

Media Sector Hotspots in North Macedonia: Decisive Reforms Long Overdue

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Introduction

This article identifies the most prominent risks for media and journalists' freedom in North Macedonia in 2021. It also suggests several possible courses of action aimed at improving the position of media and professional journalism in the increasingly digitalized media environment.

The political turmoil of 2015 and 2016 in North Macedonia brought about the destabilization and eventually the fall of the semi-authoritarian right-wing government led by VMRO-DPMNE (Internal Macedonian Revolutionary Organization – Democratic Party for National Unity). As the political process unfolded (with apparent security consequences), various actors, both domestic and transnational, proposed roadmaps for an orderly transition and subsequent reforms that inevitably needed to follow. Most notably, the European Commission outlined its “Urgent Reform Priorities”¹ for the then still Former Yugoslav Republic of Macedonia. The so-called “Blueprint”² for the most pressing reforms in different areas was published by civil society ad-hoc sectoral groups. These reports recognized the urgent necessity for media system reforms, based on previously conducted analyses.³ They noted the existence of corrupt links between mainstream media and top

government officials, the financial instability of the public service media and private media, the precarious employment status and poor working conditions of journalists, and the intimidation of journalists and a subsequent environment of fear that encourages self-censorship. It was clear in 2017 that tackling these issues was going to require a serious commitment and sufficient democratic capacity of the new government in Skopje which pledged to be reformist in character.⁴

What and how much has changed since the SDSM-led (Social Democratic Union of Macedonia) government took power in North Macedonia in 2017? The prevailing assessment is that the public atmosphere is generally more relaxed and more democratic – public discourse is less exclusivist, investigative journalism now has more space to thrive, and there are considerably fewer pressures on journalists and virtually no physical attacks. However, systemic difficulties – which required a deeper reformist commitment – persist:

- links between private media and politics continue to be present as political parties' advertising during elections is paid for from the state budget;
- the public service broadcasting continues to be financially unstable and lacks technical resources, programming capacities, and human resources;
- most private media outlets are unsustainable;
- journalists' working conditions are insecure, and further deteriorated during the pandemic.⁵

¹ European Commission, *Urgent Reform Priorities for the Former Yugoslav Republic of Macedonia* (Brussels: June 2015), https://eeas.europa.eu/sites/eeas/files/urgent_reform_priorities_en.pdf (accessed October 12, 2021).

² The first document of the NGO sector titled ‘Blueprint for Urgent Democratic Reforms’ was a joint effort of a group of civil society organizations, academia and independent experts, published in 2016; available at: https://www.balkanecsd.net/novo/wp-content/uploads/2016/07/BP_ENG_FINAL_08.07.2016.pdf, (accessed October 12, 2021).

³ For example: The analysis of the Senior Expert Group report of 2015 (the Priebe report) is no longer available on the European Commission's website, but more on the findings related to the media sector can be found in the

document published by the Media Development Center: *Media Sector Reform: Priebe's Recommendations and Other Issues* (Skopje, February 2016), <http://mdc.org.mk/wp-content/uploads/2017/01/CRM-Priebe-Report-ENG.pdf> (accessed October 12, 2021).

⁴ See more details in the Plan for Urgent Reform Priorities “3-6-9” adopted on July 2017, <https://vlada.mk/node/14649?ln=en-gb> (accessed October 12, 2021).

⁵ Snezhana Trpevska and Igor Micevski, *Monitoring Media Pluralism in the Digital Era: Application of the Media Pluralism Monitor in the European Union, Albania, Montenegro, the Republic of North Macedonia, Serbia & Turkey in the Year 2020, Country report: The Republic of North Macedonia* (Florence: RSC/Centre for Media Pluralism and Media Freedom, July 2021),

In addition, and globally relevant, new structural risks concerning the nature of new digital media platforms are emerging. Social networks have changed the patterns of news consumption. For most of the population, especially the young, social media is the main source of information,⁶ thereby exposing them to disinformation, hate speech, and other harmful content. The sustainability of digital news media is endangered due to the dominance of the social networks, which bring new challenges for regulatory policies.

