



Association of Journalists
of Macedonia

Media Freedom in North Macedonia: Fragile Progress

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Fact-Finding Press Freedom Mission Report

Skopje, June 5-7, 2023



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Media Freedom in North Macedonia: Fragile Progress
Fact-finding press freedom mission report

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EXECUTIVE SUMMARY	5
INTRODUCTION	7
CHAPTER 1: THE CLIMATE FOR INDEPENDENT REPORTING	8
1. Safety of journalists	9
2. Abusive and frivolous litigation	10
3. Working conditions	11
4. Discrediting of journalists: the role of politicians and officials	11
5. Polarisation and trust in media	12
CHAPTER 2: THE MEDIA ECOSYSTEM	14
1. State advertising and media pluralism	15
2. Public broadcaster MRT	17
3. Appointments to the MRT Programming Council and the Council of the Agency for Audio and Audiovisual Media Services	18
4. Transparency of official communication	19
5. Copyright	20
6. Journalists' representation and self-regulation	20
CONCLUSIONS AND RECOMMENDATIONS	21
ANNEX 1: LIST OF MEETINGS	24
ANNEX 2: POLICY PAPER ON MEDIA PLURALISM FUND	25

EXECUTIVE SUMMARY

This report presents the findings and recommendations stemming from an international fact-finding mission to North Macedonia that took place from 5 to 7 June 2023, organised by the Association of Journalists of Macedonia. A fact-finding mission of representatives of five leading European press freedom organisations¹ visited the country, meeting with the most relevant policymakers in Skopje to assess the persistent problems of the media sector. The fact-finding mission found progress has been made in recent years as the country continues to recover from the severe deterioration of media freedom during the previous decade. However, this progress is fragile, and much work remains to be done to consolidate these gains and tackle systemic challenges.

As concerns the safety of journalists, North Macedonia remains relatively secure compared to other countries in the region. Notable developments include the recent amendment of the Criminal Code, which now recognises attacks on journalists as an attack on officials to be dealt with *ex officio*, and the appointment of a special prosecutor responsible for overseeing criminal cases involving attacks on journalists and media workers. It is hoped that these changes will lead to greater prioritisation and more effective follow-up when such attacks occur and will provide a systemic solution to deter future attacks.

Another important legislative development is the amendment of the Law on Civil Liability for Insult and Defamation in 2022, limiting the ability of powerful actors to launch disproportionate and frivolous lawsuits. While overall, the total number of libel lawsuits filed against media and journalists remains low compared to a decade ago, the fact-finding mission is concerned about an uptick in the numbers in the last year.

The working conditions of journalists in North Macedonia are poor. This pertains not only to salaries and precarious contracts but also to a lack of respect for labour rights and cases of harassment, particularly of women journalists.

In a welcome break with practices from the past, high-level officials and current executive members do not publicly denigrate or insult journalists in response to critical reporting, and a culture is developing of condemnation of attacks on journalists. Unfortunately, this positive trend was [again reversed](#)² in 2023. Some politicians continue to use hostile language or refuse to engage with critical questions, and when such instances occur, there is no accountability.

The information space in North Macedonia is characterised by high levels of polarisation leading to an erosion of public confidence in journalism and posing a direct

1 European Centre for Press and Media Freedom, European Federation of Journalists, Free Press Unlimited, International Press Institute, Osservatorio Balcani e Caucaso Transeuropa

2 Association of Journalists of Macedonia (AJM) Announcement, „EFJ condemns the improper behaviour of state officials towards journalists in North Macedonia”, <https://shorturl.at/fhE39>, 08.02.2023

threat to the safety of journalists. In both public and private media, representation of the diverse make-up of the country is poor.

Regarding the media ecosystem, journalists now work in a more open and freer climate than in the previous decade. Still, the situation for independent journalism and editorial freedom remains problematic. A key problem is that many media owners, especially in traditional media (national TV stations), have different core businesses which are often dependent on tenders from ministries and institutions, creating implied or explicit taboo topics.

At the time of the fact-finding mission and the publication of this report, an important discussion is ongoing following pressure from leading private broadcasters to lift the ban on state advertising in broadcast media. In North Macedonia's heavily fragmented media market, the fact-finding mission believes that if this ill-advised policy materialises, it will increase the risk of political interference and is not likely to improve the viability of the media sector. Instead, much more ambitious change is needed, including establishing a public fund to support independent media and an in-depth reform of the media laws.

The public broadcaster is on a broadly upward trajectory regarding functional independence and professionalism but remains beset by challenges. These include continuing financial and staffing difficulties and delays to appointments of members of its Programming Council, stemming from an apparent lack of political consensus. The Council of the Agency for Audio and Audiovisual Media Services faces the same problem regarding appointments to its Council. In the fact-finding mission's view, these delays undermine confidence in the governance of these institutions.

The government of North Macedonia has invested considerable resources in its communication strategy. This proactive approach is welcomed for its aim to provide transparency, but the distribution of materials created by the government without a clear indication of their source is problematic.

Lastly, the fact-finding mission found that journalists' associations and unions in North Macedonia are highly professional and have successfully pushed reforms that benefit the country's journalists. To ensure the success of future reform, it will be critical that they remain centrally involved in the process.

INTRODUCTION

From 5 to 7 June 2023, an international fact-finding mission took place in North Macedonia to assess the persistent problems of the media sector, organised by the Association of Journalists of Macedonia (AJM). To this end, a fact-finding mission consisting of representatives of the European Centre for Press and Media Freedom (ECPMF), European Federation of Journalists (EFJ), Free Press Unlimited (FPU), International Press Institute (IPI), and Osservatorio Balcani e Caucaso Trans-europa (OBCT) held meetings in Skopje with the most relevant decision-makers in the country, relevant for the media sector.

In recent years, North Macedonia has made continued progress on media freedom, albeit disjointed and with limitations, including steps to harmonise media legislation in line with the European Union's acquis and other European standards. Important recent milestones include the November 2022 amendment to the Law on Civil Liability for Defamation and Insult, which significantly lowered potential fines for media outlets and individual journalists found guilty in libel lawsuits, and the February 2023 reform of the Criminal Code, which established stronger legal protection for journalists. Attacks on journalists are now recognised as an attack on officials, to be dealt with *ex officio*.

While recognising this important progress, the fact-finding mission notes overall that many serious challenges persist. For one, despite progress on the legislative front, journalists continue to face difficulties with their safety, including significant concerns regarding hate speech and negative labelling of journalists and media workers. The most recent year also saw an uptick in libel lawsuits, after years of steady decline in the numbers. Furthermore, working conditions remain unacceptably poor for many reporters, not only regarding their salaries and employment status, but also regarding respect for their labour rights. Media outlets also struggle to survive in a small and crowded market, in which pluralism is under threat pursuant to an ill-advised push to reintroduce state advertising.

This report sets out the findings of the international fact-finding mission. The first chapter concerns the climate for independent reporting, looking into the safety of journalists, Strategic Lawsuits Against Public Participation (SLAPPs), journalists' working conditions, discredit of journalists, and how polarisation affects the public's trust in media. The second chapter concerns the media ecosystem, looking into state advertising and media pluralism, the public broadcaster MRT, appointments in the MRT's Programming Council and the Council of the Agency for Audio and Audiovisual Media Services, and transparency of official communications. The final chapter sets out the fact-finding mission's conclusions and recommendations. Annex I contains the list of meetings, and Annex II contains a policy paper on the proposal for a media pluralism fund.

CHAPTER 1:
**THE CLIMATE FOR
INDEPENDENT
REPORTING**

1. Safety of journalists

The Ministry of Interior has an internal registry on attacks against journalists, but the data are not publicly available. The AJM maintains a comprehensive and detailed register of attacks and threats against journalists, regularly updated and publicly available on [AJM's website](#)³.

The general landscape for the safety of journalists in North Macedonia remains relatively secure. According to [regional](#)⁴ and [international](#)⁵ monitoring, the country remains one of the safest places in the Western Balkans to practice journalism. While severe physical attacks on the press remain rare, there has nevertheless been a slight increase in the attacks and threats against journalists and media workers, from 5 in 2021 to 7 in 2022 and 4 in the first half of 2023.

One notable development in 2022 was the appointment of a special prosecutor at the Basic Public Prosecutor's Office, responsible for overseeing criminal cases involving attacks on journalists and media workers. It is hoped this will lead to a greater prioritisation of threats and attacks on journalists within the prosecutorial services and swifter responses when such attacks occur.

