CONGRESS OF LOCAL AND REGIONAL AUTHORITIES





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Observation of municipal elections in "The former Yugoslav Republic of Macedonia" (15 October 2017)

Monitoring Commit	ttee
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Summary

Upon invitation from the Minister of Foreign Affairs of "The former Yugoslav Republic of Macedonia", the Congress, from 11 to 16 October 2017, carried out a mission to observe the local elections held on 15 October 2017. The delegation included 13 members visiting some 100 polling stations throughout the country on Election Day, in a joint effort with the OSCE/ODIHR Election Observation Mission.

The vote on 15 October 2017 took place against the background of a long-lasting political crisis and the formation of a new Government in May 2017, thus constituting also a test for the new administration at the national level. Although the atmosphere of the election campaign improved, notably with regard to the media coverage, the overall political situation continued to be characterised by the deep division and politicisation of the country along ethnic and party lines.

The Congress concluded that the 2017 local elections were generally well organised and in line with international standards. In the large majority of places visited by the Congress teams, the Election Day progressed in an – overall – orderly and calm manner with some procedural irregularities. According to the Congress, improvements should be made with regard to the election administration including transparency of the decision-making and training of the staff at all level, and a further depoliticisation of the State Election Commission (SEC).

Moreover, the Congress recommends further enhancement of the level playing field for all contestants by preventing the misuse of administrative resources during electoral processes and ensuring the effective political participation of women at grassroots level, both as voters and candidates. Further recommendations include improving the accuracy of voters' lists and the complaints and appeals system.

The Congress reaffirms the need for municipalities to have access to adequate financial resources, in particular with regard to their capacity to organise local elections.

1 L: Chamber of Local Authorities / R: Chamber of Regions

EPP/CCE: European People's Party Group in the Congress

SOC: Socialist Group

ILDG: Independent Liberal and Democratic Group ECR: European Conservatives and Reformists Group

NR: Members not belonging to a political group of the Congress

RECOMMENDATION 413 (2018)²

- 1. Following the invitation from the Minister of Foreign Affairs of "The former Yugoslav Republic of Macedonia", Nikola Dimitrov, dated 5 September 2017, to observe the municipal elections held in the country on 15 October 2017, the Congress of Local and Regional Authorities refers to:
- a. Article 2, paragraph 4 of the Committee of Ministers' Statutory Resolution CM/Res(2015)9 on the Congress of Local and Regional Authorities of the Council of Europe;
- b. the principles laid down in the European Charter of Local Self-Government (ETS No. 122) which was ratified by "The former Yugoslav Republic of Macedonia" in June 1997 and the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207) ratified in September 2015;
- c. the Chapter XVIII of the Rules and Procedures on the practical organisation of election observation missions;
- 2. It reiterates the fact that genuinely democratic local and regional elections are part of a process to establish and maintain democratic governance and observation of political participation at territorial level is a key element in the Congress' role as guardian of democracy at local and regional level.
- 3. The Congress welcomes the fact that the 15 October 2017 municipal elections were well organised, by and large, and in line with international standards, despite some procedural irregularities, and that Election Day was, overall, held in an orderly and calm matter, without major incidents, preceded by a competitive campaign.
- 4. Although the overall political situation continued to be characterised by the deep division and politicisation of the country along ethnic and party lines, the Congress notes a clear improvement in the campaign atmosphere, in which the municipal elections took place.
- 5. It recognises that progress was made, in particular, in respect of more balanced media coverage of the campaign, respect of freedom of the media and better working conditions for journalists, despite further need for their professionalisation and empowerment.
- 6. In light of the above, the Congress suggests further improvements to be made in respect of the general electoral process and therefore invites the authorities of "The former Yugoslav Republic of Macedonia" to:
- a. strengthen the integrity of the decision-making process at the level of the State Election Commission (SEC) in order to make decisions comprehensible to the public, fully transparent and further de-politicise the SEC;
- b. improve the legal conditions for effective redress in electoral disputes, so that all complaints and appeals are handled in a timely and impartial manner by the relevant electoral authorities and that all decisions can be appealed to a competent court of higher level;
- c. organise systematic training of the electoral staff in order to ensure the coherent implementation of electoral rules, notably with regard to the proper sealing of ballot boxes, the systematic signing of voters' lists or prescribed counting procedures;
- d. ensure a level playing field for all contestants by making certain that there is a clear separation of State and party interests and preventing misuse of administrative resources during electoral processes;
- e. and, in addition to the quota requirement, to ensure the *de facto* participation of women in grassroots politics, including ensuring that female candidates have similar opportunities to run for the positions of Mayors and Heads of Councils;