Market Plurality and Media Viability

The viability of media has been one of the biggest challenges in the media system for years, as it makes media extremely vulnerable to commercial and political influences. In the assessment of market plurality made in the *Monitor of Media Pluralism for 2020*, the media viability in North Macedonia is assessed with a very high risk. There are various reasons for the economic instability of most media sectors: the weak potential of the overall economy, the huge number of media outlets in a very small market, changes in the technological environment and the dominance of social networks, a lack of regulatory mechanisms in media policy, and a lack of knowledge of media professionals on how to develop sustainable business models.

The available data for the audiovisual sector indicates a decreasing trend over the last several years. In 2019, for example, total revenues of

the audiovisual media sector decreased by 0.76% compared to 2018,⁷ while in 2020 the COVID-19 pandemic caused additional cuts in advertising budgets, leading to a decrease in revenues by 20.78% compared to 2019.⁸ The financial data for the past years show that in the entire audiovisual sector, only the terrestrial TV networks at the national level achieved profits, although in 2020 their revenues decreased by 13.62% compared to 2019 as well.⁹ Private regional and local broadcasters face the biggest operational problems as many are not able to attract sufficient funds from advertising due to the limited potential of the economy, especially in the areas where they broadcast their local programs.

Although no official data on daily newspapers' revenues are available, it is estimated that they are the most unsustainable media sector, which is reflected in both the decrease of the number of newspapers and their circulation. In 2021, there were five daily newspapers on the market and according to their published figures, their total circulation is estimated at 27,000 copies.

In the online sector, there are over 170 media outlets, out of which about 140 have joined the so-called Registry of Professional Online Media.¹⁰ There is an increase in advertising revenues in this sector, which indicates that the country follows the European trends: the advertising revenues of the traditional media are in constant decline, while online advertising revenues are growing constantly.¹¹ However, digital domestic news media attract less revenues than digital entertainment media,

https://cadmus.eui.eu/bitstream/handle/1814/71968/the_republic_of_north_macedonia_results_mpm_2021_cm_pf.pdf?sequence=1&isAllowed=y (accessed October 12, 2021).

⁶ For younger audience groups the internet is the primary source of information about domestic events (group aged 15-18 years: 79%, and group aged 19-29 years: 86%), while television news is the second source (for both age groups: 50%). See: Agency for Audio and Audiovisual Media Services, *The Impact of the New media on the Formation of Public Opinion and on the Operation of Traditional Media* (May 2020), <https://resis.mk/attach/Vlijanieto-na-novite-mediumi-vrz-formiranjeto-na-javnoto-mislenje-2020.pdf> (accessed October 12, 2021).

⁷ Agency for Audio and Audiovisual Media Services, Analysis of the audio and audiovisual media services market for 2019 (Skopje: Agency for Audio and Audiovisual Media Services, 2020), <https://avmu.mk/analiza-na-pazar/> (accessed October 12, 2021).

⁸ Agency for Audio and Audiovisual Media Services, Analysis of the audio and audiovisual media services market for 2020 (Skopje: Agency for Audio and Audiovisual Media Services, 2021), <https://avmu.mk/analiza-na-pazar/> (accessed October 12, 2021).

⁹ This decline in revenues would be even greater if we exclude the various types of financial assistance given to broadcasters in 2020 by the government and AVMU to deal with the crisis caused by the COVID-19 pandemic.

¹⁰ This Registry was established by the Council of Media Ethics and Association of Journalists in order to improve the professional standards in the online media sector.

¹¹ Snezana Trpevska et al., *The Impact of the New media on the Formation of Public Opinion and on the Operation of Traditional Media* (Skopje: Agency for Audio and Audiovisual Media Services, May 2020), <https://resis.mk/attach/Vlijanieto-na-novite-mediumi-vrz-formiranjeto-na-javnoto-mislenje-2020.pdf> (accessed October 12, 2021).

news aggregators, and social networks. It is estimated that “[...] of the total budget for digital marketing in the country, almost half is distributed among domestic online portals, while the other half flows out to Google and Facebook.”¹²

Working Status of Journalists and Their Positions in Newsrooms

Another persisting systemic problem is the insecurity of journalists’ working status, low salaries, and lack of labor rights, which puts them in a position of dependence and subordination to political and economic power structures. Of course, the economic sustainability of the media greatly affects this issue, but so does the reluctance on the part of media owners to strengthen independent and professional journalism.

