No. 17, 2005, Skopje, p. 17.

Participants promising a better programme structure have a better chance of obtaining a licence (see section 3.2). This is clearly stated in the tender documentation. In other words, if two or more applicants for a national licence promise equal conditions, preference will be given to the applicant who plans to ensure 40 per cent or more of their own production. A more diversified programme scheme differing from the offer of existing television stations will also be regarded favourably. Emphasis should be on quality entertainment, educational content, culture and art. At the local level, applicants who offer at least 40 per cent of their own production will enjoy an advantage. Similarly, advantages accrue to applicants who promise to produce more local programme content than is required in law. Finally, applicants aiming for a different type of content than already offered by existing stations will be favoured.

After obtaining a broadcast licence, a commercial broadcasting company must conclude a broadcasting contract with the Government. This contract stipulates the type and structure of the envisaged broadcasting; the technical and programme-related conditions; the amount of the licence fee and the manner of its payment; the obligation of a licence holder to submit certain data to the Broadcasting Council; supervision; liability for failure to respect the terms of the licence; the circumstances in which a licence can be terminated; and the manner in which disputes should be solved or the licence agreement terminated.

The Broadcasting Council monitors the programmes aired, in order to determine if the law and contract are respected. It may, for instance, assess whether the mandatory census of own production is honoured. If the Council finds violations, it may propose sanctions. However, the Council is not in a position to react if a broadcaster fails to live up to its promised volume of self-produced programming. The Council has no sanctioning mechanisms. Also, a broadcaster may not honour the time ratio set out for broadcasting in different languages, simply because there are no legal obligations for this.

5.2 Commercial television ownership

The law provides for a restrictive policy regarding private ownership in the broadcasting industry.

First, the Law on Broadcasting Activity limits concentration within the sector. A legal entity or a natural person may establish only one commercial broadcasting company. They can be the co-founders of only one more broadcasting enterprise, with up to 25 per cent of the total capital of this company.⁹⁹ Moreover, a commercial broadcaster can be granted only one national broadcast licence for a radio station or for a television station. For broadcasting at the local level, at most two licences can be granted, in separate, non-contiguous areas – one for radio and one for television.¹⁰⁰ In practice, however, there are cases when legal entities are the owners of a radio and a television

⁹⁹ Law on Broadcasting Activity, art. 10.

¹⁰⁰ Law on Broadcasting Activity, art. 17.

station in the same area, although the licence contracts bear different names, usually the names of married couples.

The law states that a granted licence cannot be transferred to a third party, and provides for a fine if this takes place.¹⁰¹ However, until now this has not happened in practice. Without Government approval, it is illegal to change the ownership structure.¹⁰²

The 2005 draft Law on Broadcasting Activity does not retain such restrictions with regard to ownership.

5.3 Cross-media ownership

Similarly, there are restrictions limiting horizontal concentration and also possible political influence. Legal entities and natural persons engaged in print media, political parties, as well as holders of public office or officials of political parties cannot be co-founders of a broadcasting company.¹⁰³ They also cannot be owners or co-owners of broadcasting companies. Public or party officials may not be appointed director or editor-in-chief of a broadcasting company.

Journalists reacted vehemently when the Law on Broadcasting Activity was passed, in 1997, objecting especially to provisions prohibiting the simultaneous ownership of a newspaper and a radio or television station. They argued that throughout Europe ownership restrictions were not so severe. What ensued was exactly what the law had attempted to prevent, namely concentration of control over media in few hands. So-called “secret partnerships” exist – meaning, connections of a radio, television station and a newspaper, or between television and a newspaper – and such arrangements are hard to stop. One example is the partnership between TV A1 and the private daily newspaper *Vreme*.¹⁰⁴

There are also restrictions on foreign capital in the broadcasting sector. A foreigner can be co-founder of a commercial broadcasting company with up to 25 per cent of the total capital. The combined investment of several foreigners in a commercial broadcasting company cannot exceed 49 per cent of the total capital.¹⁰⁵ Consequently, there is no foreign investment in the broadcasting sector in the Republic of Macedonia, although interest has been expressed.

¹⁰¹ Law on Broadcasting Activity, art. 21, 85.

¹⁰² Law on Broadcasting Activity, art. 35.

¹⁰³ Law on Broadcasting Activity, art. 11.

¹⁰⁴ Viewpoint expressed by Goran Gavrilov, Director of the first Macedonian private radio station, Kanal 77, and widely supported by other participants at the roundtable on “Media Concentration and its Influence on Pluralism and Freedom of Expression”, 2 July 2004, Skopje, organised by the Broadcasting Council and the Macedonian Institute for Media.

¹⁰⁵ Law on Broadcasting Activity, art. 10.

The 2005 draft Law on Broadcasting Activities abolishes these restrictions and provides for equal treatment of foreigners in the broadcasting industry of the Republic of Macedonia.¹⁰⁶ The draft law also contains restrictions to limit ownership concentration. The owner of a national broadcast licence cannot own more than 50 per cent of the capital or voting rights of another organisation with a national broadcast licence. This owner can possess one more regional broadcast licence and two more local broadcast licences (in non-adjacent areas). The owner of a regional broadcast licence can own only one other regional broadcast licence (for a non-adjacent area) and two more local broadcast licences (also for non-adjacent areas). The owner of a local broadcast licence can own only two more local broadcast licences (but for non-adjacent areas).¹⁰⁷ The implementation of these restrictions in such a small country as the Republic of Macedonia will be difficult.

Currently, the law has omitted a requirement for broadcasting companies to reveal data on their ownership structure and other data about their operation. Therefore, it is not easy to determine the owners of the media and their individual capital share. In order to overcome this inconsistency, the broadcast licence contract obliges the licence holder to provide the Broadcasting Council with all requested data, including information about the ownership structure.¹⁰⁸ According to the Broadcasting Council, individuals are most often registered as owners. Information about the ownership structure is also provided by the Court Registry of Trade Companies. The Law on Securities¹⁰⁹ obliges broadcasters to publish data on changes in the ownership structure in the daily press or on the website of the Macedonian Stock Exchange. In practice, however, this requirement is usually ignored.

Data on the ownership structure of the major television stations support the assumption that some powerful political and business figures are among the owners of some major radio and television stations. Also, in the case of small stations, there are many examples of owners who have joined together to run the business. The following are some examples:

- TV A1 – the owner, Velija Rankovski, also controls a large trading company. He is also founder of two more companies, one of them devoted to cinema production.
- TV Sitel – owned by Sileks in Kratovo, a shareholding company for mining and industry. Main shareholders are Ljubisav Ivanov, the Chairman of the Socialist Party, and his son, Goran Ivanov, who is Director of the station and also owns five other companies in different businesses.

¹⁰⁶ Draft Law on Broadcasting Activities 2005, art. 19.

¹⁰⁷ Draft Law on Broadcasting Activities 2005, art. 14.

¹⁰⁸ Law on Broadcasting Activity, art. 32.

¹⁰⁹ Law on Securities, *Official Gazette of RM*, No. 34/01.