While the responsiveness of the Ministry of Interior and Public Prosecutor's Office to cases of attacks on journalists has notably improved in recent years, there is quite a long way to go. The Basic Civil and Criminal Court in Skopje does not provide detailed information about the court proceedings for the attacks on journalists, as courts do not have a practice of informing the public about proceedings related to attacks on journalists and media. Competent institutions have not reacted quickly and efficiently enough to find and punish the perpetrators of serious death threats online. Beyond the perceptions of journalists that the law enforcement authorities are not keen on resolving the cases, less than 10 per cent of the registered violations of journalists' rights in the AJM's register over the last five years have been resolved in court. The inertia of the prosecution and the judiciary in dealing with past cases of attacks gives way to self-censorship and has a chilling effect.

Following the 2022 reform of the Criminal Code, journalists are now recognised as a protected group akin to public officials. This authorises the Public Prosecutor's Office to launch ex officio proceedings in the event of an attack on a journalist or media worker, and those found guilty of carrying out physical acts of violence and intimidation face heavier penalties. It is hoped that strengthening this law will be a systemic solution to deter future attacks on journalists.

3 AJM – Cases of violation of journalists' rights through the years, <https://znm.org.mk/en/cases-of-violant-of-journalists-rights/>

4 Western Balkan's Regional Platform for advocating media freedom and journalists' safety; Safejournalists.net - <https://safejournalists.net/>

5 Media Freedom Rapid Response (MFRR), a Europe-wide mechanism, which tracks, monitors, and reacts to violations of press and media freedom in EU Member States and candidate countries, <https://www.mappingmediafreedom.org/>

Journalists have not reported any serious issues regarding cooperation and communication with police, and the fact-finding mission understood trust in law enforcement authorities has increased in recent years. No significant issues or inappropriate actions towards journalists by police were recorded, underscoring a relatively healthy relationship between the press and police. Likewise, no instances have been recorded in recent years of journalists facing pressure from law enforcement to reveal their sources. The legal framework regarding source protection remains solid. While issues remain over the resources available for law enforcement authorities to investigate crimes against media efficiently, no serious concerns exist within the journalistic community about the ability and willingness of police to act on such cases.

2. *Abusive and frivolous litigation*

At the outset, it is worth recalling that in April 2022, the European Court of Human Rights ruled in favour of the applicants in the [case of Fokus magazine](#)⁶, whose journalists and editor-in-chief were subject to a defamation lawsuit initiated in 2016. The Court found a violation of Article 10 of the ECHR, i.e., the right to free expression, and ordered compensation to be paid to the applicants.

A few months later, on 17 November 2022, the Parliament amended the Law on Civil Liability for Insult and Defamation, significantly reducing the potential non-pecuniary damages imposed on media outlets and journalists in defamation lawsuits. The law now guarantees freedom of expression, and limitations are in line with the provisions of Article 10 of the ECHR. The ability of powerful figures to launch disproportionate or frivolous lawsuits against media outlets or journalists is more limited. As a result, journalists and editors who met with the fact-finding mission do not currently view civil defamation laws as a major threat to watchdog journalism.

Concerning libel lawsuits, the Prime Minister of North Macedonia presented clear evidence of the decrease in defamation cases against journalists under his administration. In 2012, under former Prime Minister Gruevski, there were around 330 defamation lawsuits against journalists. This decreased to 39 in 2017, 33 in 2020 and 20 in 2021.

However, in 2022, according to data from the Basic Civil Court Skopje, the number of lawsuits for defamation and insult increased again: the total number of active cases in which one of the parties is a journalist or a media outlet grew to 54 according to the [AJM's 2022 report](#)⁷. The latest data shared by the Court with AJM, in July 2023, notes 27 active lawsuits against journalists. Despite the fact-finding mission's concern about this recent uptick, we note there is no indication such litigation is

6 Judgment of European Court of Human Rights in Strasbourg, CASE OF KOSTOVA AND APOSTOLOV v. NORTH MACEDONIA, 05.04.2022, <https://hudoc.echr.coe.int/eng#%7B%22itemid%22%3A%5B%5C%22001-216639%22%5D%7D>.

7 Safejournalists.net, AJM, North Macedonia: Indicators for the degree of media freedom and journalists safety in 2022, <https://safejournalists.net/wp-content/uploads/2023/07/MK-ENG-2022.pdf>

being weaponised systematically by powerful political or business interests to silence and intimidate public interest reporting. This contrasts acutely with some other countries in the region.

3. Working conditions

The poor working conditions of journalists are another issue of concern in North Macedonia. This issue surfaced in several meetings and is documented in the [2022 EU progress report for Macedonia](#)⁸.

The general assessment is that most journalists in the country have fixed-term or freelance contracts. The monthly income is below the average national salary, at 28,860 Macedonian Dinars (MKD) in 2021 (approximately 470 euros). Moreover, the salary of around one-third of young journalists is significantly below this amount. On the other hand, employees working for the public broadcaster are in a better position since their salary is approximately 38,120 MKD (around 620 euros).

Furthermore, the disrespect of many private media for the labour rights of journalists leaves them vulnerable to pressures from management, owners, and politicians. Night shifts and overtime are rarely paid, and the right to leave is often disregarded. The fact-finding mission considers it problematic that there are no collective agreements in any private media. Overall, the situation affects especially young journalists and those working for digital media, who often work without contracts. Women journalists, in particular, additionally face harassment. Such pressures remain mostly hidden, and journalists refrain from speaking openly about these practices and rarely file a report when their labour rights are violated or when they are harassed.

The precariousness of the contracts, the frequent disregard for labour rights and the overall low wages certainly do not contribute to attracting new talent to the media sector and journalism. This is exacerbated by the fact that the country, like many others in the region, suffers from a significant brain drain towards the European Union. In this context, it is unsurprising that only nine people graduated from the local journalism faculty in 2022, based on AJM data.

4. Discrediting of journalists: the role of politicians and officials

Except for a few high-profile examples, senior officials and current executive members do not publicly denigrate or insult journalists in response to critical reporting or commentary. This marks a clear break from previous administrations.

8 EU progress report for North Macedonia, https://neighbourhood-enlargement.ec.europa.eu/north-macedonia-report-2022_en

In addition, recent years have seen the development of a culture of condemnation of attacks on journalists by government officials, which is widely recognised as contributing to discouraging future attacks. Still, the fact-finding mission is concerned to have seen a [recent reversal](#)⁹ of this positive trend. During the mission, members of the government, including the Prime Minister and President, demonstrated a welcomed openness and willingness to discuss challenges related to media freedom and independent journalism. In the meeting with the fact-finding mission, President Pendarovski noted that support for independent journalism remains sparse. When asked who could be the allies and defenders of journalists in their mission to bring truth to the citizens and promote freedom of speech the President of North Macedonia, he replied: “None, except me!”

While the fact-finding mission appreciates and encourages this progress, problems still need to be solved. Some politicians and officials continue to use aggressive language or ignore journalism when it does not obediently serve their interests.

The Code of Ethics for Members of Parliament of the Republic of North Macedonia foresees that Members of Parliament should have an open attitude towards all media except for issues that are confidential or pertain to the private life of MPs or other persons. The Committee on Rules of Procedure and Mandatory-Immunity Issues deals with violations of the Code of Ethics. To date, however, no action has been taken towards Members of Parliament who acted disrespectfully towards the media, including in cases where the AJM has filed complaints. The fact-finding mission raised the issue with the President of the Parliament, Mr Talat Xhaferi. He declared that, in most cases, he is unaware of such complaints and has no chance to see them. He suggested that such complaints be forwarded to his office so that he could circulate them widely amongst the Members of Parliament and ensure that the Committee deals with them. In the fact-finding mission’s view, it is unclear why this passage is required, as it is not foreseen in the Code of Ethics. This is an issue that will require follow-up in the future.

Some politicians and officials’ continued problematic language and behaviour discourage transparency and accountability through freedom of speech and access to public information.

5. Polarisation and trust in media

The safety of journalists and media workers is positively linked to an engaged, media-literate public that functions as a potential bulwark against attacks targeting journalism and is negatively interlinked with a media-illiterate citizenry that engenders hostility towards journalism. Thus, a strong relationship of trust between journalists and their audience can protect journalism whenever independent reporting, as a public good, is restricted and under threat.

9 Association of Journalists of Macedonia (AJM) Announcement, EFJ condemns the improper behaviour of state officials towards journalists in North Macedonia”, <https://shorturl.at/fhE39>, 08.02.2023

In 2022, North Macedonia became a partly-free country, according to [Freedom House](#)¹⁰. While journalists can exercise their profession freely, the American NGO notes in its country report that widespread misinformation and a lack of professionalism contribute to declining trust in the media. This leaves independent outlets vulnerable to threats and attacks.