Compared to the assessments of EU experts from 2015, almost nothing has changed regarding this issue as of today. Although the Law on Media provides a good basis for strengthening the working status of journalists in newsrooms,¹³ it is barely implemented by the private media because it is not clearly defined who supervises its enforcement and no sanctions are envisaged for violation of these provisions. According to the position of the Association of Journalists of Macedonia “[...] low incomes, as well as the disrespect of the Labor Law by employers, are the most common problems faced by journalists for years.”¹⁴ The Trade Union of Journalists and Media Workers (SSNM) has established that most of the journalists have monthly incomes far below the average salary in the country.¹⁵ The already

difficult socio-economic situation of journalists was further aggravated by the COVID-19 pandemic. The Trade Union reported salary cuts in some media outlets (up to 30%), although the state support measures during the pandemic appear to have eased the situation to a certain extent.¹⁶

There are no exact data from which we can determine how many private media outlets have internal organizational acts or rules to separate the editorial board from the media management. The Association of Journalists established that this rarely occurs in the private media.¹⁷ In the larger media outlets, it is common for newsrooms to be separated from management structures, but it often happens that managers put certain pressures on the newsrooms in terms of adjusting the editorial policy in a direction that will provide more revenues from sponsorships or advertising. When it comes to the smaller local broadcasters, the situation is even more problematic since they face a persistent shortage of revenue and have been working on the edge of survival for years. As a result, local media owners are looking for different ways to generate revenue, such as providing various production or PR services to local public enterprises or municipalities. This practice completely distorts the independent and critical position of journalists in these newsrooms.

Mechanisms that Undermine Political Independence of the Media

Until 2016, one of the key issues for media freedom in the country was state advertising. The previous ruling party has long used the so-

¹² Ibid, p.21.

¹³ For example, Article 11 of the Law on Media¹³ stipulates that the employment contract of the journalist may not be terminated, his/her salary may not be decreased or his/her position in the Editorial Board or Desk may not be changed, and his/her other rights determined in the Law on Labor Relations may not be reduced due to the expression of his/her position, in case it is in accordance with the professional rules of journalism. Media are also obliged to ask the newsroom for opinion before the appointment of editor-in-chiefs and to adopt a general act which regulates the relations between media publisher, editors, and journalists.

¹⁴ Milan Spirovski and Verce Todorovska-Kostovska, *North Macedonia: Indicators on the level of media freedom and journalists’ safety in 2020* (Skopje: Association of Journalists of Macedonia, September 2021), p.19, [https://znm.org.mk/wp-](https://znm.org.mk/wp-content/uploads/2021/06/MK-ENG-2020.pdf)

[content/uploads/2021/06/MK-ENG-2020.pdf](https://znm.org.mk/wp-content/uploads/2021/06/MK-ENG-2020.pdf) (accessed October 13, 2021).

¹⁵ Trade Union of Journalists and Media Workers (SSNM), Journalists and media workers with a salary far below the average (Skopje: June 2020), <https://bit.ly/3tItpkd> (accessed October 13, 2021).

¹⁶ For example, the government issued a decree on reimbursement of contributions to the salaries of journalists employed in the media, as well as a decree on covering a part of the salary of each employed journalist in the amount of 14,000 denars (appr. 250 EUR).

¹⁷ Milan Spirovski and Verce Todorovska-Kostovska, *North Macedonia: Indicators on the level of media freedom and journalists’ safety in 2020* (Skopje: 2021), p.20, <https://znm.org.mk/wp-content/uploads/2021/06/MK-ENG-2020.pdf> (accessed October 13, 2021).

called “public campaigns” and advertising by political parties to influence the editorial policy of the private media. The civil society sector has repeatedly stressed the need to establish strict and clear rules for political advertising in general, and in particular for state advertising in the law because it seriously jeopardized the independent position of the media. Thus, the decision to cease the state advertising in the media was adopted shortly after the SDSM-led coalition came to power in 2017. However, although the spending of federal funds for public campaigns at the state level was banned, municipalities and public enterprises continue spending part of their local budgets on various media services.