- TV Kanal 5 – owned by the Print Company BS, which is named after Boris Stojmenov, Finance Minister in the former coalition Government led by the conservative VMRO-DPMNE party. His son, Emil Stojanov, is founder of the Holding Company BS and founder or co-founder of other trading companies.
- TV Telma – owned by Makpetrol Inc., the main business activity of which is the import and sale of oil and oil products; it has established six other trading companies.¹¹⁰

However, none of the owners of these major media outlets has any shares, at least on paper, in other media companies. So, it is difficult to prove concentration in the broadcasting sector.

Different tendencies are visible in print media. The October 2003 liquidation of the then biggest national newspaper and printing company, Nova Makedonija, which published several dailies, weeklies, reviews and magazines, saw the end of one monopoly. However, the market penetration by the German media concern WAZ was extensive, with its purchase of all three major private dailies in the Republic of Macedonia: *Utrinski Vesnik*, *Dnevnik* and *Vest*.¹¹¹ WAZ entered the market at a moment when the dailies *Nova Makedonija* and *Večer* had collapsed and *Makedonija denes* had only a small circulation.

The Anti-Monopoly Authority of the Republic of Macedonia published data according to which, in the first half of 2003, WAZ controlled 89.21 per cent of the market. The start of a new private daily paper (*Vreme*) in early 2004 and the relaunch of the two daily papers formerly belonging to Nova Makedonija Company (*Nova Makedonija* and *Večer*) changed the picture. By February 2004 the share of WAZ-owned papers decreased to 54.87 per cent. The Anti-Monopoly Authority assessed this as “proof that there is sound competition, and not a monopoly, in the print media market”.¹¹² In many European countries, anti-monopoly rules are invoked when a medium outlet controls more than 30 per cent of the audience or readership.

As with private electronic media, it is not hard to detect the influence of politics. Namely, Srgjan Kerim, the country director of WAZ, is the former Foreign Minister in the Governments led by VMRO-DPMNE and LP. The other owner of *Utrinski Vesnik* is Trifun Kostovski, a powerful businessman and the Mayor of Skopje.

¹¹⁰ For more information on the ownership structure of television stations, see: Macedonia Institute for Media, *Mediumskata sopstvenost i nejinoto vlijanie vrz nezavisnosta na mediumite i pluralizmot*, (*Media ownership and its influence on independence of media and pluralism*), Skopje, 2004, pp. 63–68.

¹¹¹ V. Šopar, *Press in Macedonia: Still in Process of Transition*, in Orlin Spasov (ed.), *Quality press in Southeast Europe*, Southeast European Media Center (SOEMZ), Sofia, 2004.

¹¹² Monopoly Authority Decision of 16 April 2004, (internal document). The decision allows the merger of three dailies (*Utrinski vesnik*, *Dnevnik*, and *Vest*), through WAZ by acquiring a controlling package.

5.4 Funding

Macedonia is a small country with limited economic resources and with many media outlets, so that competition is fierce. Outlets still mostly receive advertising from clients who are affiliated to the same informal political or business interests. After foreign capital began to be invested in print media in the late nineties, advertising slowly began to go to those print outlets that achieve bigger audiences. The distribution of gross advertising spending in the television sector is as shown below in Table 8.

Table 8. Gross advertising spending in the television advertising market – breakdown by channel (2003)

Channel	Share of television advertising market (per cent)
A1	33.9
MTV1	15.1
Sitel	12.1
MTV3	4.0
MTV2	3.5
Network+	3.1
Local	13.1
Foreign	15.2
Total	100

Source: SEENPM and Peace Institute.¹¹³

There are several kinds of competition in the media market: commercial broadcasters compete among themselves; commercial and public service broadcasters compete; and media outlets in different languages compete. With new market players arriving on the national media scene after fresh broadcast licences were granted in 2004, there will inevitably be stiffer competition for advertising orders. Prices will fall and radio and television stations will be forced to depend even more on other sources of income. In turn, this will have a negative impact on news and current affairs reporting and other quality programmes. Already, most of the advertising carried by some major television stations, such as A1 and Sitel, is for the products of their own mother companies or enterprises connected to them, mostly in the trade sector.¹¹⁴

¹¹³ Snežana Trpevska, Chapter on Macedonia, in Brankica Petkovic, *Media ownership and its impact on media independence and pluralism*, SEENPM and Peace Institute, Ljubljana, 2004, available at http://www.mirovni-institut.si/media_ownership/pdf/macedonia.pdf (accessed 6 July 2004), p. 292.

¹¹⁴ Interview with R. Belicanec, director, Media Development Center, Skopje, 2 July 2004.

The battle for advertising revenue between the public and the commercial broadcasting sector has never ceased. For many years, private radio and television stations have criticised what they perceive to be the monopoly for advertising by the public service broadcaster MTV. They accuse the market leader of dumping, even though MTV has been provided by Parliament with stable financing sources in the form of the licence fee. According to the draft new Law on Broadcasting Activity, advertising in public service broadcasting will still be limited to seven per cent per hour of broadcasting. However, on commercial channels, it will be limited to 20 per cent per hour of programming combined with commercials and teleshopping. At the moment, there is a 20 per cent per hour limit for advertising and a maximum of one hour per day for teleshopping (see section 5.5).

Finally, the market is also divided along ethnic lines. Several private radio and television stations as well as newspapers broadcast or publish in the languages of minorities, mostly in Albanian. As the Macedonian and Albanian languages are mutually unintelligible, and very few ethnic Macedonians can understand Albanian, this factor exacerbates the fragmentation of the audience and thus of the market. Some newspapers and electronic media in Albanian obtain an important share of their income from foreign donors and from ethnic Albanians from Macedonia living abroad. This is also true of media outlets in some other minority languages, such as TV BTR (in Romanes) and TV Šutel (also in Romanes), both in Skopje. Obviously the market for such media outlets is limited, so they would have problems establishing themselves on the market in the Macedonian language. For the last five or six years, international donors contributed considerable sums to the survival of such media. The question arises how they will survive if and when such subsidies cease.¹¹⁵

Evidently, sound finances are the key to sustainability. It is difficult to imagine quality journalism without decent salaries, yet journalists often complain about low salaries, especially in public service broadcasting. In private outlets the late payment of salaries is a problem, and generally there are huge differences in salaries among media outlets. Also, some media owners evade social security contributions for the journalists in their employment. However, there are no indications that any of the sides involved will take voluntary action to remedy the situation. Journalists' associations have not discussed these issues as among their members are media owners, editors and journalists and it is almost impossible to harmonise their different and sometimes conflicting interests.¹¹⁶

The miserable situation of the journalistic profession in terms of income and social security is usually explained by low advertising revenues and the disastrous general economic conditions. In this context, leading figures in the media tend to become resigned,

¹¹⁵ OSI roundtable comments.

¹¹⁶ OSI roundtable comments.

If you report negatively on some company, then you risk that this company will never commission advertising in your outlet. This will have an impact on the media and on your salary. So you go around and around in a vicious circle and you become dependent on a group of companies. Journalists, editors, and owners find themselves in the same position. Practically, you are encircled by a small group of strong businessmen and there is no way out.¹¹⁷

5.5 Programme standards

The Law on Broadcasting Activity defines some basic standards that affect programme content. These refer to advertisement, sponsorship, the right of reply and correction, access to information, and protection of sources.

