

FIRST PERIODIC REPORT ON AVMS AND AEC



FIRST PERIODIC REPORT ON AVMS AND AEC PERFORMANCE

Publisher:

Eurothink – Center for European Strategies
NGO Info-Centre
Transparency Macedonia
Helsinki Committee for Human Rights of the Republic of Macedonia

Translation:

Abakus

Graphic design:

Brigada Design



British Embassy
Skopje



Funded by
UK Government

This report is developed under the project “Monitoring Efficiency, Effectiveness, Transparency and Accountability of Media Regulatory Authorities – PROformance Watch II”, funded by the UK Government, with support from the British Embassy in Skopje. Views and opinions presented in this publication do not necessarily reflect views and opinions of the British Embassy.

TABLE OF CONTENTS

Introduction	4
1. Agency for audio and audiovisual media services (avms)	5
1.1. TRANSPARENCY AND ACCOUNTABILITY	5
1.2. EFFECTIVENESS AND INDEPENDENCE	7
1.3. PERFORMANCE AND LAW ENFORCEMENT	12
1.4. PUBLIC INTEREST	13
2. Agency for electronic communications (aec)	14
2.1. TRANSPARENCY AND ACCOUNTABILITY	14
2.2. EFFECTIVENESS AND INDEPENDENCE	18
2.3. PERFORMANCE AND LAW ENFORCEMENT	19
2.4. PUBLIC INTEREST	21

INTRODUCTION

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

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

The project “PROformance Watch I”,¹ supported by the British Embassy in the Republic of Macedonia, aimed to improve civil society capacity to engage in monitoring of regulatory authorities’ performance and, by means of strengthened checks-and-balance, contribute towards improved performance of AVMS and AEC. In particular, the regulatory authorities have taken into account recommendations made with a view to improve transparency, accountability and performance of their respective mandates. Although goals defined under the project’s first phase have been attained, further efforts are needed to fully integrate the checks-and-balance system as mechanism for improved performance of these two public institutions. Hence, the project “PROformance Watch II” is designed to oversee achievements made in the previous phase, monitor relevant performance of these two institutions and present findings in user-friendly manner, while duly informing the public of any structural or other barriers related to operation of both regulatory bodies. Periodic reports will be published with monitoring findings on relevant performance of these regulatory bodies, including recommendations aimed to contribute towards argument-based public debate and improved performance track records of both authorities.

This (first) periodic report covers AVMS and AEC’s performance in the period June (i.e. July) – September 2018² and applies the methodology developed under the project “PROformance Watch I”. Pursuant to “AVMS and AEC Performance Monitoring Matrix”, designed in consultation with the two regulatory authorities and published in January 2017,³ this periodic report takes into consideration specificities and operation of both regulatory authorities in terms of transparency and accountability, efficiency and independence, performance and protection of public interest.

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

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

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

- 1 The project’s first phase was implemented in the period September 2016 – March 2018 by the same project consortium. Starting from June 2018, and until March 2020, follow-up monitoring activities will be performed and related to performance track records of AVMS and AEC, with support from the British Embassy in the Republic of Macedonia
- 2 The first period reports includes qualitative analysis related to operation of both regulatory bodies and covers the period June – September 2018, with the exception of quantitative data on AEC’s performance, which concern only the third quarter of 2018 (July – September), whereas quantitative data on AVMS’s performance also covers activities performed in June 2018. The monitoring methodology anticipates publication of quarterly reports, with the exception of this periodic report, which includes extended quantitative data on AVMS’s performance to accommodate the month of June 2018.
- 3 For more information, please visit Eurothink’s website: <https://goo.gl/a48iVu>

1. AGENCY FOR AUDIO AND AUDIOVISUAL MEDIA SERVICES (AVMS)

1.1. TRANSPARENCY AND ACCOUNTABILITY

GENERAL ASSESSMENT

In the period June – September 2018, the Agency for Audio and Audiovisual Media Services (AVMS) demonstrated a solid level of transparent and accountable operation.

The public was allowed insight into almost every aspect of AVMS's programme and financial operations. Its official website was regularly updated with new documents (decisions, minutes, reports, studies, analyses, press releases, public notices, etc.) and other information related to its operation.

Nevertheless, in this reporting period, monitoring activities noted that AVMS's website did not host any notices on public procurement contracts signed in the current calendar year.

PROGRAMME TRANSPARENCY AND ACCOUNTABILITY

Sessions of AVMS Council	AVMS Council held a total of 15 sessions. Relevant agendas, minutes, decisions, resolutions, rulebooks, guidelines and other documents were regularly and timely published on AVMS's website. Sessions of AVMS Council are public and live-streamed on AVMS's <i>YouTube</i> channel.
Public meetings	Regularly scheduled quarterly public meetings were held in June ⁴ and September ⁵ , respectively, and they were live-streamed on AVMS's <i>YouTube</i> channel. The first public meeting focused on introduction of 5G in Macedonia, while the public meeting organized in September, <i>inter alia</i> , included presentation of key findings from the analysis of the audio and audiovisual media services market in 2017.
Public debates⁶ and work meetings⁷	AVMS organized a work meeting around the draft methodology on monitoring radio and television media coverage and reporting during elections and the draft guidelines on compliance with media obligations related to publication of impressum and other contact/editorial/ownership information for end-users. This meeting was organized for the purpose of listening to views and opinions from interested stakeholders about the two documents and was followed by a public debate. AVMS initiated public consultations on the draft recommendations for broadcasters concerning media coverage and reporting during the referendum organized for approval of the Prespa Agreement. Issuance of such recommendations was considered necessary due to lack of precise rules under the Law on Referendum and Other Forms of Direct Vote by Citizens.
Complaints	According to information available on its website, AVMS was presented with 6 complaints lodged by different parties. Furthermore, relevant contents of complaints, including responses thereto, correspondence letters and AVMS's notifications were also published on its website.