Although the government abolished state advertising in 2017, with further amendments to the electoral code adopted in 2018, political parties introduced a different mechanism that makes the private media dependent on the centers of political power. In line with Article 76e of the Electoral Code, during the election campaign, the party-political advertising in the media is paid with funds from the state budget.¹⁸ Apart from the fact that political parties themselves are financed with funds from the state budget, private audiovisual media companies now also receive money from the budget for the political propaganda messages of the parties aired during election campaigns. This procedure, which is in force to this day, cements the link between media owners and politics and turns private media into party-ideological institutions, which ultimately defend the commercial interest of the owners at the expense of public interest.

The latest evidence that the influential media owners and the ruling parties are becoming closer again is that in March 2021 the

government attempted to re-introduce the state advertising in the audiovisual media, by amending the Law on Audio and Audiovisual Media Services. The justification of the government was that it is necessary to conduct public campaigns on issues of general interest, such as “[...] vaccination against Covid-19, anti-corruption, dealing with disinformation, etc. [...]”.¹⁹ The association of the five private national television stations supported the justification of the government, while the position of the Association of Journalists and experts was that public campaigns in the audiovisual media should be aired free of charge. Following this reaction, the government seems to have given up on the announced changes in the law.²⁰ Still, in August 2021, the government announced the establishment of a Council for Media Reforms whose task would be to “increase media freedoms, provide conditions for professional media work” and to allow “open discussion of the reforms that the Government plans to implement in the next period.”²¹ Despite this explanation, however, there is still a doubt among the representatives of the civil society that the government wants to ‘push’ the idea of legalizing state advertising in audiovisual media in this way.²²

The Reforms of the Public Broadcaster and its Connection with the Public

The Public Broadcasting Service of North Macedonia has never actually had full financial stability, institutional autonomy, or editorial independence. However, the demands for Public Broadcasting System (PBS) reforms have centered predominantly on the election of new supervisory and governing bodies through a legal procedure that ensures their political independence, especially during the VMRO-

¹⁸ It is a very complex system: parties send media plans to the private broadcasters which air the party-political advertising according to the media plan and then submit reports to the regulatory body (Agency for Audio and Audiovisual Media Services); the regulatory body conducts monitoring and checks the submitted reports for the aired political advertising; the State Election Commission also checks and finally approves the reports. After the approval, broadcasters can submit invoices to the State Election Commission which issues an order for the payment of the requested funds from the state budget.

¹⁹ Zorana Gađovska Spasovska, “Government advertisements in the media - a step back to a captured state.”, Radio Free Europe, March 1, 2021,

<https://www.slobodnaevropa.mk/a/vladini-reklami-;ekor-nazad-zarobena-dr\ava-31126412.html> (accessed October 13, 2021).

²⁰ Saško Panajotov, “Government accepts the demands of the media and media workers - a media fund will be established for projects of public interest”, Macedonian Informative Agency, <https://mia.mk/vladata-gi-prifa-aba-ata-na-mediumite-i-mediumskite-rabotnici-e-se-osnova-mediumski-fond-za-proekti-od-aven-interes/> (accessed October 13, 2021).

²¹ Vasko Maglešov, “The government established a Council for Media Reforms,” Prizma, <https://prizma.mk/vlasta-osnova-sovet-za-mediumski-reformi/> (accessed October 15, 2021).

²² Ibid.

DPMNE era. Although the legal provisions were improved in this direction since 2017, the election of new members of the Council of Macedonian Radio and Television (MRT) was blocked in the parliament.

Still, attempts were made to resolve the stable financing of the public-service broadcasting. In 2018, the government accepted a proposal of journalists' associations and determined a fixed percentage of the state budget for the purpose of financing the MRT. However, in the years that followed, the MRT did not receive the pledged funds. For example, in 2020 the funds allocated to PBS were reduced to around 0.5%, although the necessary amount for its efficient functioning was estimated to be 1% of the annual state budget.²³

Access of Local Communities and Vulnerable Groups to Media

An important aspect of media pluralism that has rarely been the focus of media policy is the access of various social groups and local communities to the media and the public sphere in general. The assessment of media pluralism in North Macedonia for 2020 showed that there are serious risks in the domain of social inclusiveness of the media sphere: access to media for local communities is endangered, primarily due to the economic unsustainability of regional and local media in the overly fragmented audiovisual market.²⁴

In addition, there is a serious gap in terms of exercising the communication rights of the various vulnerable groups.²⁵ The media regulator has a developed policy framework to increase the access of people with sensory

impairment to audiovisual programs. However, the communication rights of other vulnerable and disadvantaged social groups (such as people with rare diseases, elderly people, LGBT community, etc.) are hardly mentioned in the media policy debates.