There are different obligations on national and local broadcasters. All broadcasting companies are obliged to ensure that their reporting respects the rights, dignity and reputation of all citizens.¹¹⁸ They are expected to ensure that:

- opinions and beliefs are freely expressed;
- listeners and viewers are offered comprehensive and objective information, as well as cultural content and entertainment;
- the cultural traditions of Macedonia and of the nationalities that live in the Republic of Macedonia are sustained and enhanced, and their participation in cultural life is represented;
- the spirit of tolerance, mutual respect and understanding between individuals from various ethnic and cultural background is promoted;
- international understanding and cooperation is promoted, along with public understanding of issues that affect justice and democratic freedoms;
- equality, freedom and rights are promoted, irrespective of gender, race, colour of skin, national and social background, political and religious belief, wealth and social position;
- children and mothers enjoy special protection;
- the environment and nature are protected.

All broadcasters are asked to fulfil the following obligations:¹¹⁹

¹¹⁷ A representative view of a private media owner. See: IREX, Media Sustainability Index, 2003, Macedonia, available at <http://www.irex.org/msi/2003/MSI03-Macedonia.pdf> (accessed 6 July 2004), pp. 55–63, (hereafter, IREX, *MSI 2003 Macedonia*).

¹¹⁸ Law on Broadcasting Activity, art. 31.

¹¹⁹ Law on Broadcasting Activity, art. 33.

- ensuring a truthful presentation of events, with equal treatment of different approaches and opinions;
- ensuring a truthful, unbiased and professional presentation of news and events;
- promoting the free formation of opinion concerning various events and issues;
- ensuring that opinions and comments are easily recognisable as such, clearly indicating whose opinions and comments they are.

The law provides that broadcasters should be allowed, without any payment, access to information when covering the work of public authorities, or cultural, sport, and other events.¹²⁰ However, contrary to this provision, broadcasters do not dispose of concrete instruments to provide legitimate information to the public. One of the most important laws relating to access to information – which is crucial both to citizens and journalists – has not been passed. The Ministry of Justice is currently preparing the draft Law on Freedom of Access to Public Information, but it is not yet possible to tell whether it will be adopted in 2005.

The law also lists some restrictions. Content promoting the violent overthrow of the constitutional order is prohibited, as well as calls for military aggression.¹²¹ Obscene programmes are not allowed, especially those containing pornography and violence, nor are programmes that could harm the physical, spiritual or moral development of children and young people. Films and other content that could disturb the general audience may be shown between midnight and 06.00. Broadcasters must announce in their programmes, free of charge, information, press releases and urgent warnings issued by the public authorities relating to natural disasters or epidemic diseases.¹²²

The law also defines the time framework for broadcasting. National commercial radio broadcasters must provide programming for at least 18 hours daily, and national commercial television broadcasters for at least eight hours daily. Local commercial broadcasters must transmit at least ten hours of radio programming, or three hours of television programming daily.¹²³ Stations for regions with less than 3,000 inhabitants are exempted. In such areas, local radio programme must last at least three hours and local television programmes at least two hours. National broadcasters must reach at least 70 per cent of the total population with their signal.¹²⁴

News and current affair reports are regulated by specific obligations. News reports must be presented every day by all national private radio and television stations.¹²⁵ Local stations

¹²⁰ Law on Broadcasting Activity, art. 64.

¹²¹ Law on Broadcasting Activity, art. 35.

¹²² Law on Broadcasting Activity, art. 36.

¹²³ Law on Broadcasting Activity, art. 37.

¹²⁴ Law on Broadcasting Activity, art. 18.

¹²⁵ Law on Broadcasting Activity, art. 41.

are exempted from this duty. Nevertheless, many local stations in Skopje and other major towns do broadcast news. News programmes may not be interrupted by advertising and may not be sponsored, through advertising or in other commercial ways.¹²⁶

National broadcasters must ensure that at least 40 per cent of their programmes are self-produced.¹²⁷ Local broadcasters must ensure that at least 30 per cent of their programmes are self-produced, covering events and developments in the region. However, analysis by the Broadcasting Council indicates that these requirements concerning own production, are often not met, especially by local radio stations.¹²⁸

The law generally defines Macedonian as the country's broadcasting language but it does not provide clear criteria for programmes in minority languages, stating only that there is a "possibility" for commercial broadcasters to offer programmes in minority languages. According to the present Law on Broadcasting Activity, the language of broadcasting in the country is Macedonian, but media outlets may also broadcast programmes in the language of the ethnic communities.¹²⁹ The 2005 draft Law on Broadcasting Activity does not introduce any other, more precise, criteria. It merely states that the language of broadcasting is Macedonian, but that if the programme is not aimed at the majority community it can also be aired in the languages of the non-majority ethnic communities.¹³⁰ The draft law stipulates that more precise provisions concerning the language of broadcasting should be contained in the broadcasting licence.

In spite of the imprecise wording in the current Law on Broadcasting Activity – and although there is no a legal obligation for it to do so – in practice, the Broadcasting Council has from the start paid significant attention to the criterion of broadcasting minority languages when granting licences to commercial broadcasters. In municipalities such as Tetovo, Gostivar, Kičevo and Struga, licences have been granted to local broadcasters that offer programmes both in Macedonian and in the local minorities' language(s). For example, after the first and the second tender in 1998 in Kumanovo, of the four licences granted for television broadcasting, two were for broadcasting in Macedonian and two in Albanian; in Kicevo, of four television licences, two were for broadcasting in Macedonian and two in Albanian; and in Tetovo, of four television licences granted, one was for broadcasting in Macedonian, one in Albanian, one in Albanian and Turkish, and one in Albanian, Turkish and Romany languages.

The Broadcasting Council has also proposed that the Government should grant broadcast licences to commercial outlets which, in addition to programmes in

¹²⁶ Law on Broadcasting Activity, art. 55, 61.

¹²⁷ In the first year of operation, own production must be 20 per of all programmes, rising to 30 per cent in the second year, and 40 per cent in the third year. Law on Broadcasting Activity, art. 41.

¹²⁸ Broadcasting Council, *Bulletin No. 5/2000*, pp. 23–34; and *Bulletin No. 7/2000*, pp. 11–19.

¹²⁹ Law on Broadcasting Activity, art. 45.

¹³⁰ Draft Law on Broadcasting Activity 2005, art. 85.

Macedonian, also broadcast programmes in minority languages, in regions with several ethnic groups, such as Tetovo, Gostivar, Kičevo, Struga, Kumanovo and Debar.¹³¹

As there are no precise regulations, private broadcasters currently decide themselves on how much programming in minority languages they wish to produce. Some stations interpret broadly the provision on the “possibility” to also broadcast in the languages of ethnic minorities, and air programmes exclusively in the language of their local ethnic community, especially in Albanian.

With respect to quotas for specific programmes, such as works of European origin, the law does not presently foresee such provisions. However, the new draft Law on Broadcasting Activity incorporates European standards and contains several clauses that will regulate this issue (see section 6). The current law only insists that foreign programmes, shown in whole or in part, have to be translated into Macedonian and into the relevant minority languages.¹³² Exceptions are allowed only for live coverage of music, theatre performances and religious ceremonies, as well as programmes intended for those studying foreign languages or for foreigners.