⁴ Second public meeting organized by AVMS, June 2018, available at: <https://goo.gl/Nt8bXq>

⁵ Third public meeting organized by AVMS, September 2018, available at: <https://goo.gl/tJKxvr>

⁶ Public debates, AVMS, 2018, available at: <https://goo.gl/qHHX97>

⁷ Work meeting, AVMS, September 2018, available at: <https://goo.gl/hQ6XlJ>

<p>Websites, Facebook, YouTube, press releases, etc.</p>	<p>AVMS's official website was regularly updated with new documents (decisions, minutes, reports, opinions, complaints, studies, analyses, press releases, public notices) and other information related to AVMS's work.</p> <p>AVMS's <i>Facebook</i> page was also regularly updated with contents related to ongoing activities of this agency. For the time being, however, its visibility and impact are insignificant. This is confirmed by the low number of followers (around 300), as well as lack of comments or discussions under relevant posts.</p> <p>AVMS's <i>YouTube</i> channel features live streaming of sessions held by AVMS Council and public meetings. This channel has only 46 subscribers, while videos posted have been viewed only a few dozen times.</p> <p>Moreover, AVMS administrates and updates the designated website of the Media Literacy Network, where it uploads information on activities taken by this network and its members.</p> <p>In this reporting period, AVMS published a total of 24 press releases.</p>
---	--

FINANCIAL TRANSPARENCY AND ACCOUNTABILITY

<p>Budget adjustment</p>	<p>AVMS Council adopted two budget adjustment decisions. The first decision⁸ concerned reallocation of 236,000 MKD for ISO certification, while the second decision⁹ implied reallocation of 472,000 MKD for development of feasibility study for announcement of open call to award state-wide license for radio broadcasting.</p>
<p>Public procurements</p>	<p>According to data from the Electronic Public Procurement System, AVMS has signed a total of 8 procurement contracts in the period June –September, as follows: ISO certification;¹⁰ landline telephone services;¹¹ feasibility study for announcement of open call to awarding state-wide licence for radio broadcasting;¹² remote data transmission;¹³ maintenance of the monitoring system, maintenance of the integrated software for legal, financial and economic operations;¹⁴ refreshment and kitchen supplies;¹⁵ and office supplies.¹⁶</p> <p>Information on these public procurements is duly published on AVMS's website. However, they do not include notices on public procurement contracts signed in the current calendar year.¹⁷ The latest updates made to this section on AVMS's website concern public procurements in 2017.</p>
<p>Financial reports on public spending by AVMS Director</p>	<p>AVMS published the second report on public spending by its director Zoran Trajchevski in the period 1 January – 30 June 2018, which is in compliance with commitments taken in regard to open and transparent operation and the government's initiative on accountability in public spending by public office holders.¹⁸</p> <p>In that, Trajchevski has spent a total of 223,527 MKD on travel costs, representation expenses and telephone bills. This amount is by 122,369 MKD lower compared to costs reported in the second half of 2017.¹⁹</p>

COMMENTS/RECOMMENDATIONS

– Monitoring activities noted that AVMS's website does not host notices on public procurement contracts signed in the current calendar year. In particular, the latest notices concern public procurements in 2017. In order to maintain the good practice for publishing notices on public procurement contracts signed, the project team recommends AVMS to upload unpublished notices and to resume its previous practice on continuous and regular publication of such information and notices.

⁸ Budget adjustment, AVMS, June 2018, available at: <https://goo.gl/N2r6aT>

⁹ Budget adjustment, AVMS, July 2018, available at: <https://goo.gl/L3wcBJ>

¹⁰ Public procurements, AVMS, available at: <https://goo.gl/SbrFx8>

¹¹ Public procurements, AVMS, available at: <https://goo.gl/phgNfR>

¹² Public procurements, AVMS, available at: <https://goo.gl/vHGqbr>

¹³ Public procurements, AVMS, available at: <https://goo.gl/fa5VZD>

¹⁴ Public procurements, AVMS, available at: <https://goo.gl/RZoeU8>

¹⁵ Public procurements, AVMS, available at: <https://goo.gl/1ryLT9>

¹⁶ Public procurements, AVMS, available at: <https://goo.gl/PeSzN4>

¹⁷ Notices on procurement contracts signed, AVMS, available at: <https://goo.gl/gf6mon>

¹⁸ Report on public spending by AVMS Director, 2018, available at: <https://goo.gl/jyZkTZ>

¹⁹ Report on public spending by AVMS Director, 2017, available at: <https://goo.gl/kicXFS>

1.2. EFFECTIVENESS AND INDEPENDENCE

GENERAL ASSESSMENT

AVMS duly implemented all activities within its law-stipulated competences in relation to the referendum, held on September 30th this year. Moreover, it performed its anticipated regular programme and administrative supervision activities, as well as series of other activities arising from its regulatory mandate.

In this reporting period, AVMS voiced harsh criticism for amendments to the Electoral Code and undertook all preparations necessary to monitor media coverage and reporting during the referendum. Albeit designated as AVMS's priority activity in the course of 2018, the new Four-Year Strategy on Audio and Audiovisual Activity Development in the Republic of Macedonia is still not drafted. AVMS's independence from political and partisan influences was a current issue in this period as well, both in the public and as part of parliament discussion on the Agency's 2017 Annual Operation Report. The parliamentary committee on transport, communications and ecology did not adopt its conclusion whereby it proposed the Parliament of the Republic of Macedonia to reconsider AVMS's Annual Report.

The Commission for Protection against Discrimination (CPD) decided not to initiate relevant procedure against *TV Alfa* for discrimination on the basis of ethnic background featured in Milenko Nedelkovski Show. This is not the first case for CPD to issue negative decision upon complaints lodged by AVMS. Such behaviour demonstrated on the part of CPD negatively affects AVMS's effectiveness in the fight against discrimination in media contents.

POLICIES, STRATEGIES AND REGULATIONS

Proposed Law on Amending the Law on Audio and Audiovisual Media Services (LAAMS)

Law amendments that concern AVMS, which were presented to the Parliament in the second half of February earlier this year, are still not adopted and are "blocked" in parliamentary committee discussions.

In that, government officials have publicly accused the opposition of blocking adoption of said law amendments, thereby hindering media reforms in the country.²⁰ Association of Journalists in the Republic of Macedonia (AJM) also issued a public notice wherein it assumed the same position and demanded the parliamentary majority to assume responsibility and unblock this process.²¹ The parliamentary opposition rejected such accusations.²²

In the past period, AVMS presented a series of remarks related to proposed amendments to LAAMS, some of which were elaborated by AVMS Director, Zoran Trajchevski, at the session held by the parliamentary committee on transport, communications and ecology dedicated to reconsideration of AVMS's 2017 Annual Operation Report.²³ In particular, Trajchevski underlined the Agency's differed opinion with the government in relation to termination of broadcasting fees, financial independence of this agency, procedure on awarding licenses, method for appointment of AVMS Council Members, etc.

In early September, the Parliament of the Republic of Macedonia, acting in fast-tracked procedure, adopted the proposed Law on Amending the Law on Audio and Audiovisual Media Services motioned by three MPs.²⁴ The proposed law delays enforcement of provisions stipulating the obligation for media outlets to broadcast music and entertainment programme originally produced in Macedonian language or languages spoken by non-majority communities in the Republic of Macedonia until January 1st 2019.