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² Debated and approved by the Chamber of Local Authorities on 28 March 2018 and adopted by the Congress on 28 March 2018, 2nd sitting (see Document CPL34(2018)02, explanatory memorandum), rapporteur: Karim VAN OVERMEIRE, Belgium (R, NR).

- 7. Furthermore, the Congress encourages the authorities of "The former Yugoslav Republic of Macedonia" to pay further attention to the issue of accuracy of voters' lists, including through the update of the population census.
- 8. In conclusion, the Congress reaffirms the need for Municipalities to have access to adequate financial resources in general, and, more specifically, with regard to their capacity to organise local elections.

EXPLANATORY MEMORANDUM³

A. Introduction

- 1. Following the invitation of 5 September 2017 by the Foreign Minister of "The former Yugoslav Republic of Macedonia", Nikolai Dimitrov, the Congress decided to observe the municipal elections scheduled for 15 October 2017. Karim Van Overmeire, Belgium (NR, R), was appointed Head of Delegation and Rapporteur.
- 2. The Congress mission was carried out from 11 to 16 October 2017 and involved 13 participants from 12 Council of Europe member States including Congress staff members and Matej GOMBOSI, Congress' expert on observation of local and regional elections. On Election Day, six Congress teams were deployed throughout the country and observed the vote in some 100 polling stations.
- 3. Further details of the programme, the deployment areas of the Congress Delegation and the statement of preliminary findings presented by the Head of Delegation at the press conference on 16 October 2017 in Skopje can be found in the appendices.
- 4. The following Report focuses specifically on issues arising out of exchanges held with Congress interlocutors during the preparatory briefings and on observations made by members of the Delegation on Election Day. The Congress wishes to thank all of those who met with the Delegation for their open and constructive dialogue. Special thanks go to the team of OSCE/ODIHR for the positive working atmosphere and a fruitful co-operation during this mission.

B. Political environment and institutional layout

- 5. After the referendum on independence from the Socialist Federal Republic of Yugoslavia, held in September 1991, the Parliament enacted a new Constitution defining the country as an independent, sovereign State and Parliamentary democracy. The President is elected directly for a five-year term in office and proposes a Prime Minister who forms a government. The legislature is unicameral and consists of 123 deputies (including three representatives of the diaspora elected out-of-country). The regular term of a Parliamentary mandate is four years. According to the Electoral Code, mayoral and municipal council elections for the 80 municipalities and the City of Skopje are held every four years.
- 6. An armed conflict between the Albanian "National Liberation Army" (NLA) and State security forces was terminated by a formal peace agreement known as the OHRID Framework Agreement (OFA), signed in August 2001. It became the new basis for organising the cohabitation of Macedonian, Albanian and minority populations in the country⁴ and included the use of Albanian as well as other minority languages as official languages in areas where ethnic Albanians (or other minorities) make up more than 20 % of the population. It also provided for higher funding for Albanian-language education, amendments to the Constitution to raise the standing of ethnic Albanians and other minorities and increased ethnic Albanian representation in government structures and police forces.
- 7. The last municipal elections held on 24 March 2013 resulted in a landslide victory of the then ruling VMRO-Democratic Party for Macedonian National Unity (VMRO-DPMNE) with 56 Mayors, including the Mayor of the City of Skopje. The Democratic Union for Integration (DUI) won 14 Mayors and the then opposition Social Democratic Union of Macedonia (SDSM) had four Mayors.
- 8. The Presidential and Parliamentary elections held in June 2014 prolonged the mandate of President Gjorge Ivanov and Prime Minister Nikola Gruevski, both supported by the VMRO-DPMNE. After having claimed that the elections were rigged, Zoran Zaev, the leader of the SDSM, boycotted the Parliamentary sessions and released information according to which Prime Minister Gruevski and other public officials had illegally wiretapped conversations of about 20,000 people. According to these allegations, the Government misused the national security services in order to control top officials, prosecutors, judges, political opponents, leaders of the civil society and journalists.⁵