The law does include some other provisions that impact, directly or indirectly, on the programmes of private broadcasters. In particular, of the total revenue collected through the licence fee – which are mainly used to finance public service broadcasting – ten per cent is allocated for so-called “projects of public interest” (see section 4.3). Only commercial broadcasters and independent producers may be beneficiaries. To implement this provision, the Broadcasting Council, announces a public competition at least once a year, for granting funds for such projects. The Government makes the final decision as to who will receive funds. The interest of filmmakers and other media companies is high, especially because significant funds are earmarked. For example, in December 1999, MKD 200 million (approximately €3.5 million) was distributed. Assuming that 75 per cent of the licence fee is actually collected, MKD 100 million (€1.0-1.5 million) would accrue annually. However, media pundits complain that the quality of programmes financed through this funding has been unsatisfactory, because the media outlets lack adequate human and other resources.

The promotion of independent productions aired by commercial broadcasters has stirred a debate on whether this action has imposed a public service character on commercial broadcasting, while public service broadcasting has been partly commercialised, because it can carry advertising.

There are also recommendations from the Broadcasting Council that influence programme content. These include directives on the protection of minors from indecent and harmful programmes; on how to report in situations of social tension, and military and other types of armed conflicts; on covering election campaigns; or on the technical parameters in radio and television stations. These recommendations

¹³¹ OSI roundtable comments; Broadcasting Council, *Bulletin No. 2/1998*, pp. 4–16.

¹³² Law on Broadcasting Activity, art. 46.

prohibit the exploitation of programmes for political purposes and also any attempts by public authorities to influence editorial policies. Yet, practice has often proved the opposite. Almost all media outlets hardly hide their political inclination or affiliation, especially in news and current affairs reporting.¹³³

Journalists do not deny that there is censorship and self-censorship by media outlets. Editors and owners impose censorship, while journalists censor themselves.¹³⁴ There are some well-known examples of pressure on journalists from media owners. For example, in 2003 Velika Ramkovski, the owner of A1 television, attempted to influence the news on his programme. As a result, the Editor-in-Chief, Aco Kabranov, moved to another television station, Kanal 5.¹³⁵ In spring 2005, the new Editor-in-Chief at A1, Sabina Fahić, and her Deputy, German Filkov, also resigned because of conflicts relating to editorial policy. Ramkovski told journalists, “It is normal that I interfere. This is my television and the editorial policy is my own business. I do not interfere on a daily basis, but I determine the general line.”¹³⁶ The same thing happened later in the year, when two more journalists left the same television station. As a result of a lack of any collective agreements between associations of journalists and media owners, the latter have unchecked power to influence programme content.

The Law on Broadcasting Activity details several obligations concerning advertising. For example, advertisements must be clearly recognisable and distinct from other parts of the programme.¹³⁷ The messages contained in an advertising break should not exert influence on the contents of the programme in such a way as to diminish the independence of the broadcaster and its responsibilities in relation to the show.¹³⁸ There are also restrictions on advertising. News and other information programmes, as well as religious and other events with a duration of less than 30 minutes, may not be interrupted with advertisements.¹³⁹ Feature films exceeding 45 minutes (not including serial films, entertainment programmes and documentaries) may be interrupted with

¹³³ This has been obvious during successive election campaigns – including the parliamentary elections in 1998 and 2002, and the presidential elections in 1999 and 2004 – as confirmed by surveys and research carried out by: the Institute for Sociological and Political-Juridical Research, the European Institute for Media, the OSCE, and the Broadcasting Council. See: Broadcasting Council, Bulletins No. 3, 6, 8 and 13; and Institute for Sociological and Political-Juridical Research (Institut za sociološki i političko-pravni istraživanja), *Parlamentarni izbori 98 vo Republika Makedonija, (Parliamentary Election in the Republic of Macedonia 1998)*, Skopje, 1999.

¹³⁴ IREX, *MSI 2003 Macedonia*, pp. 55–63.

¹³⁵ “A1 bez urednikot broj 1”, (“A1 without its No. 1 editor”), in *Utrinski Vesnik*, Skopje, 6 November 2003.

¹³⁶ “Sabina Fahić i German Filkov zaminaa od A1”, (“Sabina Fahić and German Filkov resign from A1”), in *Utrinski Vesnik*, Skopje 4 April 2005.

¹³⁷ Law on Broadcasting Activity, art. 52.

¹³⁸ Law on Broadcasting Activity, art. 54.

¹³⁹ Law on Broadcasting Activity, art. 55.

advertisements only once every 45 minutes.¹⁴⁰ There is a 20 per cent per hour limit for advertising, and a maximum of one hour per day for teleshopping.

Sponsored programmes face more or less the same restrictions. Namely, the sponsor may not influence the contents and the sequence of the sponsored programme in a way that violates the responsibility, and independence of the broadcaster's editorial policy with regard to programme content.¹⁴¹ News and other information programmes may not be sponsored, nor programmes with a political or religious character.¹⁴²

With respect to access to information and protection of the sources of information, the law only contains one relevant article. Broadcasting organisations should be granted access to information by State agencies, agencies of local self-government, and other public authorities. Similarly, broadcasting organisations should be free to carry short reports on cultural, sports and other events without having to pay the organisers of such activities. The source of information for journalistic reports may be disclosed only after a court decision.¹⁴³

6. EUROPEAN REGULATION

Broadcasting legislation has not yet been harmonised with European standards. The Broadcasting Council, media associations and media outlets have repeatedly warned that this task is still pending. The draft new Law on Broadcasting Activity offers solutions that should rectify numerous omissions and inconsistencies in the present laws. It should, for example, provide for the full independence of the Broadcasting Council, a precise definition of obligations of public service broadcasting, and the introduction of non-profit broadcasting as a special category. After the adoption of the Law on Broadcasting Activity in 1997, the Broadcasting Council, media experts, NGOs, professionals and non-professionals alike, all called for Macedonia's media legislation to be fully harmonised with EU benchmarks. The State was also reminded of its obligations stemming from the Stabilization and Association Agreement with the EU, such as preparation for the implementation of the EU "Television without Frontiers" Directive (TWF Directive).¹⁴⁴ As a member of the Council of Europe since 9 November 1995, the

¹⁴⁰ Law on Broadcasting Activity, art. 56.

¹⁴¹ Law on Broadcasting Activity, art. 59.

¹⁴² Law on Broadcasting Activity, art. 61.

¹⁴³ Law on Broadcasting Activity, art. 64.

¹⁴⁴ EU "Television without Frontiers" Directive" Council Directive 89/552/EEC of 3 October 1989 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities (Television without Frontiers Directive), OJ L 298, 17 October 1989, as amended by European Parliament Directive 97/36/EC of June 1997, OJ L 202 60, 30 July 1997, consolidated text available on the European Commission website at

Republic of Macedonia is also obliged to enact the Council of Europe's Convention on Transfrontier Television¹⁴⁵ (ECTT), but has only partly done so.

In late 2000, the National Media Working Group of the Stability Pact for South-eastern Europe launched an initiative for a new broadcasting law in Macedonia. Successive Governments have shown no enthusiasm for addressing the inconsistency of Macedonian national laws with international standards. However, after the Republic of Macedonia applied for EU membership in spring 2004, the overhaul of media legislation became unavoidable. On 12 August 2004, the Ministry of Transport and Communications decided to establish a working group for preparing the draft new Law on Broadcasting Activity. The working group, numbering 20 members, consists of representatives of the Ministries of Justice, Culture, and Finance, the Monopoly Directorate, the Broadcasting Council (three members), MRT (the General Director and Deputy General Director), Macedonian Broadcasting (MB), the Directorate of Telecommunications, the Association of Private Electronic Media, and the Association of Public Local Broadcasters.

