

[MK] Amendments to the Act on Public Procurement

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The latest amendments to the Act on Public Procurement (Законот за јавни набавки), which are, at the end of the year 2014, in second reading before Parliament, allow the state and public institutions to advertise in the media without the possibility of a public bidding for the benefit of competitors in the media and advertising markets. The amendments to Article 2 of the Act on Public Procurement widens the existing exceptions of public procurement for the so-called “political advertising areas”, allowing the government, as well as other state and public institutions and agencies, to use public and state funds in order to promote themselves and their activities in the media.

Political advertising has become one of the predominant components of the advertising market in the past several years. According to the annual reports of the Agency for Audio and Audiovisual Media, the central government was the top advertiser in the year 2013 with regard to the purchased advertising time. With respect to the advertising funds spent, the central government was in second position, with almost 4.99 percent of the total advertising market, which includes six free-to-air TV broadcasters. The biggest advertiser for 2013 (an international commercial company) accounted for 5.40 percent on the TV advertising market. The other political entity which was present on the advertising market and in the five top advertisers was the ruling political party VMRO-DPMNE, with a 2.84 percent participation in the overall advertising market of the TV-broadcasting sector.

From this it becomes apparent that, political advertising as an advertising category is notably present on the advertising market with 7.83 percent, meaning that only the central government and the ruling political party VMRO-DPMNE have concluded contracts with the free-to-air broadcasters with a budget volume of EUR 25 million. On the other hand, there is no public information regarding how much the other ministries, state agencies and local institutions have spent on self-promotional activities in the media. The high rate of the government's advertising was also noted by the European Commission in the latest Country Progress Report for 2014 as one of the main factors that affects the freedom of the media. The report concluded that the condition of media freedom in Macedonia has continued to deteriorate. According to the report, the influence of the government on the media is exercised by state-financed advertising, which is an indirect form of state control of the media.

The Association of Journalists is worried that there will be a lack of transparency and fair competition if the state institutions are allowed to decide by themselves with which media outlet they will conclude a contract. In the opinion of the Association of Journalists, such a situation could further worsen the position of the freedom of the media. According to the Press Freedom Index of the Reporters without Borders, the country of Macedonia is on the 123rd position, one of the lowest rankings in Europe.

Законот за јавни набавки

<http://sobranie.mk/materialdetails.nspx?materialId=21ac067c-6e44-4718-a92a-391bbdba2ebc>

Amendments to the Act on Public Procurement

EU Country's Progress Report for 2014

http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-the-former-yugoslav-republic-of-macedonia-progress-report_en.pdf

Press release of the Macedonian Association of Journalists, 7 November 2014

<http://www.znm.org.mk/drupal-7.7/en/node/820>