²⁰ "Popovski Urges the Media to Help Adoption of the Law", TV Alsat-M, 27.6.2018, available at: <https://goo.gl/bcVAMN>

²¹ "AJM Demands Dismissal of Council Members at MRT and AVMS Should VMRO-DPMNE Continues to Block the Law", Fokus, 29.6.2018, available at: <https://goo.gl/pKZF6U>

²² "Popovski Urges the Media to Help Adoption of the Law", TV Alsat-M, 27.6.2018, available at: <https://goo.gl/E8smBn>

²³ AVMS's 2017 Annual Operation Report, Parliament of the Republic of Macedonia, 4.6.2018, available at: <https://goo.gl/vEE5qM>

²⁴ Proposed Law on Amending the Law on Audio and Audiovisual Media Services, fast-tracked procedure, Parliament of the Republic of Macedonia, 7.9.2018, available at: <https://goo.gl/sdPF6P>

<p>Strategy on Audio and Audiovisual Activity Development 2018–2022</p>	<p>Although the new Four–Year Strategy on Audio and Audiovisual Activity Development in the Republic of Macedonia was designated as AVMS’s priority activity in the course of 2018, the draft text is still not developed.</p> <p>According to information provided by AVMS, expert services at this agency have been working on the strategy’s draft text throughout the period covered by this monitoring report, and the same will be presented for public consultations later this year, in December.</p>
<p>Amendments to the Electoral Code</p>	<p>AVMS issued a reaction²⁵ concerning amendments to the Electoral Code adopted by the Parliament of the Republic of Macedonia in fast–tracked procedure.</p> <p>According to AVMS, law amendments whereby paid political advertising during elections, which is paid to media outlets by election candidates from election–designated bank accounts, will now be reimbursed from the Budget of the Republic of Macedonia, through the Ministry of Finance, amount to inadequate and scandalous solution to this matter.</p> <p>Furthermore, AVMS is of the standing that the new provision stipulating additional upper threshold for paid political advertising on radio and television channels again fails to ensure level playing field for election participants in terms of access to paid political advertising, in particular because it gives priority to political parties in government and parliamentary opposition, but does not ensure advertising time for independent candidates.</p> <p>At the same time, AVMS disputed law amendments whereby the State Election Commission (SEC) is entrusted with new authorizations in terms of registration of online news portals covering the elections, including competences to monitor and evaluate their operation. In its public reaction, AVMS stressed that monitoring of media coverage at times of elections pursued by online news portals is contrary to European standards and should therefore be completely removed from the Electoral Code.</p> <p>AVMS published a disclaimer statement²⁶ in response to SDSM’s press release,²⁷ wherein this political party refers to the Law on Political Party Funding instead of the Electoral Code. In its disclaimer, AVMS noted, <i>inter alia</i>, that it actively participated in work meetings organized by OSCE and voiced its positions and remarks about proposed amendments to the Electoral Code.</p>
<p>Guidelines on media coverage and reporting during the referendum</p>	<p>In the wake of the referendum, on August 17th, AVMS Council adopted the guidelines on media coverage and reporting during the referendum.²⁸</p> <p>These guidelines were adopted due to non–alignment of the Law on Referendum and Other Forms of Direct Vote by Citizens and the Electoral Code, while the rules stipulated therein are based on provisions from the Media Law and the Law on Audio and Audiovisual Media Services.</p> <p>In particular, the guidelines include an obligation for broadcasting entities to ensure level playing field for interested parties in the referendum in terms of access to different forms of paid public advertising, which radio and television outlets are allowed to pursue in duration of nine minutes per actual hour of programme airtime as additional advertising time.</p> <p>Moreover, the guidelines set forth rules for commercial broadcasting entities and the public service broadcaster concerning media coverage and reporting as part of news programmes, special current affairs and other programmes, including rules on publication of public survey results and media reporting during the pre–referendum silence.</p>

25 AVMS press release, 26.7.2018, available at: <https://goo.gl/wnjd62>

26 AVMS press release, 27.7.2018, available at: <https://goo.gl/nfYD1N>

27 SDSM press release, 26.7.2018, available at: <https://goo.gl/mx5J24>

28 Guidelines on media coverage and reporting during the referendum, AVMS, 2018, available at: <https://goo.gl/17t54Z>

<p>Draft guidelines on compliance with media obligations for publication of impressum and contact/editorial information</p>	<p>AVMS organized a public debate on the draft guidelines on compliance with media obligations for publication of impressum and contact/editorial information.²⁹</p> <p>According to this document, all broadcasting entities are obliged to publish their impressum and contact/editorial information for users. Impressum data should also be adequately aired (opening or closing credits) as part of broadcasted programmes.</p>
<p>EU Audio and Audiovisual Media Services Directive</p>	<p>According to information provided by AVMS, this agency actively followed developments related to revision of the EU Audio and Audiovisual Media Services Directive and regularly participated in work meetings organized by ERGA (European Regulators Group for Audiovisual Media Services), focused on issues related to the EU Directive.</p> <p>The revised version of this directive is expected to enter into effect by the end of 2018.³⁰ Macedonia, as candidate-country for EU membership, will have to align its domestic legislation with this important document that governs audiovisual media services at EU level.</p>
<p>IMPARTIALITY</p>	
<p>(In)dependence from partisan influences</p>	<p>The issue related to AVMS's independence was current also in this monitoring period.</p> <p>Notably, government officials publicly stated that opposition MPs are blocking adoption of law amendments in order to prevent dismissal of Council Members at MRT and AVMS who were appointed when VMRO-DPMNE was in power.³¹ AJM was also of the standing that VMRO-DPMNE blocks adoption of law amendments "because it wants to protect its party members appointed to MRT and AVMS" and therefore suggested dismissal of three members from MRT's Programme Council and of one Council Member at AVMS amidst continued discussions on law amendments.³²</p> <p>AVMS's independence was discussed at parliamentary committee sessions dedicated on AVMS's 2017 Annual Operation Report. On that occasion, Trajchevski stressed that AVMS is independent and that recently it was targeted with criticism by both, ruling authorities and the opposition. Some members of the parliamentary committee disagreed with statements made by Trajchevski, citing the Priebe Reports as evidence in support of their claims.</p> <p>After all discussions were concluded, majority members of the parliamentary committee on transport, communications and ecology failed to adopt the conclusion whereby the Parliament of the Republic of Macedonia is proposed to reconsider AVMS's 2017 Annual Operation Report.</p>

²⁹ Public debate about the draft guidelines on compliance with media obligations related to publication of impressum and contact/editorial information, AVMS, July 2018, available at: <https://goo.gl/PH2Swm>