The information space in North Macedonia is characterised as very vulnerable to foreign influence. Russian disinformation campaigns have reached audiences in North Macedonia through online portals and traditional media. [Academic research](#)¹¹ suggests that high levels of polarisation, with low levels of trust in media and institutions, populist communication, increased social media use, and a fragmented environment, are some of the preconditions that make a country more vulnerable to disinformation.

Internal factors also overlap with the challenges coming from external influences. The disinformation campaigns have affected the outcomes of significant events such as the 2018 referendum on NATO and EU accession, the country's name change as a precondition for NATO and EU accession, the 2021 census, and elections. As noted in the [2022 Media Pluralism Monitor](#)¹², “reform fatigue, clientelistic pressures from the political domain towards media (and vice versa) and party-political confrontations, coupled with structural pressures not exclusive to North Macedonia - such as the disinformation and misinformation flooding of the public sphere, exacerbated by health challenges concerning the Covid-19—have all partaken in the assessment that the media system in this country needs a new impetus for constructive change.”

North Macedonia is characterised by a highly polarised and fragmented society, particularly along ethnic and political lines. The fact that the very capacity of the public to bestow trust in journalism is under attack not only threatens to weaken or destroy public trust in journalism but is in itself a direct threat to the safe undertaking of journalism as it reduces the likelihood of the public standing up for and defending journalism against forces that seek to diminish it.

Despite the large amount of television and radio stations, smaller ethnic communities (Turks, Roma, Vlachs, Serbs and Bosnians) have almost no access to programs on private outlets. There is no mechanism for financial support of linguistic diversity in broadcasting, nor has a media policy been developed to address this situation, which harms media pluralism and representation.

As regards the public broadcaster, the fact-finding mission furthermore notes that only very few correspondents work outside of Skopje, again presenting challenges in terms of representation.

10 Freedom House report North Macedonia - <https://freedomhouse.org/country/north-macedonia/freedom-world/2022>

11 The International Journal of Press/Politics, Resilience to Online Disinformation: A Framework for Cross-National Comparative Research, <https://journals.sagepub.com/doi/10.1177/1940161219900126> 24.01.2020

12 Centre for Media Pluralism and media freedom, Country report: The Republic of North Macedonia Igor Micevski, Research Institute on Social Development - RESIS Snezana Trpevska, Research Institute on Social Development – RESIS, <https://cadmus.eui.eu/bitstream/handle/1814/74710/MPM2022-NorthMacedonia-EN.pdf?sequence=1&isAllowed=y>

CHAPTER 2:
**THE MEDIA
ECOSYSTEM**

Overall, journalists in North Macedonia work in a more open and freer climate than in the previous decade and feel more able to investigate and report on sensitive matters such as corruption. Fewer issues in North Macedonia society are understood by the media to be considered off-limits for newsrooms. This has had the positive knock-on effect of fostering a healthier environment for investigative journalism. While the number of dedicated media outlets carrying out such work remains low, the legal and political landscape for such investigative work is now more enabling. Self-censorship amongst the journalistic community due to fears of political or legal repercussions appears to be limited.

Despite this progress, however, the situation remains problematic. Journalists can indeed choose the topics for their reporting. Still, especially those working for national and local media can run into problems due to the established ties of the media owners with the local power. As pointed out in the [AJM's 2022 report](#)¹³ on 'Indicators for the degree of media freedom and journalists safety', "journalists and media workers say that the biggest problem is the fact that media owners have a different core business, which is not media work. Most often, other companies are behind the outlet, which, in turn, are bound by tenders with ministries and institutions and from that aspect there are taboo topics for certain media outlets."

1. State advertising and media pluralism

The fact-finding mission received confirmation from several official sources, starting with the Prime Minister, of the firm intention of the public authorities of the Republic of North Macedonia to amend Article 102 of the Law on Audio and Audiovisual Media Services, which prohibits state advertising in broadcast media. Several stakeholders the fact-finding mission spoke to confirmed that pressure was mounting from the leading private broadcasters to lift this ban.

The media market in North Macedonia is incredibly fragmented, especially in the broadcasting sector. According to the [2023 Media Pluralism Monitor](#)¹⁴ (MPM), this fragmentation "creates financial disruptions due to the limited advertising sources and it creates media content deficiencies due to the dispersion of capable journalism professionals across the fragmented landscape." For a country of around 2 million inhabitants, "in the television market, the public service broadcasts programs on 5 TV services, while there are also 44 private TV stations at various levels (...) Fragmentation in the radio market is also evident: in addition to public service broadcasters with 3 radio services, radio programs are aired by 62 commercial and 4 non-profit radio stations (...) In the print media sector, there are: 5 daily newspa-

13 NORTH MACEDONIA Indicators for the degree of media freedom and journalists' safety in 2022, <https://safejournalists.net/wp-content/uploads/2023/07/MK-ENG-2022.pdf>

14 Centre for Media Pluralism and media freedom, Country report: The Republic of North Macedonia Igor Micevski, Research Institute on Social Development - RESIS Snezana Trpevska, Research Institute on Social Development - RESIS, Country report : The Republic of North Macedonia 2022 <https://cadmus.eui.eu/handle/1814/75743>

pers, 2 weeklies and at least 10 other periodicals. Precise data is lacking in 2022 for the online media sector, but the number of digital native news media is estimated between 150 and 200.”

The MPM report also notes that the concentration of ownership between media providers in audiovisual, print and digital native media sectors is not regulated by the existing media-specific laws, which implies a high risk to media pluralism. The most worrying indicators are:

- The lack of plurality in digital markets; and,
- The lack of editorial autonomy “mostly due to the generally clientelistic nature of the media system which disables editorial autonomy and due to the fact that important provisions are lacking in the relevant media laws safeguarding the transparency and independence for appointment of editors-in-chief.”

Lifting the ban on state advertising in audiovisual media is a measure that will increase the risk of political interference and is not likely to improve the viability of the media sector as a whole. This is why the main organisations representing journalists, AJM and SSNM, but also other media organisations such as the Press Council, the Macedonian Institute of Media, the Institute for Communication Studies and others, are categorically opposed to amending Article 102 to lift the ban on institutional advertising.

In his [expert report](#)¹⁵ on state financial support for the media, commissioned by the Council of Europe, Marius Dragomir notes that “of the most common forms of public funding for the media in Europe, the least appropriate (...) is state advertising. Awarded by state bodies or state-owned companies, this form of financing is the most problematic as it is habitually misused by authorities to influence the editorial agenda of the media outlets.”

According to a [recent report](#)¹⁶ from the Centre for Media Pluralism and Media Pluralism (CMPF), local and community media sustainability increasingly needs to rely on financial support from the state, but subsidies are not granted to such media everywhere in Europe. The CMPF report shows that they often lack funding and financing, forcing local and community media to turn to bigger groups, such as larger media conglomerates, government or political parties, to support their economic viability. The economic disruption of local and community media reinforces the dynamics of political and commercial capture through direct media ownership and control by politicians or business interests. The consequences

15 STATE FINANCIAL SUPPORT FOR PRINT MEDIA: COUNCIL OF EUROPE STANDARDS AND EUROPEAN PRACTICES Prepared by Marius Dragomir, Council of Europe Consultant Expert report, Prepared by Marius Dragomir, Council of Europe Consultant, November 2021 - <https://rm.coe.int/file-2-marius-report-eng/1680a4d519>

16 European University Institute - News deserts in Europe : assessing risks for local and community media in the 27 EU member states - <https://cadmus.eui.eu/handle/1814/75762>

include lack of editorial independence, excessive media ownership concentration, unfair and non-transparent distribution of public subsidies, and state advertising.

The fact-finding mission shares the fears of journalists' organisations in North Macedonia and the views in the reports of the Council of Europe and the CMPF. Much more ambitious change is needed to ensure the long-term viability of the media ecosystem in the country. Instead of the ill-advised amendment of Article 102, an in-depth reform of the media laws - the existing Law on Media (LM) and the Law on Audio and Audiovisual Services Media (LAAMS) - is needed.

2. *Public broadcaster MRT*

The public broadcaster Makedonska Radio Televizija (MRT) broadcasts on five different channels. One is in Macedonian, one in Albanian, the third covers sports, the fourth is dedicated to minorities and the fifth broadcasts mainly programs for children. The public broadcaster Macedonian Radio Television (MRT), while beset by challenges, including delays in the appointment of members of its Programming Council, is seen as being on a broadly upward trajectory in terms of functional independence and professionalism. Regarding the contents, Executive Director Zacharias Voulgarakis while proudly stating that MRT was producing content of public interest and that they were soon ready to venture into the field of augmented reality, admitted that they do not have any capacity for investigative journalism, which is rather outsourced to non-profit investigative media organisations.