According to the decision on establishing this working group, the final official draft text of the new law must take into account the working text proposed by the National Media Working Group of the Stability Pact, and other expert opinions.¹⁴⁶ European documents will be considered as well. The text of this draft law has been reviewed at many public events and Council of Europe experts have also provided recommendations for improving it. The final draft of the law was handed to the Ministry of Transport and Communications on 15 October 2004, but after a silence of six months, it was finally made public.

In June 2005, the Ministry of Transport and Communications announced on its website a proposal for adopting the Law on Broadcasting Activity.¹⁴⁷ It appears that this sudden haste reflects the Government's ambition to do as much "homework" as possible ahead of further talks with the EU about the country's prospects for accession. According to the Government, this newest draft is harmonised with the new Law on Electronic

http://europa.eu.int/eur-lex/en/consleg/pdf/1989/en_1989L0552_do_001.pdf (accessed 30 June), (hereafter, TWF Directive).

¹⁴⁵ Council of Europe, European Convention on Transfrontier Television, 5 May 1989, amended according to the provisions of the Protocol (E.T.S. No. 141) of the Council of Europe of 9 September 1998, which entered into force on 1 March 2002, available at <http://conventions.coe.int/treaty/en/Treaties/Html/132.htm> (accessed 30 June 2005).

¹⁴⁶ On behalf of the European Commission and the Stability Pact for Southeast Europe, Dr. Karol Jakubowicz analysed the new draft Law on Broadcasting Activity. His review also contains references to the previous discussion about the media laws reform in the Republic of Macedonia. Available in Macedonian at <http://www.mtc.gov.mk/mak/AnalizaZakonDifuzija.pdf> (accessed 25 August 2005).

¹⁴⁷ Available in Macedonian at http://www.mtc.gov.mk/mak/zakoni/rdif/predlog_radiodifuzija.pdf, (accessed 25 August 2005).

Communication passed in February 2005¹⁴⁸ and submitted to the European Commission and the Council of Europe for expert evaluation. The Government also says that it has paid attention to making the draft law compatible with all recommendations by the Council of Europe and the Organisation for Security and Cooperation in Europe (OSCE), as well as EU media regulation.

The draft new Law on Broadcasting Activity makes a number of important changes. In particular, the Broadcasting Council will have the power to make decisions instead of only offering proposals to the Government. The draft anticipates the following changes:

- The Broadcasting Council will be authorised to supervise the implementation of the Broadcasting Law.
- The Broadcasting Council will be empowered to initiate misdemeanour procedures and to impose sanctions.
- The possibility to initiate a court procedure against the Broadcasting Council's decisions will be introduced.
- Alongside public service and commercial broadcasting, a third, non-profit broadcasting sector will be established.
- The remit and the programme obligations of public service broadcasting will be determined clearly and in detail.
- The law will be harmonised with the TWF Directive.

The new draft law came as a surprise to many experts in the country. It was prepared behind closed doors in the ministries and did not include recommendations from previous public debates in which domestic academic experts and civil society organisations, as well as experts from international organisations, were invited to express their opinions. The draft included some suggestions by domestic and international experts, but also changes that had not previously been discussed. For example, whereas the Council of Europe recommended, in 2000, ensuring continuity between the present Broadcasting Council and its future composition by adhering to the staggered mandate of the present Council, the draft foresees the nomination of an entirely new team.¹⁴⁹ Also, according to the draft, the Director of the Broadcasting Council's expert team would have expanded competencies, whereas the competencies of the Council itself would be reduced. Furthermore, the status of local public service broadcasting organisations is left unresolved. Particularly worrisome is that the MRT

¹⁴⁸ Law on Electronic Communications, February 2005, *Official Gazette of RM*, No. 13/05.

¹⁴⁹ Council of Europe, *Explanatory Memorandum to Recommendation Rec (2000) 23 on the independence and functions of regulatory authorities for the broadcasting sector*, Part II, Appointment, composition and functioning, Item 22, available on the CoE website at <http://www.humanrights.coe.int/media/documents>, (accessed 6 July 2005).

Council would be expanded from 21 to 51 members, which may block the election of this body.

The Stabilisation and Association Agreement (SAA) signed with the European Commission on 9 April 2001 and ratified on 23 February 2004 committed Macedonia to reforming its laws and approximating them with EU standards.¹⁵⁰

7. THE IMPACT OF NEW TECHNOLOGIES AND SERVICES

The Republic of Macedonia hosts a low number of Internet users. Other new technologies and services are also not widespread and at the moment, there is no strategy for the application of new media technologies. All broadcasting companies in Macedonia still use analogue systems and digitalisation is sporadic. The absence of a legal framework hampers the spread of new technologies and services. The draft new Law on Broadcasting Activity is expected to define an approach to the introduction of new technologies.

7.1 Policy on new media

The Republic of Macedonia has no elaborated political strategy for introducing new media. No serious efforts have been undertaken to introduce new technologies such as digitalisation. The country has not kept up with current developments relating to satellite and cable television, nor subscription or pay-per-view channels.

The draft Law on Broadcasting Activity places an obligation on the Broadcasting Council to draft a national strategy to develop broadcasting, taking account of new technologies and services.¹⁵¹ New business opportunities and jobs in a new market would bring significant benefits to Macedonia's weak economy. The new Law on Telecommunications, adopted in June 2004,¹⁵² determines that cable television should be supervised by the Directorate of Telecommunications.¹⁵³ This authority will grant licences to cable operators, thereby depriving the Broadcasting Council of its authority to regulate the cable market.

¹⁵⁰ Council of the European Union, Stabilisation and Association Agreement between the European Communities and their member states, and the Former Yugoslav Republic of Macedonia, Title VI, available at http://europa.eu.int/comm/external_relations/see/fyrom/saa/saa03_01.pdf (accessed 7 July 2005).

¹⁵¹ Draft Law on Broadcasting Activity 2005, art. 32.

¹⁵² Law amending and appending the Law on Telecommunications, *Official Gazette of RM*, No. 37/2004.

¹⁵³ Pursuant to Articles 65-69 of the Law on Broadcasting Activity, the Broadcasting Council had taken responsibility for regulating cable television.

Satellite television is still a new business in the Republic of Macedonia, so the Government has no clear concept in this field. In the last several years, only MTV was offering a satellite programme, through Mktv Sat.¹⁵⁴ One of the countrys biggest commercial television stations, A1, also offers a satellite channel. On 1 November 2004, however, a new satellite programme of TV BTR-National, the first Roma TV medium, was launched with 24-hour programmes, consisting mainly of music spots and a few self-produced programmes.¹⁵⁵

There are not enough companies in the Republic of Macedonia that would wish to advertise their products and services worldwide, through satellite programmes. Cable and other operators recently tried to offer Internet services through cable networks, but the Directorate of Telecommunications stated that cable operators were prohibited from introducing such services until the end of 2004, due to the monopoly granted to the publicly-owned company, Macedonian Telecommunications. Consequently, although there were expectations that the market for Internet services would be liberalised in 2005, as yet little has happened in this respect.