³ Prepared with the contribution of Mr. Matej GOMBOSI, expert, Slovenia.

⁴ According to the census conducted in 2002, the total population of the country was 2,022,547, with the following ethnic composition: Macedonians 64.18 %, Albanians 25.17%, Turks 3.85%, Roma 2.66%, Serbs 1.78%, Bosniaks 0.84%, Vlachs 0.48% and other 1.04%.

⁵ https://www.nytimes.com/2015/06/22/world/europe/macedonia-government-is-blamed-for-wiretapping-scandal.html

- 9. From May 2015, demonstrations against the Government were organised, where a number of police officers and protestors were injured. The tensions rose when the Government organised its own demonstrations. Negotiations mediated by the European Parliament and the Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes HAHN, led to the signature of the so-called Pržino Agreement on 2 June 2015.⁶
- 10. The Pržino Agreement provided for the investigation of the wiretapping scandal, including the constitution of a Special Parliamentary Committee, and the handling of all evidence to the Prosecutor's Office. On 12 April 2016, in the midst of negotiations on the date of Early Parliamentary elections provided for by the Pržino Agreement, President IVANOV decided to pardon all politicians facing charges related to the wiretapping scandal. In reaction, demonstrations were organised and all opposition parties announced a boycott of the elections scheduled for June 2016. The Constitutional Court declared the dissolution of Parliament unconstitutional. In July 2016, the four main political parties signed an implementation agreement related to the Pržino Agreement and Early Parliamentary elections were finally held on 11 December 2016, after two years of deep political crisis.
- 11. After these Early Parliamentary elections, the formation of the Government proved to be a challenge. VMRO-DPMNE failed to reach an agreement with its traditional coalition partner DUI (Democratic Union for Integration). Instead, DUI and other ethnic Albanian parties aligned with SDSM, yet the President did not give them a mandate to form the Government. On 27 April, after several unsuccessful attempts, the Speaker of the Parliament was elected, which triggered a confrontation in the Parliament and resulted in an assault on its members, including senior members of the SDSM and of Alliance for Albanians (AA).⁷ The political crisis de-escalated only after the President gave a mandate to the SDSM to form the Government, which was established on 31 May 2017, following a six-month delay. This delay resulted also in the postponement of the municipal elections.
- 12. Eventually, the grassroots' elections were called in August 2017 and Parliament prolonged the mandates of Local Councillors and Mayors (which were supposed to end in May 2017) until 15 October 2017, the new date of the municipal elections⁸ which were the sixth elections at grassroots' level taking place in the country.
- 13. The overall situation continued to be characterised by the deep division and politicisation of the country along ethnic and party lines. While the campaign atmosphere, in which the municipal elections took place, changed to the better, concern remains with regard to systemic problems such as corruption, a climate of impunity and lack of effective checks and balances.
- 14. Further to the deep political crisis in the wake of the wiretapping scandal, Congress' interlocutors qualified the October 2017 municipal elections as a test for the new Government associated with high expectations from the electorate in particular with regard to reform, the implementation of the rule of law, the fight against corruption and EU rapprochement.