MRT is financed from the state budget, and it is estimated that between 0.7 and 1 per cent of the state budget should be allocated. As stipulated in the law, these funds go not only towards MRT but also to the media regulator and the Nacionalna radiodifzujija. This was introduced because the previous system based on annual subscription fees was not functioning. Nevertheless, the state regularly fails to comply with this provision, and the percentage of the budget currently allocated to the three institutions around 0.59%. In 2022, amendments were proposed in parliament to the Law on Audio and Audiovisual Services (LAAMS), which provided for a reduction of the annual budget of public broadcaster Macedonian Radio Television (MRT). In July 2023, an expert group as part of a project supported by the EU Delegation in Skopje drafted amendments that potentially strengthen the financial condition of MRT, which were passed in the Parliament.

MRT has been struggling with financial difficulties as its management reported that when they took over, the broadcaster faced a significant debt of 30 million euros, which has since been repaid. MRT has seen serious downsizing over the years: from an initial staff of over 1,100 down to around 650 employees. Their average age is relatively high, representing a challenge regarding technological innovation. While MRT management did not make specific complaints about the cur-

rent number of MRT employees to the fact-finding mission, several interlocutors conveyed that MRT was, in their view, overstaffed. Prime Minister Kovachevski referred to the broadcaster as a “money-grinding machine”. Similar concerns were also informally shared with the fact-finding mission by a knowledgeable observer.

The operational agility of MRT is hampered by overly bureaucratic procedures. To reallocate personnel, even internally, the MRT Executive Director confirmed that they need the approval of three different Ministries due to the existing legal arrangements. This slows down the operations of MRT when assigning personnel to various tasks.

Regardless of personnel issues, MRT appears to be relatively thin in terms of national coverage. At the moment only 17 local correspondents are employed and many of them are working either part-time or on fixed-term contracts. This lack of job security affects the recruitment of local correspondents. In a relatively small country such as North Macedonia, with numerous and different local communities, ensuring better coverage from areas outside Skopje would benefit pluralism and better ground MRT on the territory. Unfortunately, the fact-finding mission did not hear of any plans to expand the number of local correspondents. At the moment, local correspondents represent less than 3% of the overall workforce at MRT.

In his interview with the fact-finding mission, Executive Director Voulgarakis considered that the most significant achievements are keeping MRT operational while complying with the existing rules and succeeding in keeping the technology updated despite budget cuts. In his view, MRT would benefit from a change in legal status to a “special agency” of the state, rather than being subject to the law on public enterprises as it is now. This would ensure more agility in the management of personnel and resources.

3. Appointments to the MRT Programming Council and the Council of the Agency for Audio and Audiovisual Media Services

The fact-finding mission is concerned by delays in appointing members to the Council of the Agency for Audio and Audiovisual Media Services (“Council of the Agency”) and the Programming Council of MRT by Parliament due to a lack of political consensus. The national legislation foresees that a two-thirds majority is needed for these appointments, in line with the recommendation of the Directorate General for Human Rights and Rule of Law of the Council of Europe, as reported in an [article](#)¹⁷ published locally, which suggests that a qualified majority would be a better solution and that the number of members proposed by the Parliament

17 Novatv.mk article, 05.06.2013 - <https://novatv.mk/zabeleshkite-na-sovetot-na-evropa-za-zakonot-za-mediumi/>

should be reduced, while at the same time, there should be more members from the civil society. In the current political landscape, gathering such a majority has not been possible, and the situation has stalled. The fact-finding mission considers it problematic that the Ministry and Parliament have been debating to change the requirement to a mere simple majority, using the lack of consensus as an argument supporting this change.

In this regard, the President of the Parliament clearly blamed the opposition for refusing to compromise on this issue, noting that efforts have been ongoing for years. As a result, both the members of the Council of the Agency and those of the MRT's Programming Council have been in place well beyond the expiration of their mandate. For instance, the Council of the Agency members have all been in post for more than nine years (they were appointed in 2014), while the Law on the Agency foresees their tenure is seven years. Members of the Programming Council of the MRT should have been in place for four years but likewise have been in position for a much longer term.

In the fact-finding mission's assessment, the present situation creates unacceptable uncertainty. Both bodies function in an acting capacity and can be dismissed as soon as a majority is found in the Parliament. Or, as it looks now, their mandate can de facto be prolonged indefinitely due to a lack of political decisions well beyond the term limits set out in the pertinent legislation.

4. Transparency of official communication

The government of North Macedonia has invested considerable resources in its communication strategy towards the public. Official events, including the fact-finding mission's fact-finding mission, are very well covered by official photographers and camera operators. Events are posted on social media or are part of press releases.

While this proactive approach is welcome as it aims to display transparency and keep the public informed, such official communication is often distributed to media outlets in the country without clear indications that it comes from a governmental source. The issue was indeed acknowledged by the Prime Minister himself during the visit of the fact-finding mission, and it was agreed that future communication would bear an official watermark indicating the document's origin. This issue needs to be followed up in the coming months.

5. Copyright

In the opinion of the fact-finding mission, the protection of journalists' copyrights requires strengthening. While some court practice exists regarding the protection of rights pertaining to photography, there is no jurisprudence pertaining to the protection of journalists' writing. The law should be amended in order to recognise the needs of journalists and protect their copyrights, including the need for fair contracts. In parallel, further action by journalistic associations to promote media workers' copyrights is needed.

6. Journalists' representation and self-regulation

The Association of Journalists of Macedonia (AJM) is a highly professional body and has been instrumental in pushing forward reforms that benefit the country's journalistic community. Monitoring and follow-up advocacy on all cases of attacks and serious threats by the AJM and other journalists' associations and civil society organisations, including the Trade Union of Macedonian Journalists and Media Workers (SSNM), is being conducted in an effective manner.

At the institutional level, the Council of Media Ethics continues to develop its role as the country's leading body for self-regulation in the journalistic community.

CONCLUSIONS AND RECOMMENDATIONS

While multiple serious challenges exist within the country, on balance, limited progress has been made in recent years, and the country continues to recover from the severe deterioration in media freedom during the previous decade. However, this progress must be understood as fragile, and much work remains to be done to consolidate recent gains.

The fact-finding mission recognises notable legislative improvements including the amendments to the Law on Civil Liability for Defamation and Insult and the Criminal Code. Further, it is hoped that the appointment of a special prosecutor to oversee criminal cases involving attacks on journalists and media workers will lead to a greater prioritisation of such cases within the judicial system.

Yet, many serious challenges remain and much more needs to be done in order to create an enabling environment for independent journalism. The fact-finding mission welcomes the fact that many politicians and high-level officials no longer publicly denigrate or insult journalists. Nevertheless, some politicians' continued problematic language and behaviour is unacceptable, as is the lack of accountability for such actions within the parliamentary institutions. Beyond safety, the fact-finding mission is concerned by journalists' and media workers' precarious economic conditions, including low salaries, a lack of respect for labour rights, and harassment particularly of women journalists.

Compared with the previous decade, journalists in North Macedonia now work in a more open climate and feel more able to report on sensitive issues in the public interest, including corruption. Overall, the media ecosystem is now healthier than before, and fewer topics are considered off-limits. Still, a number of factors continue to pose serious hurdles. Importantly, the fact that many media owners also have business interests in other sectors that rely on public tenders means that behind the scenes, implied and explicit limitations remain to the freedom to report.

At the time of the fact-finding mission and the publication of this report, an important discussion with potentially far-reaching implications is taking place concerning the prohibition of state advertising in commercial media. Several stakeholders confirmed mounting pressure from leading private broadcasters to lift this ban. The fact-finding mission considers that, were this development to materialise, it would significantly increase the risk of political interference in editorial policy in North Macedonia's heavily-fragmented media market. In order to ensure the viability of the media ecosystem in the country, much more in-depth reform of the media laws is required.

Public broadcaster MRT is on a broadly upward trajectory but nevertheless remains beset by challenges, including budgetary constraints and limitations to its operational agility stemming from overly bureaucratic procedures. The fact-finding mission considers its national coverage to be too thin and overly focused on re-

porting from Skopje, which is particularly problematic given the diverse but polarised environment. Moreover, delays in appointments to governing bodies of both MRT and the Agency for Audio and Audiovisual Media Services create unacceptable uncertainty.