³⁰ EU Audiovisual Media Services Directive, available at: <https://goo.gl/hCGU29>

³¹ "Popovski Urges the Media to Help Adoption of the Law", TV Alsati-M, 27.6.2018, available at: <https://goo.gl/33fPw>

³² "AJM Demands Dismissal of Council Members at MRT and AVMS Should VMRO-DPMNE Continues to Block Adoption of the Law", Fokus, 29.6.2018, available at: <https://goo.gl/32iWu7>

COOPERATION WITH COMPETENT INSTITUTIONS	
<p>Commission for Protection against Discrimination</p>	<p>The Commission for Protection against Discrimination (CPD) decided not to initiate relevant procedure against <i>TV Alfa</i> for discrimination on the basis of ethnic background featured in Milenko Nedelkovski Show, aired on January 27th 2018.³³ In the disposition of its response to the complaint lodged by AVMS, CPD indicated that the complaint “does not concern the relevant entity (<i>TV Alfa</i>)”, because the named television show is an independent external project and that the television outlet has aired a disclaimer statement prior to broadcasting said programme.</p> <p>AVMS considers such reasoning on the part of CPD to be inaccurate, given that the law clearly and unambiguously locates responsibility for aired programmed with broadcasting entities.</p> <p>This is not the first case for CPD to issue negative decision upon complaints lodged by AVMS, thereby failing to acknowledge evident discrimination in media contents.</p>
IMPLEMENTATION OF ACTIVITIES	
<p>Monitoring media coverage and reporting during the referendum</p>	<p>AVMS duly implemented all activities within its law-stipulated competences in relation to the referendum, held on September 30th this year.</p> <p>In particular, AVMS adopted the guidelines on media coverage and reporting during the referendum, performed supervision and monitoring of media outlets, developed two summary reports for intervals of nine days on the manner in which the media covered and reported on the referendum and motioned five misdemeanour procedures against two television outlets (four against <i>ITV</i> and one against <i>TV Sonce</i>).</p>
<p>Supervision, control and other activities</p>	<p>AVMS implemented all anticipated regular programme and administrative supervision at broadcasting entities, public electronic communications network operators and printed media publishers.</p> <p>At the same time, it conducted a series of extraordinary supervisions <i>ex officio</i>, three extraordinary supervisions at 3 television outlets upon complaints lodged and performed one expert supervision. As result of thereof AVMS issued 26 orders of warning to broadcasting entities and two orders of warning to printed media and network operators.</p> <p>In this period, AVMS engaged in various activities related to broadcasting entities and cable operators, and adopted the decision³⁴ on publication of open call to award licence for religious radio at local level.</p>
<p>Studies</p>	<p>In this period, AVMS published four studies, as follows:</p> <ul style="list-style-type: none"> ▪ data on ratings of radio stations and shares in total viewership of individual television stations in the second quarter of 2018; ▪ analysis of the audio and audiovisual media services market in 2017; ▪ breakdown structure of employees in the audio and audiovisual media industry in 2017; ▪ regulatory framework on mainstream media and online media: the Macedonian case;

³³ CPD decided not to initiate relevant procedure against TV Alfa on the grounds of discrimination, AVMS, available at: <https://goo.gl/rFXogn>

³⁴ Decision, AVMS, 2018, available at: <https://goo.gl/qdKSfd>

COMMENTS/RECOMMENDATIONS

- Delayed adoption of amendments to LAAMS “halted” the media reform process, thereby putting the Agency in situation of “limbo” in the wake of upcoming changes.
- AVMS’s independence from political and partisan influences remains a challenge, thereby serving as apple of discord among the governing authorities, the opposition, media community and civil society.
- Having in mind the fact that law amendments are still not enacted, while media reforms are yet to gain any dynamism, as well as the fact that domestic legislation will need to be additionally amended with a view to transpose the revised EU Audiovisual Media Services Directive, the project team advises AVMS to postpone completion of its new Strategy on Audio and Audiovisual Activity Development.
- Amendments to the Electoral Code were met with heavy and argument-based criticism, both by AVMS and most media organizations. On one hand, this is indicative of the need for more transparent and inclusive operation on the part of the Government and the Parliament, while on the other hand, it underlines the need for AVMS to be continuously involved, but also proactive, in terms of developing policies and regulations governing the media landscape.
- “Failure to acknowledge” discrimination on the part of CPD negatively affects not only effectiveness of this commission, but also AVMS’s work in terms of effective and efficient identification and sanctioning of discrimination featured in media contents. In spite of such indifferent behaviour demonstrated by CPD, the project team encourages AVMS to continue its activities and efforts on lodging complaints before CPD and publishing indications on discriminatory contents aired as part of media programmes.

1.3. PERFORMANCE AND LAW ENFORCEMENT

GENERAL ASSESSMENT

AVSM disposes with solid human and financial resources, while its operations are based on standards for quality management systems.

HUMAN RESOURCES

Staff members

AVMS's team is comprised of professional and competent staff members, with relevant experiences in both programme and financial-administrative matters.

AVMS's website hosts information related to organizational setup of this regulatory authority (organogram), as well as information on staff members per sectors.

According to information provided by AVMS, governing and management bodies have, in continuity, engaged in activities to ensure adequate conditions and motivation for professional development and career advancement of its staff members. Most often, these include specialized training, study visits and participation in various international conferences and other events.

In this period, AVMS's representatives participated in events such as: conference organized as part of the project "Support to Public Service Broadcasters in the Western Balkans"; JUFREX annual regional conference of media regulatory authorities; UN Convention against Corruption and Integrity of Anticorruption Policies; third meeting of ERGA Subgroup 1 on internal and external pluralism. Moreover, AVMS had meetings with representatives from the media regulatory authority in Croatia, as well as several work meetings with OSCE/ODIHR.

FINANCIAL RESOURCES

Budget and public procurements

Based on AVMS's past track record, it is evident that this agency pursues transparent and accountable financial operations, in particular related to matters such as budget planning, budget execution and public procurements.

AVMS Director regularly reports on public spending for telephone bills, travel costs and representation expenses.

Its solid financial management practices have allowed AVMS, in this monitoring period, to donate 1 million MKD through the Red Cross Solidarity Fund intended for relief efforts in the aftermath of tragic wildfires near Athens, Republic of Greece.³⁵

STANDARDS AND QUALITY MANAGEMENT

ISO 9001:2015

In the past, AVMS based its operations on standards for the quality management system (QMS) ISO 9001:2008.

In June, it initiated the public procurement procedure³⁶ for certification of the Quality Management System ISO 9001:2015. In September, AVMS was awarded certificate on ISO 9001:2015 and initiated use of the relevant quality management system.