7.2 Conditions for new platforms

Macedonian citizens cannot afford high expenditure on telecommunications and other services based on new technologies.¹⁵⁶ With the exception of fixed telephones and, to some extent, cellular telephones, other communication equipment is rare.¹⁵⁷ The official number of households with multi-channel television connected to cable networks is 75,000.¹⁵⁸ Experts assume that the real figure is above 100,000, due to illegal connections and unlicensed operators. Cable television in Macedonia enables viewers to watch more than 130 analogue satellite channels.¹⁵⁹ Cable television is offered by 55 companies, and according to the Broadcasting Council, the largest cable networks are Mobi (Bitola), Sprint (Veles), Zora Kabel (Skopje, Karpos) and Tele Kabel 1 (Skopje, Aerodrom).

¹⁵⁴ OSI roundtable comments. One participant pointed out that this was not MRT's satellite channel, but a satellite channel of the State of the Republic of Macedonia.

¹⁵⁵ OSI roundtable comments.

¹⁵⁶ Strategic Marketing & Media Research Institute (SMMRI), *Research on conditions with information and communications technologies in RM, 2003–2004*, commissioned by Metamorphosis and the Open Society Foundation-Macedonia, Open Society Institute Foundation, 2004.

¹⁵⁷ According to surveys by IKT in 2003–2004, in Macedonia 89.9 per cent of the people have home telephone, 59.3 per cent have cellular phone, 35.3 per cent have cable television connection in their household, 13.3 per cent have satellite television antenna, 27.4 per cent have home computers, and 8.9 per cent have credit cards: Bardil Jashari (ed.), *General data on information and communications technology in the Republic of Macedonia 2003–2004, (Opšti podatoci za sostojbite so informaciskite i komunikaciskite tehnologii vo Republika Makedonija 2003–2004)*, Skopje, 2004, Open Society Fund of Macedonia, p. 11.

¹⁵⁸ Information from the database of the Broadcasting Council.

¹⁵⁹ Broadcasting Council, *Bulletin No. 14/2003*, p. 5.

Macedonia has a low number of Internet users.¹⁶⁰ This is a consequence of the poor economic situation and low living standards.¹⁶¹ According to official statistics, in the first half of 2004, out of 2.1 million inhabitants, 395,00 people were registered as unemployed. There are more than 5,000 web sites in the domain “mk”, but little data about Internet usage has been collected. Pundits estimate that between 15 and 35 per cent of the population use the Internet occasionally or regularly. So far, 15 licences have been granted for providing online services. MtNet, Unet, OnNet and MOL are the major providers.

The public service broadcasters have not ventured far in providing Internet-based services. Radio channels can be received – for example, Radio Macedonia has 24-hour programming, with content from its first, second and third channels – but television cannot. The website of MTV (www.mkrtv.org.mk) operates poorly, with many failures, delays, and often with outdated information and text.

The Internet is still not regulated. According to the Law on Electronic Communications 2005, any legal entity can provide electronic communications services, including interactive, online services, and Internet, on the basis of a notification made to the Agency for Electronic Communications. There are no special regulations concerning the content of these services.¹⁶² The Law on Electronic Communications succeeded the 1996 Law on Telecommunications. It introduced a new body – the Agency for Electronic Communications – as an independent regulator in the field of telecommunications. It regulates and monitors the technical and economic aspects of the use of the frequency spectrum, including the prices for telecommunications services.

While some private commercial broadcasters already offer teletext, MTV is still in the planning stage. The RDS service (Radio Digital system) of Macedonian Radio has been operational for some time, as part of MTV. Staff blame a lack of financial resources for the lack of progress in digitalisation. There is no budget to develop new media technologies and services. The few services offered by MTV are financed from its own resources, mainly the licence fee.

Public debate on the digitalisation of broadcasting has not yet started. Unless prompt action is taken over the next two to three years, the inevitable future switch to digital technology will occur abruptly. This will be hard to achieve financially, leaving

¹⁶⁰ According to information from Internet providers (cited in: Petreska and Trpevska, *Media landscape in RM*) there are 100,000 Internet users in the Republic of Macedonia. According to the same source, the number of small businesses that use the Internet is also small, only a few hundred of the some 55,000 registered small businesses.

¹⁶¹ OSI roundtable comment. Apart from the low standard of living, another significant reason mentioned at the roundtable was the authorities' wish to preserve the monopoly in the field of telecommunications services.

¹⁶² Law on Electronic Communications, February 2005, *Official Gazette of RM*, No. 13/05.

Macedonia as an analogue island in a digital ocean.¹⁶³ An action plan on digitalisation needs to be introduced, after defining the legal framework, involving both public service broadcasting and private broadcasters.

The publicly owned company Macedonian Broadcasting (MB) started experimenting with digital television broadcasting at the end of 2004. The Committee to Develop the Broadcasting Network, operating as part of MB, is presently the only body concerned with this digitalisation. Its role is to monitor and pursue digitalisation in technical terms, but there is little information about its activities. What is lacking is consideration of the economic, social, and cultural aspects of this new technology. To address this, the Committee should be transformed into a public authority responsible for drafting a digitalisation strategy. So far, however, there has been no initiative in this direction.

8. CONCLUSIONS

Attempts to locate tendencies and challenges in the audiovisual field in the Republic of Macedonia always return to the key question – what is the development strategy for this sector? Future expansion is not possible without a prior consensus on the nature of the broadcasting system. If there could be agreement that the country wants a dual broadcasting system, it would be easier to define the scope of public service broadcasting, what the starting point of commercial broadcasting should be, and the best way to develop cable and satellite broadcasting. An overarching priority as to what are the plans and prospects of digitalisation?

The most urgently needed step is the formulation of a development strategy for public service broadcasting. This would also reflect the level of democracy in the country. No palliative, short-term solutions should be allowed. There should be firm and stable legal guarantees for the independence of public service broadcasting in Macedonia and, especially, a concrete action plan to implement these guarantees, complete with specified obligations fixed in annual plans containing strictly defined goals, target groups, and a financial framework. Bylaws and statutory provisions are needed to eliminate all possibilities for political influence over the appointment of the General Manager, following a public competition, and the members of the broadcasting boards, who should be distinguished representatives of the community accountable to the general public.

¹⁶³ Dimitri Ivanov, “Sostojbata na mrežata na JP Makedonskata radiodifuzija, izvesni nasoki, stepeni i prednosti od nejzina digitalizacija”, (“Situation with the network of PE Macedonian Broadcasting, certain guidelines, levels and advantages from its digitization”), in *Primenata na novite tehnologii i programskite radiodifuzni servisi vo digitalnata era*, (*Application of NT and Programme Broadcasters in the Digital Era*), Broadcasting Council, Skopje, 1999, p. 67.

The second priority is commercial broadcasting. Ambiguity over essential standards should be eliminated from the regulation of private radio and television stations. Of all anomalies in this sector, the ownership structure of media outlets is the source of most of the problems, since it has a direct impact on editorial policies and the performance of journalists. The draft new Law on Broadcasting Activity has the potential to improve this situation. However, the final responsibility for the level of editorial autonomy depends on the relationship established between owners and employees in the broadcasting sector.