Based on its findings, the fact-finding mission makes the following recommendations for improving journalists' safety and strengthening media freedom and pluralism in North Macedonia:

As a short-term priority:

- Create a public fund to support media based on objective criteria and in complete independence, in line with existing European standards (in particular: [2018 Council of Europe Recommendation on media pluralism and transparency of media ownership](#)¹⁸, [PACE Recommendation 1878 on the funding of public service broadcasting](#)¹⁹, [PACE Resolution 1636 on Indicators for media in a democracy](#)²⁰, [1999 Council of Europe Recommendation on measures to promote media pluralism](#)²¹, and the [European Union's acquis on state aid](#)²²);

- Maintain a strict ban on state advertising in the media, taking into consideration the history of clientelistic distortion of the media market and its negative effects on press freedom;

- Attach a clear watermark to communications materials from the government, so their source is clear to the public; and,

- Introduce legislation against Strategic Lawsuits Against Public Participation (SLAPPs), in alignment with developing European standards, namely the proposed Anti-SLAPP Directive currently being developed in the European Union and its complementary European Commission Recommendation, and the upcoming Council of Europe Recommendation on Anti-SLAPP

Furthermore:

- Establish a continuous capacity-building process for journalists, lawyers, judges and prosecutors on topics related to the sanctioning of attacks on journalists, and the general interpretation of Article 10 ECHR by the European Court;

18 Recommendation CM/Rec(2018)1[1] of the Committee of Ministers to member States on media pluralism and transparency of media ownership, https://www.coe.int/en/web/freedom-expression/committee-of-ministers-adopted-texts/-/asset_publisher/aDXmrol0vvsU/content/recommendation-cm-rec-2018-1-1-of-the-committee-of-ministers-to-member-states-on-media-pluralism-and-transparency-of-media-ownership

19 Recommendation 1878 (2009) The funding of public service broadcasting, https://www.coe.int/en/web/freedom-expression/parliamentary-assembly-adopted-texts/-/asset_publisher/3EiBXIMCQhRS/content/recommendation-1878-2009-the-funding-of-public-service-broadcasting

20 Council of Europe, Indicators for media in a democracy - Resolution 1636 (2008) - <https://pace.coe.int/en/files/17684/html>

21 Recommendation No. R (99) 1 of the Committee of Ministers to member states on measures to promote media pluralism - https://www.coe.int/en/web/freedom-expression/committee-of-ministers-adopted-texts/-/asset_publisher/aDXmrol0vvsU/content/recommendation-no-r-99-1-of-the-committee-of-ministers-to-member-states-on-measures-to-promote-media-pluralism

22 European Commission - State Aid Legislation, https://competition-policy.ec.europa.eu/state-aid/legislation_en

- Increase external monitoring of judicial and law enforcement processes concerning violence against journalists and media workers;

- Improve journalists' working conditions by implementing strengthened labour rights provisions in the Law on Media and initiate a process of signing of collective agreements with the credible union;

- Improve accountability of politicians and public officials for hostile language and behaviour towards journalists and media workers;

- Strengthen collaboration between Members of Parliament and journalists' unions and associations on policies related to freedom of expression and media;

- Revise the rules on ownership concentration to improve media pluralism and editorial independence;

- Reintroduce the guarantees for the independent selection of editors-in-chief and newsroom directors in the Law on Media;

- Impose by law full transparency of party-political advertising in the media in general, and in particular online;

- Secure adequate and stable funding of the Public Service Media and the Agency for Audio and Audiovisual Media Services; and,

- Expand on collaboration and solidarity between the political field and civil society organisations in order to meet the challenges of the polarisation of the society and the disinformation.

For the implementation of these recommendations, the fact-finding mission underlines the importance of seeking the widest possible consensus within the political institutions and involving the expertise of journalists' unions and associations.

ANNEX 1: **LIST OF MEETINGS**

In chronological order, the fact-finding mission met with the following stakeholders:

Mr Zacharia Voulgarakis, Executive Director of Macedonian Radio and Television +

Mr Goran Atanasov, Chief Administrative Officer, Macedonian Radio and Television.

Mr Zoran Trajchevski, Director of the Agency for Audio and Audiovisual Media Services +

Mr Dimitar Kovachevski, Prime Minister

Mr David Greer, Ambassador of the European Union +

Mr Talat Dzaferi, President of the Parliament +

Mr Azir Aliu, Minister of Information Society and Administration +

Mr Stevo Pendarovski, President +

Augusta Philbin, Deputy Public Affair Officer of the Embassy of the United States of America

Nidija Cilimanova, Press and Media Coordinator of the Embassy of the United States of America

ANNEX 2: **POLICY PAPER ON MEDIA PLURALISM FUND**

Finding a new model of support for pluralistic and public interest journalism in North Macedonia

International Press Institute (IPI). 30 September 2023.

Outline

This policy paper was produced by the International Press Institute (IPI) as part of a report published following an international press freedom fact-finding mission to North Macedonia which took place from 5-7 June 2023. The mission aimed to identify the most serious challenges facing the media ecosystem and press freedom in North Macedonia and to provide recommendations on how the country can make progress on its commitments to address these issues within the framework of its potential accession to the European Union. The fact-finding mission consisted of representatives of the European Centre for Press and Media Freedom (ECPMF), European Federation of Journalists (EFJ), Free Press Unlimited (FPU), International Press Institute (IPI), and Osservatorio Balcani e Caucaso Transeuropa (OBCT), which held meetings in Skopje with the most relevant decision-makers in the country pertinent to the media sector. This policy paper is included as an annex to the report.

Executive Summary

One of the most complex issues for the development of a healthy media ecosystem is the question of how and when public funding should be used to help support public interest journalism. In an era when the traditional business model for journalism is under sustained pressure due to digital disruption, this debate has become more pertinent than ever. While multiple policy options exist for governments to help support media through public funding, each carries its own opportunities and risks. No model fits all national contexts, and local economic and historical characteristics must be assessed when developing the best approach to fostering a viable and sustainable media landscape.

In North Macedonia, the most acute economic challenges facing media stem from the country's highly fragmented media landscape and the lack of an advertising market big enough to support it. Since the government amended the law in 2017 to prohibit state advertising campaigns in media due to rampant abuses under the previous administrations, no new system for supporting audiovisual media has been created to fill this revenue gap. Likewise, no form of systemic state support exists to sustain the country's struggling local and community media sector.

The COVID-19 pandemic exacerbated the financial challenges facing the country's entire media landscape.

Under pressure from the country's terrestrial private television stations, the Social Democrat government has proposed to return to a system of state advertising in media. Draft legislation has been developed that would reform the current Article 102 of the Law on Audio and Audiovisual Media Services, which prohibits state advertising in broadcast media. This major policy shift has been justified by the Ministry of Information Society and Administration (MISA) as providing a vital economic lifeline to struggling media at a time of uncertainty, while also improving the communication of government campaigns and policies to citizens. New safeguards have been proposed to try and ensure advertising is allocated in a fairer, non-political, and more transparent way.

This approach has been opposed by the country's leading journalistic and media associations and organisations, who warn that the reappearance of state advertising in media in North Macedonia risks a return to the clientelist practices of the past, with deeply damaging effects on media independence and freedom more widely. They secondly warn that under this system, by far the share of the envisaged state advertising funds would be allocated to the country's five largest private TV stations, distorting the market and disadvantaging local, regional and community media. They further note that the reform would also disadvantage all online media given that the scope of the law does not regulate informative online portals. These groups are instead calling for a broader and more innovative form of financial support to media carrying out public interest journalism, with wider positive effects on media pluralism and quality journalism.

This paper outlines the challenges and opportunities associated with competing visions for financial support to media in North Macedonia and sets out recommendations for a way forward that supports media's economic development while also promoting public interest journalism. To do so, it first briefly examines the history of the model of state advertising in North Macedonia to set out how this experience should inform future policy choices. The paper recommends that, given the clear risks associated with state advertising in countries with a history of clientelism, an alternative, project-based approach that establishes a fund for public interest journalism should be considered.

State Advertising: A History of Abuse in North Macedonia

State advertising for public awareness and information campaigns has long been one of the dominant forms of state support for media in Europe and around the world. For many media, this has represented a major source of revenue and offset losses from falling print sales or the migration of advertising online. Yet, of all the forms of direct state support to media, it is widely perceived as

carrying the largest risks. In Europe, an increasing body of academic work examining the phenomenon of media capture has identified how state advertising has been weaponised by governments to control editorial coverage. In several countries within the EU and the Western Balkans, revenue from state advertising is allocated in a non-transparent and discriminatory manner to reward political alignment with the government, while simultaneously being withdrawn or denied to critical media. While many EU countries have established robust systems to ensure this funding is not abused, a system of patronage is deeply ingrained in other EU Member States such as Hungary and Poland, with damaging effects on the viability of independent media outlets.