For the purposes of adequate implementation of standard-related requirements, AVMS developed ISO procedures for all operations at this agency, thus completing implementation of the standard ISO 9001:2015.

COMMENTS/RECOMMENDATIONS

AVMS should maintain and improve quality of its operations, and should advance and further develop qualifications of its staff members. Therefore, it should adherently implement and, when needed, amend its annual plan on professional development of staff members, which should be duly reflected in AVMS's annual budget planning.

³⁵ Donation by AVMS, available at: <https://goo.gl/VcMZ34>

³⁶ Public procurement for certification of the standard ISO 9001:2015, AVMS, July 2018, available at: <https://goo.gl/uD4xd6>

1.4. PUBLIC INTEREST

GENERAL ASSESSMENT

In this period as well, AVMS remained open to cooperation and joint activities with civil society organizations and media outlets in the field of media literacy. Activities of the Media Literacy Network and its members were intensified, while plans are in place to develop a policy brief that will include guidelines on promotion and support for further development of media literacy in Macedonia.

Moreover, AVMS voiced its concerns in regard to several situations when media workers were prevented to report and cover topics of broad public interest, including appeals for media workers to duly perform their profession, i.e. inform the public in truthful, professional and impartial manner.

CREATION OF ENABLING ENVIRONMENT FOR THE MEDIA

<p>Media literacy</p>	<p>In this period, AVMS was actively involved in the field of media literacy, together with members of the Media Literacy Network. This network held one work meeting,³⁷ whereas in cooperation with the Macedonian Media Institute, AVMS organized and delivered a capacity-building workshop for the Media Literacy Network.³⁸</p> <p>According to plans announced, by the end of this year AVMS will develop an overview of activities organized thus far and produce a policy brief with guidelines aimed at promotion and support for further development of media literacy in Macedonia.</p>
<p>Reactions about media workers</p>	<p>AVMS publicly condemned “attacks on media workers, violent apprehension of journalists and unprofessional behaviour demonstrated by some journalists” amidst protests against the Agreement signed between Greece and Macedonia.³⁹ In that, AVMS stressed that media workers must be free from any type of pressures and allowed to perform their jobs uninterrupted, especially when they cover or report on issues of special public interest. Furthermore, AVMS voiced its position that journalists should report in impartial and balanced manner, and should maintain professional distance from events covered.</p> <p>In the aftermath of public reaction issued by a number of photojournalists who were denied adequate access to perform their professional tasks at the political party leaders meeting held at the Club of Parliamentarians, AVMS urged responsible authorities to ensure unhindered access for all media workers at events of public interest, even at times when special security measures are in effect.⁴⁰</p>

COMMENTS/RECOMMENDATIONS

Media Literacy Network is a good example about the manner in which AVMS could and should assume proactive role in matters of broader public interest, as well as about its openness to cooperation and involvement of all relevant stakeholders.

Such or similar approach can be pursued in other areas of operation, for example, the fight against hate speech and discrimination featured in media contents, etc.

³⁷ Work meeting of the Media Literacy Network, 7.6.2018, available at: <https://goo.gl/9ZmeMa>

³⁸ Media Literacy Workshop, 21.9.2108, available at: <https://goo.gl/jh43as>

³⁹ Press release, AVMS, 18.6.2018, available at: <https://goo.gl/bCLNDx>

⁴⁰ Press release, AVMS, 19.7.2018, available at: <https://goo.gl/1TavdK>

2. AGENCY FOR ELECTRONIC COMMUNICATIONS (AEC)

2.1. TRANSPARENCY AND ACCOUNTABILITY

GENERAL ASSESSMENT

In the third quarter of 2018, the project team did not observe any significant changes in terms of AEC's transparency and accountability. The impression presented in previous monitoring reports remains valid and indicates that, to certain extent, AEC demonstrates transparency and accountability, but there is significant space for improvements, especially in terms of greater, proactive and systemic approach to publication of information and management of existing communication tools. To great extent, transparency and accountability of this agency are guaranteed under existing law provisions, rules, procedures and other internal documents adopted by this regulatory body. Quality of some documents made publicly available is characterized by basic level of technicality and contents, which affects the regulator's transparency. Although information hosted on all three websites operated by this agency is regularly updated, the public is still perplexed in relation to AEC's presence on social networks, i.e. two *Facebook* pages and *YouTube* channels.⁴¹

PROGRAMME TRANSPARENCY AND ACCOUNTABILITY

<p>Meetings of AEC Commission</p>	<p>In this quarter, AEC Commission held a total of three meetings (dated 18.7.2018, 16.8.2018 and 17.9.2018). As noted in our previous reports, these meetings are closed to the public whereby minutes therefrom, that should be published on AEC's official website within a deadline of seven days after the meeting, provide the single manner in which the public has insight into matters discussed.⁴² Praise is due to the fact that minutes from all three meetings were published within the law-stipulated deadline.⁴³ As regards comprehensiveness of information provided therein, among all three minutes published in this quarter the single agenda item that was elaborated in detail concerns adoption of the second quarterly report on AEC's performance in 2018 discussed at the tenth meeting held by AEC Commission. Compared to previous quarters, no improvements were noted in terms of detailed elaboration of agenda items discussed. In particular, minutes feature superficial description of the course of these meetings and, with the exception of some basic information, they do not include any details about course and contents of discussions. Provisions are in place and they ensure transparency and accountability of this regulatory authority, in particular by setting minimum technical standards in compliance with the law, rules, procedures, as well as other internal documents adopted by AEC.</p>
<p>Public consultations</p>	<p>In this quarter, AEC initiated only one public consultation in relation to the Rulebook on Quality Parameters for Public Electronic Communication Services Provided by Public Communications Network.⁴⁴ All documents necessary for this round of public consultations were timely published on AEC's website, including venue and time for this event.</p> <p>On September 11th 2018, AEC held a public meeting around public consultations organized for the Rulebook on Quality Parameters for Public Electronic Communication Services Provided by Public Communications Networks.⁴⁵ Event invitation and agenda were timely posted on AEC's website, one week before the meeting. This public meeting was open to the public.</p>

⁴¹ For illustration purposes, one of its Facebook pages titled "Agency for Electronic Communications (Cyrillic letters)" shows that the last post is dated on January 11th 2013. The second Facebook page titled "Agency for Electronic Communications (Latin letters)" is regularly updated.