C. Local self-government

15. Apart from the Constitution, the 2002 Law on Local Self-Government, the 2004 Law on Territorial Organisation, the 2004 Law on Local Elections and the 2004 Law on the City of Skopje frame the institutional setting at the local level. Policies in the field of decentralisation are implemented by the Ministry of Local Self-Government. A decentralisation reform has been undertaken in 2005, reducing the number of municipalities from 123 to 84, abolishing the county level. In 2013, further amalgamations led to 80 consolidated Municipalities which currently constitute the basic self-government units in "The former Yugoslav Republic of Macedonia". Furthermore, the country is divided into rural settlements and statistical regions, none of them being units of self-government.

⁶ The full text of the Pržino Agreement

⁷ https://www.theguardian.com/world/2017/apr/27/macedonia-protesters-storm-parliament-and-attack-mps

⁸ http://www.balkaninsight.com/en/article/macedonia-may-postpone-local-polls-for-october-05-15-2017

- 16. According to reports heard by the Congress Delegation, despite some progress achieved to strengthen grassroots' democracy, the level of decentralisation still needs improvement and the financial means of the Municipalities are not sufficient to accomplish the tasks assigned to them. Moreover, there are disparities between rural and urban Municipalities with regard to their capacities to raise money to perform their specific functions. In reaction to this, at a meeting with the Ministry of Self-Government, the Congress Delegation was informed about plans to increase tax revenues for Municipalities, to implement a strategy on equal regional development and to strengthen co-operation between the different tiers of government. At the same time, capacity-building of local elected representatives and public officials as well as the fight against corruption are high on the agenda of the new Government, according to this meeting.
- 17. Local self-government units are responsible for financing grassroots' elections. Several Congress interlocutors expressed serious concerns about financial independence of Municipalities and a great disproportion between legal obligations and funds provided to execute them. Municipalities, whose accounts were blocked by a court decision due to unpaid debts, had to receive funding from the State budget in order to be able to conduct the 15 October 2017 local elections.⁹

D. Electoral management

i. Legal framework and electoral system

- 18. In "The former Yugoslav Republic of Macedonia" elections are primarily regulated by the Constitution and the Electoral Code adopted in 2006 and amended later on. In 2017, amendments to the Electoral Code were introduced with regard to the date of the municipal elections (which was changed from May to October). Also, due to this late revision of the Electoral Code, the Parliament was authorised to change the composition of the State Election Commission (SEC) which is at odds with international good practice. Further and more specific regulations regarding the elections of Local Councils and Mayors are contained in the Law on Local Elections, adopted in 2014.
- 19. Administratively, the country has a single tier system of local self-government, with Municipalities as the basic units. It is composed of eight regions, 80 Municipalities and the capital City of Skopje which is subject to its own regulations under the Law on the City of Skopje and comprises 10 Municipalities. The organs of the Municipality are the Council and the Mayor. The number of Councillors depends on the number of inhabitants of the Municipality (not less than nine if the population is less than 5,000 and not more than 33 members if the population is above 100,000). The only exception is the City Council of Skopje, which comprises 45 members.
- 20. Councillors are elected according to the proportional system, applying the D'Hondt method for the distribution of seats, without any minimum turnout requirement. The President of the Council is elected by majority vote of the total number of Councillors. The Mayor is an executive body in the Municipality and responsible to the citizens. Mayors are directly elected for a four-year term by majority vote. If none of the candidates receives an absolute majority of votes in the first round, a second round is organised within 14 days between the two candidates who received most votes in the first round (no minimum turnout for second round). In the City of Skopje, voters elect the Mayor and the members of the City Council of Skopje as well as the Mayor and the members of the Municipal Council of their individual municipality.

ii. Election administration bodies

- 21. The electoral administration in "The former Yugoslav Republic of Macedonia" consists of a three-level structure including the SEC (State Election Commission), 80 Municipal Election Commissions (MECs) and the Election Commission of the City of Skopje as well as 3,480 Electoral Boards (EBs). There are also Electoral Boards in diplomatic and consular offices. The SEC is the main body responsible for conducting elections at all levels of government. The MECs and the Election Commission of the City of Skopje are responsible for their units of self-government and EBs are in charge of conducting the elections at the level of polling stations.
- 22. The SEC is a permanent body responsible for the overall conduct of elections. It is also responsible for the accuracy of voters' lists (extracted from the permanent civil register kept by the Ministry of Internal Affairs), the publication of final results of the elections as well as for the complaints and appeals. The SEC is composed of nine members appointed by the Parliament for a five-year