Since its independence, North Macedonia has suffered from repeated waves of non-democratic manipulation of state advertising by governments. Under the VMRO-DPMNE administration of Prime Minister Nikola Gruevski, who later fled the country to avoid corruption charges, abuses of state advertising campaigns reached their peak, as millions of euros of public money were used to [systematically](#)²³ support media moguls close to the government in return for favourable media coverage. While the government justified the PR campaigns as vital for communicating messages to the public about legal reforms or public health issues, experts described the advertising as an indirect form of bribery between politics and media. After the VMRO-DPMNE administration fell and the Social Democrats were elected to government in 2017, a moratorium was placed on public campaigns in private media. Article 102 of the Law on Audio and Audiovisual Media Services formally bans all advertising in private broadcast media by all public authorities at both the national and municipal levels by restricting the planning of funds for this purpose. This legal framework has remained unchanged since.

Financial Challenges: A Fragmented Media Market

The ban on state advertising in media is widely [recognised](#)²⁴ as having an overall positive effect on limiting corrupt connections between media outlets and political interest in North Macedonia. Local journalistic and media organisations have warned in recent years of sporadic attempts of misuse by certain public enterprises in recent years, and compliance is not complete. However, overall, this shift in culture is noted by international press freedom organisations and research organisations as severing the toxic link between private media and government and bolstering media independence. Media freedom groups recognise the ban as being justified, when set against the backdrop of the national experience with state advertising thus far. However, after the restriction was imposed, many media faced a new reality in which a sizable amount of the revenue they require for business

23 [Balkaninsight.com, Macedonia Govt Spends More on Costly Adverts, 02.10.2013, https://balkaninsight.com/2013/10/02/macedonia-s-costly-media-campaigns-continue/](https://balkaninsight.com/2013/10/02/macedonia-s-costly-media-campaigns-continue/)

24 [MONITORING MEDIA PLURALISM IN THE DIGITAL ERA APPLICATION OF THE MEDIA PLURALISM MONITOR IN THE EUROPEAN UNION, ALBANIA, MONTENEGRO, REPUBLIC OF NORTH MACEDONIA, SERBIA & TURKEY IN THE YEAR 2022 Country report: The Republic of North Macedonia, https://cadmus.eui.eu/bitstream/handle/1814/75743/the_republic_of_north_macedonia_results_mpm_2023_cmpf.pdf?sequence=1](https://cadmus.eui.eu/bitstream/handle/1814/75743/the_republic_of_north_macedonia_results_mpm_2023_cmpf.pdf?sequence=1)

operations had disappeared. In North Macedonia - a highly fragmented market in which many broadcast media compete for a share of an already small advertising pie - the ban has exacerbated financial challenges. In the broadcast market, according to the [Agency for Audio and Audiovisual Media Services](#)²⁵, there are a total of 107 broadcasters: 44 television channels and 63 radio stations. Eleven TV channels broadcast programs at the national level, with 18 at the regional level and 15 at the local level (via cable operators). In the radio market, four stations broadcast programs nationally, 16 at the regional level (of which 1 is a non-profit radio), and 43 at the local level (3 are non-profit). For a country of North Macedonia's size and demographics, this is a highly densely populated broadcast media landscape. Advertising from private capital – historically the biggest source of revenue for both private print and broadcast media – has not proven sufficient to sustain such a large number of media entities. While economic viability for private media was challenging in the past, these issues were exacerbated further by the COVID-19 pandemic, as advertising revenue from private capital collapsed. Despite limited grants from international donors, media viability and sustainability remain weak. It has been repeatedly recognised that the country lacks a specific initiative or a model to support the sustainability of regional and local media.

Print Subsidies: A Limited Return to Direct State Support

To mitigate the negative economic impact of banning state advertising campaigns in the media, in 2018 the government introduced, with the support of the country's leading journalistic associations, an annual subsidy program for the costs of printing the country's newspapers. The practice is used in many countries around the world to provide sustained funding to the media. This new form of state support – distinct from state advertising campaigns – followed a successful lobbying campaign by the print industry. The independent allocation of this funding has been recognised by the MPM, which in its 2023 report [recorded](#)²⁶ a low risk of interference regarding support to the media sector, including print subsidies. Media freedom groups both domestic and international have not raised concerns about the allocation of this form of public money. However, as millions of euros were distributed, and the relative success of this approach became clear, broadcast, and online media also began calling for similar state support. In the broadcast sector, these demands have largely been led by the country's five largest national television stations: Alfa, Alsat-M, Kanal 5, Sitel and Telma. These stations were among the largest recipients of advertising under the previous model of state advertising, given their large audience reach and sizeable influence they wield in the market. According to media reports, the five stations have been lobbying the Social Democratic government for a lifting of Article 102. The TV channels argue they

25 The Agency for Audio and Audiovisual Media Services, <https://avmu.mk/en/broadcasters>

26 MONITORING MEDIA PLURALISM IN THE DIGITAL ERA APPLICATION OF THE MEDIA PLURALISM MONITOR IN THE EUROPEAN UNION, ALBANIA, MONTENEGRO, REPUBLIC OF NORTH MACEDONIA, SERBIA & TURKEY IN THE YEAR 2022 Country report: The Republic of North Macedonia, https://cadmus.eui.eu/bitstream/handle/1814/75743/the_republic_of_north_macedonia_results_mpm_2023_cmpf.pdf?sequence=1

deserve similar support to print media, and that state advertising, if allocated in a more democratic manner, would bolster their finances and improve long term sustainability. The Association of Journalists of Macedonia (AJM) and the Independent Union of Journalists and Media Workers (SSNM), the country's two leading journalist associations, together with other local media organisations, remain categorically opposed to any return to a system of state advertising, warning the associated risks outweigh any net benefits. This debate over the future of state support to media has continued for many years.

Current proposal: Lifting of Article 102

Proposed amendments to the Law on Audio and Audiovisual Media Services were first announced in May 2022. The draft bill was developed within a special working group which was tasked with amending the law. It remains unclear who the members of this working group are, and the body suffers from a lack of transparency. The working group was initiated by the Secretariat for European Affairs and later transferred to the competent Ministry of Information Society and Administration. A draft bill was tabled in parliament by five MPs from the ruling majority in November 2022. The amendment envisions the revocation of Article 102 and the return to state advertising on televisions and radios. Rather than give opportunities to individual state and municipal authorities to launch advertising campaigns if they chose to, the draft amendments would make purchasing space in media a legal obligation. This system would allocate 0.1 per cent of the annual state budget for this funding every year, excluding the income from the local budgets of the municipalities. Based on the current budget, this would equate to between 3.5 and 4 million euros per year. This excludes the funding coming from all potential municipalities, the level of which is difficult to assess. Both national and municipal authorities would be obliged to conduct between one to four campaigns annually. However, under new rules, this advertising in broadcast media would be limited to "campaigns of public interest". In total, estimates suggest these campaigns would equate to almost a quarter of private broadcasters' yearly income, or a similar amount that is paid to private media for the election campaigns prescribed in the Election Code, meaning that in theory half of the annual budget for private media outlets would potentially be paid by public funds.

The new law foresees safeguards which the MISA claims will prevent the abuse prevalent in the past. Firstly, the campaigns to be run in media would first be recommended by a special parliamentary committee. In an attempt to secure bipartisan agreement, this committee would be composed of three MPs from the ruling majority and three MPs from the opposition. These MPs can propose potential public interest campaigns and the committee would decide which are successful. A similar model would be implemented at the local level. For those campaigns selected, a tender would be launched by the government and broadcast media companies would apply. The government would make the final decision of allo-

cating money for campaigns. These would be divided into three price categories, to ensure contracts cannot be artificially bloated. The money paid would be tied to the average price of commercial advertising on each broadcaster. The Ministry claims this system will be conducted with greater transparency, would be in line with future EU Directive rules, and would re-establish the ability of public institutions to communicate its policies and messages to citizens.

Ministry's Proposed Amendment: Strengths and Flaws

As currently envisioned, the additional income to private television and radio broadcasters in North Macedonia as a result of the return of state advertising campaigns would realistically represent a major financial boost to the sector. However, the principal concerns stem from the fact that this funding would be unequally distributed and fails to significantly support local and regional media, as well as online media (informative portals). Acute risks posed by the ability of state advertising campaigns to infringe on editorial independence also remain a concern.