⁴² Minutes, AEC Commission, available at: <https://goo.gl/4Bjs9f>

⁴³ Minutes from the 8th and 9th meeting of AEC Commission held in 2018 and published on 25.7.2018 and 23.8.2018, available at: <https://goo.gl/suQskh> и <https://goo.gl/PrpYB2>

⁴⁴ Public discussion, AEC, available at: <https://goo.gl/c2WBIC>

⁴⁵ Meetings, AEC, available at: <https://goo.gl/sFmXs5>

Website, Facebook, YouTube, press releases, etc.

Still valid is the impression from previous reports that transparency and accountability are satisfactory, but there is significant space for improvements, especially by means of greater, proactive and systemic approach to publication of information and management of existing communication tools.

AEC's main website⁴⁶ is timely updated with publication of documents and other contents related to AEC's work. Nevertheless, some remarks put forward in our previous reports have not been taken into consideration and certain shortfalls have not been corrected. For example, in spite of the fact that all previous reports have established that, in order to improve its transparency, it is important for AEC's website to host work biographies of AEC Commission Members and AEC Director, they are still not published because, according to staff members from relevant sectors at AEC, publication thereof is a matter of discretionary decision of this institution. Having in mind that the Parliament of the Republic of Macedonia appoints AEC Commission Members and they need to fulfil clearly defined selection criteria for performance of this office, the project team believes it is of great importance for citizens to have insight in qualifications of appointed members on AEC's website. Although work biographies are publicly available as part of shorthand notes from plenary and individual sessions held by parliamentary committees, concerns are raised with AEC's decision not to publish them.

Another malpractice that has been duly noted concerns the fact that most documents are published as scanned pages of partial quality, which gives rise to the recommendation for these documents to be uploaded in more adequate formats.⁴⁷ In the penultimate quarter of 2018, AEC's website did not host any new press releases and the Agency did not hold any events. Having in mind that this quarterly report covers the summer period, AEC's low intensity of work is understandable.

In this quarter, the highest number of visits were observed with AEC's main website (10.210 visits), followed by e-agencija.mk where citizens can submit applications for dispute resolution with their relevant operators (4.023 visits), and finally komunikiraj.mk (840 visits).

Number of visits to all three websites, in the period 1.7.2018–30.9.2018

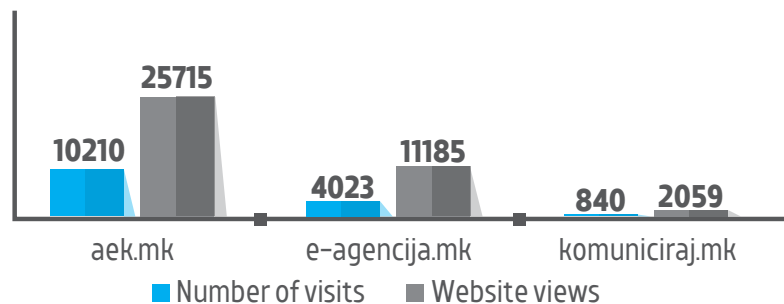


Chart no. 1: Number of visits to all three websites, in the period 1.7.2018 – 30.9.2018

In the period July–September 2018, AEC was not active on social media and did not post any new contents on its two *YouTube* channels and *Twitter* profile. Positive exemption therefrom was observed in the case of one from two *Facebook* pages hosted by AEC where, in the last quarter, information related to work of this regulatory body was regularly posted.

⁴⁶ AEC's website, available at: <http://www.aek.mk/index.php?lang=mk>

⁴⁷ No visible changes were noted in terms of the remaining two websites (e-agencija.mk and komunikiraj.mk) in the course of this quarter, with the exception of standard contents that were regularly updated.

FINANCIAL TRANSPARENCY AND ACCOUNTABILITY	
Budget adjustment	In this quarter, AEC adopted amendments to its 2018 financial plan, ⁴⁸ whereby it reallocated addition funds in total amount of 125,275,193.00 MKD, as rollover funds from previous years. Significant increase was noted under budget items related to annual vacation salary bonus, in the value of 2,200,000.00 MKD, accounting for budget supplement under this item by 56% compared to initially planned funds. Additional funds were allocated for promotional campaign, in total value of 6,000,000.00 MKD, representing an increase by 20% under the budget item on intellectual services. Additional 4,000,000.000 MKD were secured for court fees payments in lost lawsuits, accounting for an increase by 60%. As regards construction of the monitoring and control antennae system, AEC increased the relevant budget item by 44%, i.e. by 87,756,568.00 MKD, which represents 70% of total funds reallocated under this budget adjustment.
Public procurements	According to the Electronic Public Procurement System, in the period June – September 2018, AEC has signed a total of 7 procurement contracts, as follows: maintenance of GPS system for vehicles (fleet management); ⁴⁹ certification/recertification of Quality Management System ISO 9001-2008/ ISO 9001:2015; ⁵⁰ consultation services for transformation of ISO 9001:2008 into ISO 9001:2015; ⁵¹ consultation services for introduction of the Quality Management System, i.e. introduction of the Common Assessment Framework for state administration and service provision; ⁵² maintenance of GIS system; ⁵³ adaptive upgrade to GIS system; ⁵⁴ and procurement of GIS web-licenses. ⁵⁵ Information on these public procurements is also available on AEC's website.
Financial reports on public spending by AEC Director	In compliance with commitments for open and transparent operation and the government's initiative for accountability in terms of public spending by public office holders, ⁵⁶ unlike the situation observed with AVMS, reports on costs incurred by AEC Director cannot be found in any newsletter issued by this regulatory authority.

⁴⁸ Amendments to AEC's 2018 Financial Plan, available at: <https://goo.gl/bNi2bu>

⁴⁹ Public procurements, AEC, available at: <https://goo.gl/8v5waZ>

⁵⁰ Public procurements, AEC, available at: <https://goo.gl/91h4hu>

⁵¹ Public procurements, AEC, available at: <https://goo.gl/cHhE88>

⁵² Public procurements, AEC, available at: <https://goo.gl/uVXYLH>

⁵³ Public procurements, AEC, available at: <https://goo.gl/XbwN4d>

⁵⁴ Public procurements, AEC, available at: <https://goo.gl/52CRRI>

⁵⁵ Public procurements, AEC, available at: <https://goo.gl/mKzgGx>

⁵⁶ Report on public spending by AVMS Director, 2018, available at: <https://goo.gl/L8Khqg>