Conclusions and Recommendations

Compared with the period prior to 2016, media freedom, journalists' safety, and media pluralism in North Macedonia has significantly improved. Media freedom is more widespread, journalists and their associations are no longer exposed to serious physical attacks and pressures, and the media regulator is more efficient and quite independent. Nevertheless, most of the old systemic deficiencies are still present: the market is fragmented, most media outlets are financially weak and unsustainable, the working status of journalists is still insecure and unstable, the public broadcaster does not have financial stability, autonomy, or independence, and the access of local communities and vulnerable groups to the public sphere is imperiled. In addition, since social networks are the main source of information for most of the population, especially younger groups, people are greatly exposed to disinformation and hate-speech. This opens up new challenges for the regulatory policy whose development lags behind the technological advancements.

Based on these considerations, the following policy recommendations²⁶ have been put forward to reinvigorate media reforms and to overcome the existing structural obstacles for advancing media freedom and for strengthening

²³The media regulator expressed its serious concerns about the lack of funding of the public broadcaster: "[...] in 2019, the public broadcaster received 229.53 million denars less and in 2020 this amount was 510.70 million less than expected." Source: Agency for Audio and Audiovisual Media Services, Analysis of the audio and audiovisual media services market for 2020 (Skopje: 2021), <https://avmu.mk/analiza-na-pazar/> (accessed October 12, 2021).

²⁴Trpevska Snezana and Micevski Igor, *Monitoring Media Pluralism in the Digital Era: Application of the Media Pluralism Monitor in the European Union, Albania, Montenegro, the Republic of North Macedonia, Serbia & Turkey in the Year 2020, Country report: The Republic of North Macedonia* (Florence: RSC/Centre for Media Pluralism and Media Freedom, July 2021), p. 17, <https://cadmus.eui.eu/bitstream/handle/1814/71968/the>

[_re_public_of_north_macedonia_results_mpm_2021_cmpf.pdf?sequence=1&isAllowed=y](#) (accessed October 12, 2021).

²⁵Igor Micevski et al., *The Vulnerable Groups and the Public Sphere* (Skopje: Research Institute on Social Development RESIS, 2021), <https://resis.mk/images/about-us/PDF/Procenka.pdf> (accessed October 13, 2021).

²⁶These are the main recommendations we also proposed in our analysis of the situation with media pluralism in the country published in August 2021 by the Center for Media Pluralism Florence (footnote 24). However, these recommendations are here supplemented with the findings and suggestions from the workshop "Media Freedom in the Western Balkans", organized by the Aspen Institute Germany on October 19, 2021.

independent and professional journalism in North Macedonia.

service in order to develop its participatory dimension.

Working Position and Safety of Journalists

- Media should improve journalists' job security and allow for the strengthening of the autonomy of newsrooms in accordance with the existing labor legislation.
- State institutions should develop internal mechanisms through which journalists and media workers can quickly and easily report cases of hate-speech and various forms of online harassment and receive advice or legal assistance on what to do in such cases.

Media Viability and Competition

- State institutions should accept the proposal of the media regulator to revise the rules in the media legislation related to ownership concentration in order to partially address the problem of market fragmentation and unsustainability of the audiovisual media sector.
- The capacities of media and competition regulators should be enhanced so that these institutions can work together on developing policies to address the competition issues in the online media sector.

Independence of Media from Politics

- A wide-ranging debate should be opened with political parties and all other relevant actors on the negative consequences of the current provisions of the Electoral Code and other laws related to political advertising on the independence of the editorial policy of the private media. The absence of transparency of party-political advertising during election campaigns on the online platforms should be also addressed in the legislation.
- The issue of transformation of the public service cannot be reduced only to the election of the new members of the Council of MRT, the body that should represent the public. It is necessary to open a debate on the overall transformation of the public

Systemic Reforms of the Media Sector

- The government's latest initiative to establish a Council for Media Reforms should be formalized in a plan for the development of a strategic document that detects all existing and new emerging systemic obstacles for the development of media freedom and identifies the policy measures to overcome them. The preparation of this document should be entrusted to independent domestic and foreign experts and should then be open to a wide debate in which all relevant actors will participate.