Firstly, regarding the economic situation, on the positive side, media will benefit from millions of euros in guaranteed and direct advertising revenue per year. This direct support should allow the opportunity for potentially better long-term financial planning and investment in staffing and innovation. On the negative side, according to the published version of the legal amendments as of July 2023, the five largest terrestrial television stations would receive 80 per cent of all advertising funding, with just 20 per cent left for other channels. While this money is allocated based on audience share and other market criteria, the unequal nature of the proposed allocation is clear. Given that the five largest channels already draw in the largest share of commercial advertising from private capital, this unequal distribution of funding will only further disadvantage smaller media in the market. Smaller independent broadcasters carrying out investigative, public interest journalism are unlikely to benefit significantly. Overall, the new system risks prioritising the larger broadcasters at the expense of smaller media.

In terms of new safeguards, on the positive side, the new rules should represent far tighter regulation of state campaigns and go some way to preventing the indirect purchasing of media support that characterised previous governments. However, strict implementation of the law would be crucial for preventing abuse. The requirement for a bipartisan approach for the selection of campaigns to be proposed to the government should also reduce the space for exploitation. The professional criteria and industry knowledge of MPs appointed to this body would be an important factor in its independence and success. MPs with demonstrable connections and in conflict-of-interest vis-a-vis certain media should be barred. Clear and accessible data about the amounts of money awarded to media should be published on a regular basis in a public database, to improve transparency.

Even with additional safeguards built in, the risks from state advertising remain clear, as shown by examples from European Union member states. Furthermore, the definition of “public interest” in proposed campaigns would be at risk of subjective interpretation by MPs. The criteria involved in meeting the “public interest” will likewise be problematic to define. Ultimately, political forces would retain control over the eventual decisions for allocating support, re-establishing an uneasy connection between the state and the media. Professional journalism and media organisations, including the AJM and the SSNM have [argued convincingly](#)²⁷ that the return of state advertising to broadcast media would be “disastrous for the independent editorial policy of these media”.

State Support for Media: A European Perspective

The models of state support to media within European countries vary significantly from region to region and country to country. As outlined in a recent [expert report](#)²⁸ commissioned by the Council of Europe, there have traditionally been four forms of state support to media. These are: **1. direct subsidies** (like those currently awarded to print media in North Macedonia); **2. tax advantages**; **3. state advertising** (as is being proposed by the MISA); and **4. project-based support schemes**. EU countries tend to adopt a mixture of these policies. The expert report further notes: “of the most common forms of public funding for the media in Europe, the least appropriate (...) is state advertising. Awarded by state bodies or state-owned companies, this form of financing is the most problematic as it is habitually misused by authorities to influence the editorial agenda of the media outlets.” Additional expert reports also identify state advertising as being the “most risky” form of state support to media.

In several EU countries, the weaponization of state advertising is one of the four key mechanisms used by governments to capture and control media. In Hungary, where the Fidesz government is the biggest advertiser in the media market, advertising campaigns have been [instrumentalized](#)²⁹ to warp the media market in favour of a dominant pro-government narrative. Discriminatory abuse of state advertising is also [widespread](#)³⁰ in Poland, where media critical of the ruling Law and Justice party have seen revenue from such campaigns dry up in the last decade. In other EU countries, even those with clear laws for how money should be disbursed, public health messaging campaigns during the pandemic were allocated

27 Public Announcement from Professional journalist associations and civil society organizations from the media sector in North Macedonia, AJM web page, Professional journalism and media organizations are against government media campaigns, 19.07.2023, <https://znm.org.mk/en/professional-journalism-and-media-organizations-are-against-government-media-campaigns/>

28 STATE FINANCIAL SUPPORT FOR PRINT MEDIA: COUNCIL OF EUROPE STANDARDS AND EUROPEAN PRACTICES Prepared by Marius Dragomir, Council of Europe Consultant Expert report, <https://rm.coe.int/file-2-marius-report-en-g/1680a4d519>

29 International Press Institute, Mission Report: Media Freedom in Hungary Ahead of 2022 Election, 21.03.2022, <https://ipi.media/mission-report-media-freedom-in-hungary-ahead-of-2022-election/>

30 International Press Institute, The Hungary model: How Poland copied illiberal tactics for weakening independent media, 20.05.2020, <https://ipi.media/the-hungary-model-how-poland-copied-illiberal-tactics-for-weakening-independent-media-2/>

in a highly discriminatory and politically-motivated way, as occurred in [Greece](#)³¹ in 2021. While these countries remain extreme examples, many EU states ranked on the higher end of democracy indexes suffer from similar challenges. It should be noted that in many EU countries, particularly in the Nordic countries and others ranked highly on Reporters Without Borders' Press Freedom Index, robust rules are in place to regulate the allocation of state advertising and abuses are rare. Though there are exceptions, countries which have suffered from a history of clientelist systems of patronage tend to face systemic conflicts of interest within such a model.

In recent years, more EU countries have been experimenting with the fourth form of state support: project-based schemes to promote public interest journalism. Under this model, funding is awarded to media on a contractual basis for carrying out specific projects and is also aimed at improving media quality and diversity. There are many positive examples of such schemes working in EU countries and beyond.

As outlined in the [Council of Europe expert report](#)³², the Netherlands has a very successful support scheme which is aimed at improving the quality and viability of the media: "The system thus works as a grant-making fund whose mission is to finance media outlets that want to improve their journalism or their operations." This funding is allocated through two funds: the Dutch Journalism Fund (SVDJ) and the Special Journalistic Projects Fund. Crucially, the SVDJ acts as an independent administrative body, based on funding from the Ministry of Education, Culture and Science. The second also operates as an independent foundation, with funding from the Ministry. The Special Journalistic Projects Fund awards money to media after consultation with a committee of advisors, made up of media experts without political connections or affiliations. This would represent an effective and successful model for the Macedonian fund to replicate.

Also cited in the [Council of Europe report](#)³³ as a positive example, the Flemish government in Belgium has long overseen a successful model of public funding based on specific projects. This system is functionally independent from the government and has been used for investigative journalism and other public interest projects. It uses public money to support the Audiovisual Fund (VAF). The scheme is [recognised internationally](#)³⁴ as contributing to a very vibrant and dynamic audiovisual production sector. The Danish government also has plans to propose a

31 Media Freedom Rapid Response, Greece urged to ensure fair and transparent media support scheme, <https://www.mfrr.eu/greece-urged-to-ensure-fair-and-transparent-media-support-scheme/>

32 STATE FINANCIAL SUPPORT FOR PRINT MEDIA: COUNCIL OF EUROPE STANDARDS AND EUROPEAN PRACTICES Prepared by Marius Dragomir, Council of Europe Consultant Expert report, <https://rm.coe.int/file-2-marius-report-eng/1680a4d519>

33 STATE FINANCIAL SUPPORT FOR PRINT MEDIA: COUNCIL OF EUROPE STANDARDS AND EUROPEAN PRACTICES Prepared by Marius Dragomir, Council of Europe Consultant Expert report, <https://rm.coe.int/file-2-marius-report-eng/1680a4d519>

34 ASSESSMENT Economic vitality and sustainability of the audiovisual media industry in the digital environment North Macedonia Protecting freedom of expression and of the media in North Macedonia – PRO FREX Prepared by: Asja Rokša-Zubčević and Snezana Trpevska, Council of Europe Experts, <https://rm.coe.int/assessment-media-viability-and-sustainability-north-macedonia-eng-/1680ac5b7f>

new model for media support that favours local and regional media, while contributing with funding for much needed digital development and transformation, according to another COE [report](#)³⁵ on media viability and sustainability.

Another Balkan country, Croatia, also operates a successful fund for public interest journalism. This Fund for the Promotion of Pluralism and Diversity of Electronic Media was established by the Law on Electronic Media. Its funding represents 3% of the revenue collected from the television fee for the public broadcaster, Croatian Radio and Television. In this case, the fund is managed by the media regulator, the Electronic Media Agency (AEM). Its objective is to support the promotion of content of public interest at both the local and regional level. Every year, it supports the production of around one hundred programmes of public interest in local and regional radio and television channels and online media aimed at local communities, including those using local dialects. Areas included in “public interest” topics include, for example, the exercise of citizens’ right to information; the promotion of cultural creativity and the promotion of cultural heritage; the development of education, science and the arts; and the promotion of works in local dialects; promotion of special cultural projects and events; and respect for national minorities. While this fund is coordinated by the media regulator rather than a body of NGOs and media unions and associations, it has been operated independently and has been successful in supporting pluralistic coverage.