COMMENTS/RECOMMENDATIONS

- This regulatory authority has still not published work biographies of AEC Commission Members and AEC Director on its official website. The project team recommends these documents to be made publicly available.
- Practices related to publication of documents in scanned formats of partial quality have continued, and therefore it is recommended for documents to be uploaded in more adequate formats whose quality would not affect AEC's accountability.
- There are evident quality shortcomings in terms of minutes from meetings held by AEC Commission,⁵⁷ thus raising the need for significant improvements in terms of ensuring publicity of the regulator's operation, especially having in mind that minutes provide the only means for citizens to gain insight into information about work performed by AEC Commission.
- On its website, the regulatory authority provides information on public procurements organized, but fails to publish any notices on public procurement contracts signed, which could additionally improve its transparency. Going forward, the project team recommends AEC to institute practices for continuous and ongoing publication of notices on public procurement contracts signed, following the example set by AVMS in the last years. Although, in compliance with the Law on Public Procurements, all contracts signed are published on the website hosted by the Bureau of Public Procurements,⁵⁸ they should be also available on AEC's website with a view to improve publicity of the regulator's operation.
- In compliance with commitments for open and transparent operation and the government's initiative for accountability in public spending by public office holders, it is recommended for costs incurred by AEC Director to be made publicly available.
- AEC demonstrates satisfactory level of transparency and accountability, but there is still significant space for improvements, especially in terms of effective use of social media. Hence, it is recommended for AEC to increase its efforts concerning publication of regular posts on social media, with a view to facilitate access to information for users of different age groups. Moreover, in order to avoid any confusion, the project team recommends AEC to use only one page/channel on *Facebook* and *YouTube*.
- Communication and cooperation with this regulatory authority remains on high level, i.e. they have continued practices from previous years in terms of responsiveness to information requests submitted under the instrument for free access to public information, e-mail communication and meeting requests. The project team proposes this practice on improved transparency to continue in the future, also with other non-state actors.

⁵⁷ For illustration purposes, minutes from the ninth meeting of AEC Commission covers as many as nine agenda item, elaborated on only two pages, whereby each agenda item is described with three lines.

⁵⁸ BPP's official website, available at: <https://goo.gl/MPTyPF>

2.2. EFFECTIVENESS AND INDEPENDENCE

GENERAL ASSESSMENT

AEC's independence and effectiveness from political and partisan influences poses crucial and essential challenge for future operation of this regulatory authority, as well as for development of electronic communications in the country. In its 2018 Country Report and as part of its assessment for progress made under Chapter 10, the European Commission duly noted concerns about the regulator's ability for independent operation.⁵⁹

The regulatory authority disposes with relevant capacity to fulfil its obligations as stipulated in relevant laws and bylaws, but it remains to be verified whether this body has complied therewith in the simplest, effective, cost-efficient or purposeful manner, with evidence of merit-based system.

POLICIES, STRATEGIES AND REGULATIONS

<p>Report on development of the electronic communications market</p>	<p>In this quarter, AEC published the report on electronic communications market development in the fourth quarter of 2017. By rule, these reports should include information on relevant market shares of network operators providing mobile and landline services, internet services, and television. AEC is obliged by law to publish such reports,⁶⁰ while the complete annual report on electronic communications market development (for all four quarters) is presented to the Parliament, together with AEC's Annual Operation Report. This report includes indicators that are exclusively related to market development in the reported year.</p>
<p>Report from the public survey on protection of electronic communications users</p>	<p>Early in this quarter, AEC published the report from the public survey on protection for residential users of electronic communication services. The survey was conducted on the territory of the Republic of Macedonia, on randomly selected representative sample comprised of 1,100 respondents from the population aged 18+ years, who are users of following electronic communication services: landline, mobile, internet and television, and whose share, compared to 2017, is marked by mild increase under each category of electronic communication services, with the exception of television services.⁶¹ Almost 60% of respondents are knowledgeable of the regulator's existence, but almost 70% of the population does not dispose with sufficient information about the procedure for submission of dispute resolution applications to AEC. Only 13.8% of the population⁶² is familiar with AEC's website www.komuniciraj.mk, where they can compare telecommunication services, thus facilitating their choice of operator, while more than 14% know that this regulator engages in detailed revision and approval of standard subscription contracts for all operators.</p> <p>Having in mind that the regulator plans to undertake additional promotional and educational activities, the project team proposes AEC to follow practices pursued by AVMS⁶³ and utilize educational materials produced as joint effort in the first stage of this project, when the project team, in cooperation with AEC, produced one educational video on the possibility for citizens to lodge complaints to AEC.</p>

COMMENTS/RECOMMENDATIONS

- AEC is formally independent from the legislative and executive branches of government and from other parties, while its operation is somewhat characterized by unbiased approach, and partial use of its competences with a view to demonstrate independence from the legislative and executive branches of government or business interests in the sector that is subject of regulation.

⁵⁹ EC's 2018 Country Report for the Republic of Macedonia, available at: <https://goo.gl/9DJ5SS>

⁶⁰ Article 11, paragraph 4 of the Law on Electronic Communications

⁶¹ While majority of users are satisfied with price and quality of services, the number of complaints lodged is marked by increase compared to 2017. The highest share of respondents indicating satisfaction with services is observed among users of landline services (79%), followed by users of internet (71%), users of mobile services (70%) and television (70%)

⁶² According to the public survey, contracts signed by users with operators of communication services were read by 49.5% of respondents.

⁶³ Educational materials for submission of complaints, available at: <http://avmu.mk/podnesuvanje-pretstavka/>

2.3. PERFORMANCE AND LAW ENFORCEMENT

GENERAL ASSESSMENT

AEC's performance track record, i.e. evaluation of its capacity, is analysed on the basis of adopted annual operation plans and, correspondingly, annual reports, as well as in terms of human and financial resources needed for implementation of these plans. The strategic approach to promotion of standards and capacity building, as well as availability and quality of these data, allow the project team to monitor transparency of relevant processes, i.e. compliance with law-stipulated obligations related to the regulator's operation.⁶⁴

Annual report

AEC's 2017 Annual Operation Report was submitted to the Parliament of the Republic of Macedonia⁶⁵ within the law-stipulated deadline. On its 19th session, held on June 4th 2018, the parliamentary committee on transport, communications and ecology reconsidered AEC's 2017 Annual Operation Report.⁶⁶ Attached to this report, this committee also reconsidered AEC's proposal for its 2018 annual program and financial plan. After its adoption, AEC's Annual Operation Report was duly published on its official website, on April 16th 2018, but certain concerns are noted in relation to quality of some documents provided in attachment to the annual report, as it affects access thereto and transparency in AEC's operation. Namely, AEC's financial reports, in particular its annual balance sheet and the list of investments, are of poor quality, being uploaded as scanned documents. Relying on the instrument for free access to public information, the project team requested the annual report with adequate quality in terms of readability, after which the regulatory authority provided hardcopy thereof. By the cut-off date for this monitoring report, AEC has still not uploaded its annual report with adequate quality of documents. Hence, one recommendation for this quarter concerns access to quality documents for the public.