Cable radio and television networks play an important role. Important problems remain to be solved, such as the introduction of clear rules and standards to protect cable operators from Government influence, and individual consumers from the cable operators. Satellite broadcasting is an area, which will have to be looked into by public authorities and regulatory bodies.

Finally, there is the matter of new digital technology. The introduction of new media technologies in the Republic of Macedonia will be a litmus test of the Government's ability and willingness to get involved with contemporary global media trends. It requires that concrete steps be taken to ensure harmonisation with accepted international standards. First, a national strategy on new technologies should be drafted, with clearly defined plans and programmes. Second, the responsibility for regulating digital broadcasting should be clearly allocated to one regulatory body – such as the Broadcasting Council, the Committee for the Development of Broadcasting (presently operating under the auspices of Macedonian Broadcasting) and/or the Agency for Telecommunications. This body should engage highly specialised experts who would make strategic decisions. Third, new provisions for an appropriate digital platform should be introduced, preparing Macedonia for imminent changes and avoiding the airwave chaos that prevailed before the Law on Telecommunications was adopted. Finally, a clear definition is needed, in accordance with international standards, of what constitutes new, online services.

The quest to sustain broadcasting pluralism in the Republic of Macedonia remains incomplete. However paradoxical it may sound, the unsustainable number of media outlets did enable the spread and competition of different ideas and prospects during the 1990s, although there were numerous attempts, especially during pre-election campaigns, to influence and even to silence certain outlets. There were anonymous threats, mysterious power failures, unannounced company audits, summary court decisions against journalists, and other forms of intimidation. This is not uncommon even today. However, despite such recent gains, some media outlets, perhaps exhausted by the unending economic crisis and political games, have succumbed to the logic of trying to win a public following by “dumbing-down” their content and relying on soap operas, cheap feature films, quiz-shows, bingo and such like.

Even though it is still not clear when Parliament will debate the draft new Law on Broadcasting Activity, the draft is already burdened with high expectations. The present law exhausted its purpose long ago and its continued existence can only be

harmful. If the new bill does indeed provide for the implementation of European standards, it will seriously strengthen the freedom of media outlets, especially their freedom from the Government. Bearing in mind the experience to date with successive governments, a lot more effort will have to be invested if the bill is not to be watered down before its eventual adoption.

An important question is whether the State possesses sufficient democratic capacity to pursue these processes. Presently, there are signs that democratic reforms are stagnating, in politics and the media alike. The influence of political parties on major actors in the broadcasting sector is evident. This applies equally to the Broadcasting Council, the MRT Board, and the directors of public local broadcasters. Directly or indirectly, this has caused widespread politicisation of the sector. Divided along political, ethnic and economic lines, media outlets are under constant pressure from Government and State institutions. Nevertheless, Macedonia's application for EU membership will certainly push forward the harmonisation processes of national laws with EU benchmarks in the broadcasting sector. This will contribute, in turn, to wider democratic progress in the country.

The Stabilisation and Association Agreement (SAA), ratified in 2004, committed Macedonia to reforming its laws and approximating them with EU standards. Together with other countries participating in the Stability Pact for South-eastern Europe, the Republic of Macedonia has also pledged itself politically to reforms in the media sector. It is in the best interests of the Republic of Macedonia to accelerate the reform process, also in the media sector. While the most active promoters of the process have to be Parliament and the Government, responsibility also lies with civil society organisations, academia, journalists and the media industry itself.

9. RECOMMENDATIONS

9.1 Policy

Media legislation

1. Parliament and the Government should pass the new Law on Broadcasting Activity as soon as possible. This obligation is noted in the Government's "Answers to the Additional Questions for the Economic Criteria" and the Chapters of the *Acquis* for European membership.¹⁶⁴

¹⁶⁴ Government of the Republic of Macedonia, "Answers to the Additional Questions for the Economic Criteria and the Chapters of the *Acquis* for European membership", available at <http://www.sei.gov.mk/prasalnik> (accessed 14 August 2005).

2. Civil society, the media industry and academia should insist on the fulfilment of this obligation and intensively monitor and assist the parliamentary procedure.
3. Parliament and the Government should ensure the full implementation of the new Law on Broadcasting Activity after its passage, in particular with respect to the establishment of the institutions in Macedonian Radio and Television (MRT) foreseen by the law, and to securing legal and political guarantees for its independence.

Broadcasting policy

4. Parliament, as the founder of the Macedonian Radio and Television (MRT), should organise a parliamentary debate about the future of the public service broadcaster. The main purpose of this debate should be to establish a strategy for financial consolidation, modernisation of its technical equipment and the strengthening of its human resources.
5. The Broadcasting Council, together with the Committee to Develop the Broadcasting Network, should organise, as soon as possible, a broad public debate about the National Strategy for the Broadcasting Sector.
6. The Government should ensure that a national Strategy for the broadcasting sector is drafted, incorporating both national experiences and European standards and trends.
7. Parliament should, as a priority, ensure the passage of the Strategy and its full implementation in practice.
8. The Government should adopt a plan to introduce new legislation in the area of the information society, to introduce regulation for the Internet and other new technologies.
9. The Government should adopt a National Strategy for Electronic Communication and Information Technology. Particular attention should be given to fostering the introduction of new information technologies and services. Together with experts from universities and research institutes, public authorities should also involve private enterprises in this task.

International support

10. International organisations supporting media development, such as the OSCE Media Development Unit-MDU, should continue their financial, technical and professional support, particularly to those media who cover the interests of marginal target groups in society.
11. The Stability Pact for Southeast Europe, through its Media Task Force and together with the Media Working Group in the Republic of Macedonia,

should initiate the monitoring of the implementation of the new Law on Broadcasting Activity, after this new law has been passed.

9.2 Regulatory bodies

Public service broadcasting

12. The Broadcasting Council, together with Macedonian Radio and Television (MRT) and civil society organisations, including journalists associations, trade unions and the academia, should organise public debate about the future of the public service broadcasting in Macedonia, to support the process of further transformation in this sphere.

Minority representation

13. The Broadcasting Council, the broadcasters – Macedonian Radio and Television and commercial broadcasters – as well as media experts and other interested parties, should launch a debate about ethnicity and the public sphere, to determine how the media contribute to creating understanding or division among the various communities in the country. The debate should focus on how the media could enhance their professional performance in creating understanding among the communities.

9.3 Industrial relations and ethical issues

14. The Association of Journalists of Macedonia (AJM) and other professional associations of journalists should establish a system of regular debates about journalistic professional standards.
15. The Association of Journalists and other professional associations should start negotiations with media owners about media standards, codes of ethics and other self-regulatory instruments designed to protect the editorial integrity of journalists.
16. The Association of Journalists and other professional associations should immediately establish co-operation with Trade Unions and formulate a platform for the protection of employees' rights in the media industry.

ANNEX 1. Laws and regulations cited in the report

Main broadcasting laws

Draft Law on Broadcasting Activity, Ministry of Transport and Communications, June 2005.

Law on Broadcasting Activity, 16 July, *Official Gazette of RM* No. 20/97.