Outside the EU, New Zealand established its own Public Interest Journalism Fund during the COVID-19 pandemic to help support media to produce high quality content. This fund distributed \$55 million and was aimed at supporting the production of journalistic content at the regional and national level which would bolster democratic debate and encourage critical thinking. The scheme was internationally recognised as a success and a model for replication.

Alternative Proposal: A Fund for Pluralistic and Public Interest Journalism

In North Macedonia, leading journalists’ associations have long opposed the return of state advertising campaigns in broadcast media. Citing the country’s recent past experiences with this form of state support, they argue that an alternative model is required and have instead supported a legal solution which prioritises the production of diverse, high-quality, professional and public interest journalism. This would foster long-form, analytical investigative journalism covering under-reported issues in society, and would serve the interests of all citizens, including minorities and under-represented communities. Public interest themes would include documentary, educational and entertainment content. They have called for

35 ASSESSMENT Economic vitality and sustainability of the audiovisual media industry in the digital environment North Macedonia Protecting freedom of expression and of the media in North Macedonia – PRO FREX Prepared by: Asja Rokša-Zubčević and Snezana Trpevska, Council of Europe Experts, <https://rm.coe.int/assessment-media-viability-and-sustainability-north-macedonia-eng-1680ac5b7f>

this support to be allocated to the non-profit and private media sectors, including broadcast, print and online media. This proposed system envisions a model in which media apply for journalistic projects and receive financial support in return. These projects would be designed for media at the national and local level. In a [statement](#)³⁶ the associations argue this would be the most effective, and safest, way of helping directly support the media industry while also ensuring public interest values are met.

The structure and funding of this Fund would be essential for its functional independence. As in EU countries, the simplest model for funding such a scheme would be for its budget to come from the Ministry of Information Society and Administration. If such a model were to be adopted, money from the state budget could be channelled into a project-based support scheme. Additional financial tools for expanding the fund are possible, including taxes on telecommunications or social media companies. Structurally, the fund would need to act on behalf of the Ministry, but as an independent administrative body with autonomy to allocate funds autonomously. Its work would be led by a committee of media experts, academics, and other representatives of relevant social groups, who would be appointed based on strict professional criteria, with clear procedure for avoiding conflicts of interest and supported by a bipartisan representation of MPs. Decision making on projects would take place via a democratic voting mechanism. Data about the allocation of money would be published online regularly and be easily accessible. All media would be able to apply, from small community broadcasters up to the TV stations including a group of journalists as a consortium. The size and funding of projects would be tailored to meet different types of media, or production companies or consortium of journalists, although steps would be taken to ensure money is dispersed in a fair and proportionate manner. A public register for all disbursement for this purpose should be published and regularly maintained by the media regulator. According to a [recent report](#)³⁷ from the Centre for Media Pluralism and Media Freedom (CMPF), local and community media in Europe increasingly need to rely on financial support from the state. A project-based fund which ensures fair access to funding for these media companies could therefore help address this issue in North Macedonia. Crucially, the fund would be conceived on a multi-year basis to ensure media benefit from greater stability and can make long-term plans.

Considering the best practices from examples across Europe outlined in the section above, in practice a fund for media pluralism in North Macedonia would be best coordinated by an independent body composed of relevant media experts including stakeholders from media associations, NGOs, academia and cultural organisations, which would meet to assess project applications and decide on the

36 Public Announcement from Professional journalist associations and civil society organizations from the media sector in North Macedonia, AJM web page, Professional journalism and media organizations are against government media campaigns, 19.07.2023, <https://znm.org.mk/en/professional-journalism-and-media-organizations-are-against-government-media-campaigns/>

37 European University Institute, News deserts in Europe: assessing risks for local and community media in the 27 EU member states, July 2023, <https://cadmus.eui.eu/handle/1814/75762>

distribution of project funds. Such a composition of the fund would be in line with recommendations outlined in a recent UNESCO report on models for supporting media viability and independent journalism through public funds. Media owners, publishers and editors-in-chief should be excluded from participating in the scheme, given the clear conflicts of interest involved. Decisions should be taken on a voting basis after a period of debate and discussion and assessment of the criteria. Funding would best be allocated on an annual basis, or bi-annual basis for larger journalistic projects, and would be made on strict criteria of public interest, the definition of which would be agreed in advance by the established body. The scoring of each project proposal would be communicated in a transparent manner. The allocation of all funds should be published online on an easily accessible database and in annual reports, which should also be made public.

The establishment of a fund for pluralistic and public interest journalism in North Macedonia in this way would be in line with multiple recommendations by inter-governmental bodies, including the Council of Europe. Resolution 1636 (2008)³⁸ from the Parliamentary Assembly of the Council of Europe, for example, calls on states to take steps to foster media pluralism, stressing that “media freedom in a democracy requires fair and neutral state subsidies to the media”. Recommendation No. R (99)³⁹ of the Committee of Ministers likewise encourages, among other measures, “the possibility of introducing, with a view to enhancing media pluralism and diversity, direct or indirect financial support schemes for both the print and broadcast media, in particular at the regional and local levels.” It suggests that “subsidies for media entities printing or broadcasting in a minority language could also be considered.”

Overall, there is a need for the vision and policy development on state support to the media in North Macedonia to undergo a shift which better considers democratic and public interest needs, rather than purely economic needs. For the creation of pluralistic and public interest journalism, the proposed project-based model would be most effective and most risk averse for North Macedonia. It should be recognised however that as a project-based system, revenue to media would be less direct and not guaranteed, meaning it may not be fully sufficient to secure the financial sustainability of all media. Taken together though, this appears to be the most appropriate model to allow media in North Macedonia to develop a viable business model while at the same time also retaining their editorial autonomy. While the success of such a model is by no means guaranteed, North Macedonia has multiple successful European examples it can follow, including the Netherlands, Belgium, and Croatia.

38 Parliamentary Assembly of the Council of Europe, <https://assembly.coe.int/nw/xml/xref/xref.xml2html-en.asp?file-id=17684&lang=en>

39 COUNCIL OF EUROPE COMMITTEE OF MINISTERS, RECOMMENDATION No. R (99) 1 OF THE COMMITTEE OF MINISTERS TO MEMBER STATES ON MEASURES TO PROMOTE MEDIA PLURALISM (Adopted by the Committee of Ministers on 19 January 1999, at the 656th meeting of the Ministers' Deputies), <https://rm.coe.int/16804fa377>

CONCLUSION

When assessing competing arguments for funding models for journalism and media pluralism, it is important to note that all forms of state support have the capacity to be both helpful and detrimental. There is no single solution to safeguarding media viability and sustainability. North Macedonia's national experience with the state advertising model thus far remains the strongest argument for adopting a more innovative form of funding. Some form of fund for pluralistic and public interest journalism would represent the best option. If implemented, it is hoped that a fund could provide a vital economic lifeline to media to carry out their public interest mission. A more resilient media sector would in turn strengthen the country's democracy. Even then, however, it is important to note that such a funding programme would not single-handedly solve the issue of media sustainability and pluralism. This would need to be supplemented by other legislative and economic policies aimed at supporting free, pluralistic and independent media. Moving forward, rather than make a retrograde step in the form of state advertising, North Macedonia should continue its [fragile but positive progress on media freedom](#)⁴⁰ by leading the Western Balkans in the search for a new model for public interest journalism.

Recommendations to North Macedonia Authorities:

- Retain Article 102 of the Law on Audio and Audiovisual Media Services to ensure the restriction on state advertising to media remains anchored in law

- Develop a new project-based model of state support to media and journalism, guided by principles of pluralism, diversity, and public interest journalism, that is functionally independent from government

- Meet with EU governments and successful public interest journalism funds from across Europe to exchange information and assess possible models for replication

- Take concrete steps to develop the community and not-for-profit media sector in North Macedonia, including minority language and investigative media

- Ensure all steps to provide any form of state support to media are in full alignment with EU legislation on state aid and the provisions outlined in the draft European Media Freedom Act proposed by the European Commission

- Guarantee the widest possible consultation with relevant journalistic associations and media groups in North Macedonia to ensure any changes are backed with industry support

40 International Press Institute, North Macedonia: Press freedom mission finds fragile progress in need of further support, 08.06.2023, <https://ipi.media/north-macedonia-press-freedom-mission-finds-fragile-progress-in-need-of-further-support/>

End note

The international press freedom and journalist organisations that took part in the mission to Skopje stand ready to facilitate information sharing and best-practice exchanges between the North Macedonia authorities and the Ministry's Working Group with successful journalism funds in EU countries.

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