HUMAN RESOURCES

There is certain gap in terms of the number and expertise of staff members compared to AEC's organizational setup and its internal act on systematization of jobs. According to publicly available information on AEC's website, this agency employs a total of 122 persons. According to the Rulebook on Systematization of Jobs,⁶⁷ AEC has defined a total of 180 job positions within its organizational structure, 133 of which are recruited.

⁶⁴ Total revenue anticipated under the 2018 financial plan accounts for 475,555,000 MKD. Almost 80% of revenue is planned to be collected from spectrum fees, while the remaining funds are planned to be secured from charges collected for supervision on the electronic communications market (50,810,000 MKD) and charges for use of numbers (50,250,000 MKD).

⁶⁵ According to the letter from the Ministry of Finance's Sector on Financial System, under archive no. 11-998/2 from 20.3.2006 (which is integral part of AEC's 2017 Annual Report), for the period from 1.1.2017 to 31.12.2017, AEC develops financial reports, aligns revenue and expenditure, and estimates balance positions in compliance with the Law on Accounting Practices for Non-Profit Organizations, Rulebook on the Plan of Accounts and Balance Sheets for Non-Profit Organizations.

⁶⁶ AEC's Annual Report elaborates that the agency's operation is governed by the Law on Electronic Communications. Furthermore, it provides a review of the electronic communications market in 2017, including key indicators, informs on implementation of activities planned under 2017 annual operation program. Also, it includes report on revenue and expenditure realized by the Agency for Electronic Communications in the year 2017, as well as report on implementation of its 2017 financial plan. AEC's Annual Report includes the annual balance sheet and audit report performed by independent chartered auditor.

⁶⁷ Rulebook on Systematization of Jobs at AEC, available at: <https://goo.gl/1UbhLv>

FINANCIAL RESOURCES

As regards its financial resources, in this quarter, AEC adopted amendments to its 2018 financial plan. According to the 2018 financial plan, AEC's total expenditure amounts to 475,555,000.00 MKD. On the other hand, surplus funds from AEC's 2017 annual balance sheet, in total amount of 125,275,193.00 MKD,⁶⁸ are rolled over and allocated to above elaborated budget items, whereby the total amount of planned expenditure in 2018 accounts for 601,830,193.00 MKD, representing an increase by 9.4%. For illustration purposes, AEC has spent 515,721,634.00 MKD from 2017 total revenue planned in the amount of 545,471,514.00 MKD, accounting for 94.55%. Correspondingly, realization of planned expenditure amounts to 435,033,288.00 MK, i.e. 79.90%.

STANDARDS AND QUALITY MANAGEMENT

Quality Management System

Certification of the Quality Management System according to requirements under the standard MKS EN 9001:2009, which confirms implementation of quality management system in the domain of regulation of the market of electronic communications, expired on September 15th 2018.⁶⁹ According to AEC's quality policy,⁷⁰ implementation of the standard 9001:2015 provides a framework for introduction of this system and implies continuous quality improvements to all services falling with competences of the regulatory authority.

COMMENTS/RECOMMENDATIONS

On its official website, the regulatory body provides different data on the number of staff members, in particular the number of recruited job positions according to the Rulebook on Systematization of Jobs, i.e. list of staff members at AEC posted on its website. The project team recommends these data to be further clarified. Moreover, although staff members at this regulatory authority are entitled to and benefit from different opportunities for continuous professional development and carrier advancement, there are no clear indications that this is purposed for the purpose of advancing AEC's operation. This regulatory authority is aware of the need to improve quality of its operations, but fails to reconsider application of international quality standards intended for regulatory authorities, focusing instead on general standards for quality management, which are applicable to non-associated organizations.

⁶⁸ Of which, 53,471,514.00 MKD are rolled over funds from previous years and 71,803,679.00 MKD are rolled over funds from 2017.

⁶⁹ Certification of the Quality Management System, available at: <https://goo.gl/Gt247b>

⁷⁰ AEC's Quality Policy, available at: <https://goo.gl/eHwhG5>

2.4. PUBLIC INTEREST

MK@EU: PROGRESS AND RECOMMENDATIONS FOR CREATION OF ENABLING ENVIRONMENT IN THE AREA COVERED UNDER CHAPTER 10 (INFORMATION SOCIETY AND MEDIA)

As regards the general assessment on performance track record under Chapter 10: Information Society and Media, which concerns evaluation of capacity, preparedness and progress in this field, Macedonia is assessed as moderately prepared to assume membership obligations in the field of information society and media, i.e. in the period from the last progress report until publication of EC's 2018 Country Report, no progress has been noted in this field. In continuity, for sixth year in a row, the European Commission has raised concerns with the regulator's ability to act independently, as well as abuse of funds under AEC's budget for political purposes instead of activities related to electronic communications. EC appealed AEC's funds to be used exclusively for regulatory and monitoring activities in the field of electronic communications.

Hence, the following recommendations are valid:

- To secure sufficient autonomy of independent regulatory, supervisory and oversight bodies, not only in theory, but also in practice, with a view to enable them to operate efficiently and free from political pressures;
- To ensure that membership of independent regulatory bodies is based on professional competence, professional experience relevant to the field and comparative merit;
- To ensure effective legal sanctions for non-compliance with the requests and recommendations of independent bodies.⁷¹

The emergency number 112 has not been introduced, in spite of recommendations made by the European Commission in the last ten years. Spectrum fees charged from operators have been reduced, but are still high, and in essence they are ultimately paid by users through service charges imposed by the operators. Spectrum fees are the main revenue source for AEC (almost 80%) and are regularly higher than AEC's operational costs by more than 50% on annual level. Surplus funds are allocated to projects that are complementary to government policies and projects.

<p>Complaints lodged by end-users</p>	<p>Relying on the instrument for free access to public information, the project team received information that, in the period July–September, a total of 140 dispute resolution applications have been submitted. Among them, 123 complaints were submitted in hardcopy directly to AEC, accounting for 88% of the total number of complaints, while only 17 complaints were submitted in electronic form, through AEC's website (e-agencija.mk), accounting for 12% of all complaints.</p>
<p>Calls and messages to the toll-free number 190</p>	<p>The toll-free number 190 operated by AEC is yet another possibility for citizens to make inquiries or lodge complaints about electronic communications services. In this case, using the instrument for free access to public information, the project team received information that, in the period July–September, a total of 886 calls to the toll-free number 190 were answered.</p>

⁷¹ EC's 2018 Country Report for the Republic of Macedonia, available at: <https://goo.gl/qU8hVC>