Law on Electronic Communication, February 2005, *Official Gazette of RM*, No. 13/05

Law amending and appending the Law on the Establishment of the Public Enterprise Macedonian Radio-Television, *Official Gazette of RM*, No. 78/04. (*Law on MTV*)

Law amending and appending the Law on the Establishment of the Public Enterprise Macedonian Radio-Television, *Official Gazette of RM*, No. 98/2000. (*Law on MTV*)

Law on the Establishment of the Public Enterprise Macedonian Radio-Television, *Official Gazette of RM*, No. 6/98. (*Law on MTV 1998*)

Law amending and appending the Law on Telecommunications of June 2004, *Official Gazette of RM*, No. 37/2004.

Law amending and appending the Law on Telecommunications, *Official Gazette of RM*, No. 88/2002.

Law amending and appending the Law on Telecommunications, *Official Gazette of RM*, No. 57/2001

Law amending and appending the Law on Telecommunications, *Official Gazette of RM*, No. 28/2000.

Law amending and appending the Law on Telecommunications, *Official Gazette of RM*, No. 17/98.

Law on Telecommunications, *Official Gazette of RM*, No. 33/96.

Other laws

Law for Protection the Competition, *Official Gazette of RM*, No. 5/04.

Anti-monopoly Law, *Official Gazette of RM*, No. 5/04

Law on Securities, *Official Gazette of RM*, No. 34/01.

Law Against Restriction of Competition, *Official Gazette of RM*, No. 80/99.

Law on Copyright and Related Rights, *Official Gazette of RM*, No. 47/96.

Law amending and appending the Law on Copyright and Related Rights, *Official Gazette of RM*, No. 3/98.

Law amending and appending the Law on Copyright and Related Rights, *Official Gazette of RM*, No. 98/2002.

Law amending and appending the Law on Copyright and Related Rights, *Official Gazette of RM*, No. 04/2005.

Law on Trade Companies, *Official Gazette of RM*, No. 28/96.

Law on Public Enterprises, *Official Gazette of RM*, No. 38/96.

Law on the Establishment of the Public Enterprises Macedonian Broadcasting, *Official Gazette of RM*, No. 6/98.

Law amending and appending the Law on the Establishment of the Public Enterprises Macedonian Broadcasting, *Official Gazette of RM*, No. 98/2000.

Law on Concessions, *Official Gazette of RM*, No. 42/93.

Law amending and appending the Law on Concessions, *Official Gazette of RM*, No. 25/2002.

Law amending and appending the Law on Concessions, *Official Gazette of RM*, No. 24/2003.

Decisions

Government Decision of 7 March 2000, in Broadcasting Council *Bulletin* No. 5, 2000, pp. 35–40.

Government Decision on concessions, *Official Gazette of RM*, No. 22/98,

ANNEX 2. Bibliography

In English

- International Press Institute, *2001 World press freedom review* (Vienna: IPI, 2001)
- IWPR, "Same world, parallel universes: The role of the media in the Macedonian conflict", in *Ohrid and beyond* (Skopje, IWPR, 2002).
- Latifi, Veton, *Macedonian challenges in the process of the democratization and stabilization* (Skopje: KAS, 2003)
- Šopar, V., "Press in Macedonia: Still in Process of Transition", in Orlin Spasov (ed.), *Quality press in Southeast Europe* (Sofia: Southeast European Media Center (SOEMZ), 2004)

In Macedonian

- Broadcasting Council, *Bulletin No. 2* (Skopje: BC, 1998)
- Broadcasting Council, *Bulletin No. 4* (Skopje: BC, 1999)
- Broadcasting Council, *Bulletin No. 5* (Skopje: BC, 2000)
- Broadcasting Council, "Radio i televiziskata programa", ("Radio and TV Programmes"), Annual monitoring report, *Bulletin No. 14* (Skopje: BC, 2003)
- Broadcasting Council, *Izvestaj na Sovetot za radiodifuzija na Republika Makedonija za juli 2001 – dekemvri 2002, (Report for July 2001 – December 2002)* (Skopje: BC, 2003)
- Institute for Sociological and Political-Juridical Research, *Parlamentarni izbori 98 vo Republika Makedonija, (Parliamentary Election in the Republic of Macedonia 1998)* (Skopje: BC, 1999)
- Ivanov, Dimitri, "Sostojbata na mrežata na JP Makedonskata radiodifuzija, izvesni nasoki, stepeni i prednoti od nejzina digitalizacija", ("Situation with the network of PE Macedonian Broadcasting, certain guidelines, levels and advantages from its digitization"), in *Primena na novite tehnologii i programskite radiodifuzni servisi vo digitalnata era, (Application of NT and Programme Broadcasters in the Digital Era)* (Skopje: Broadcasting Council, 1999).
- Macedonian Institute for Media, *Macedonia: The Conflict and the Media* (Skopje: MIM, 2003)
- Macedonia Institute for Media, *Mediumskata sopstvenost i nejinoto vlijanje vrz nezavisnosta na mediumite i pluralizmot (Media ownership and its influence on independence of media and pluralism)* (Skopje: MIM, 2004)
- MRT, *Godišen izveštaj za 2004 godina, (Annual financial statement for 2004)*, accepted by the MRT Board (Skopje: MRT, Feb. 2005)

MRT, *Izveštaj za rabota na MRT, Godišen finansov izveštaj na MRT za 2003 godina, (Report on MRT work, after the Annual financial statement of MRT for 2003)*, accepted by the MRT Board (Skopje: MRT, Feb. 2004)

Nineski, B. (ed.), *Pecatenite i elektronskite mediumi vo Makedonija (Printed and Electronic Media in Macedonia)* (Skopje: Tribuna makedonska, 2000)

Šopar, V., Z. Andrevski, D. Kolar-Panov (ed.), *Mediumite vo procesot na politička i socijalna transformacija vo Republika Makedonij, (Media in Process of Political and Social Transformation in RM)* (Skopje: Institute for sociological, political and juridical research, 2001)

State Statistical Office, *Statistički godišnik na Republika Makedonija, (Statistical Yearbook 2003)* (Skopje: State Statistical Office, 2004)

Šopar, V., Z. Andrevski and D. Kolar-Panov (ed.), *Mediumite vo procesot na politička i socijalna transformacija vo Republika Makedonij, (Media in Process of Political and Social Transformation in RM)* (Skopje: Institute for sociological, political and juridical research, 2001)

Strategic Marketing & Media Research Institute (SMMRI), *Research on conditions with information and communication technologies in RM, 2003–2004*, commissioned by Metamorphosis and the Open Society Foundation-Macedonia (Skopje: Open Society Institute Foundation, 2004)

Trpevska, Snežana, Chapter of Macedonia, in Brankica Petković, *Media ownership and its impact on media independence and pluralism* (Ljubljana: SEENPM and Peace Institute, 2004)

Trpevska, Snežana, and Emilija Janevska, “Indikatori za evaluacija na funkciite na javniot radiodifuzen servis”, (“Indicators on evaluation of functions of public service broadcasting”), in Broadcasting Council, *Bulletin No. 12* (Skopje: BC, 2003)

In German

Petreska, Emilija and Snežana Trpevska, “Darstellung der Mediensysteme: Mazedonien” (“The media landscape in Macedonia”), in *Internationales Handbuch Medien 2004/2005 (International Media handbook 2004/2005)* (Baden-Baden: Hans-Bredow-Institut, Nomos Verlagsgesellschaft, 2005)