⁹ The Ministry of Finance allocated MKD 30 million (some EUR 488,000, EUR 1 is equivalent to MKD 61) to 17 such Municipalities. The SEC undertook to transfer such funding for the first time, but its capacity to do so was insufficient.

term: the ruling Parliamentary political parties nominate three members, three other members are nominated by the opposition parties and, since the Pržino Agreement, three members are independent experts selected in an open recruitment process. The President (Alexandar CHICHAKOVSKY) and the Vice-President (Redzep PREKOPUCA) of the SEC are elected among the three members who are non-partisan experts.

- 23. The regulations issued by the SEC are meant to supplement various aspects of the electoral legislation. In the context of the 15 October municipal elections, some regulations were approved or amended late and some contradicted the legislation which challenged the integrity of the electoral process, according to Congress' interlocutors.
- 24. Despite endeavours to make electoral decision-making more comprehensible to the public, politicised discussions on contentious questions were still an issue at the level of the State Election Commission and the SEC lacked genuine transparency, according to Congress interlocutors. SEC sessions were open to observers, but substantive decisions were frequently made in closed meetings. The publication of session minutes was delayed and not all SEC decisions, regulations and guidelines were available on its website.
- 25. MECs are professional bodies whose five members are randomly selected from civil servants appointed for five years. ¹⁰ Each gender should be represented by at least 30% of the members of a MEC and members of minorities, which constitute at least 20% of the population in a Municipality, should be represented in the respective MEC. MECs are responsible for candidates' registration, providing election-related materials to the Electoral Boards, training of the electoral staff at polling stations and tabulating the election results. Based on observations made by the Congress on E-Day with regard to the partially incoherent implementation of voting procedures by the Electoral Boards, more consistent training should be facilitated by the MECs.
- 26. EBs are composed of five members (and five deputies), two being political appointees plus three employees of the public administration. With regard to the politically sponsored members of the EBs, they are appointed on the basis of the power structure in the national Parliament, not in the respective Municipality, which seems worth revising from Congress perspective. In line with the Electoral Code, certain principles for ethnic and gender composition have to be respected.¹¹ Electoral Boards manage directly the voting process in their respective polling station.

iii. Voter registration and voters' lists

- 27. All citizens aged over 18 with a permanent address in the territory of "The former Yugoslav Republic of Macedonia" and those who temporarily live abroad were eligible to vote on 15 October 2017. There is a passive voter registration system. The SEC updates the voters' lists four times a year based on data provided by various State agencies. A supplementary update of the voters' register is conducted on the day following an election. The SEC has the right to undertake random inspections for accuracy of voters' lists. During public scrutiny in the October 2017 municipal elections, more than 220,000 voters checked their data online and in-person, but only 230 requested corrections. Political parties also requested a limited number (49) of changes.
- 28. Despite the possibility of online and in-person verification of voters' lists, some Congress interlocutors expressed their concerns regarding the accuracy of the voters' lists and it was mentioned that the lack of an up-dated population census (the last census dates back to 2002) was the underlying issue.

iv. Registration of parties and candidates

29. Following a registration process which was described by interlocutors as inclusive, in total, 19 political parties and coalitions, 258 mayoral candidates and 370 candidates' lists for council elections were competing in the 15 October municipal elections. The right to be candidate in local elections is granted to every citizen over 18, who has not been declared ineligible and who is permanently residing in the Municipality where he/she is a candidate. Registered political parties and groups of voters can propose candidates for Councils by submitting candidates' lists and for the Mayor by submitting individual names. Candidates can thus run also as independent (in the 15 October elections there were 19 mayoral candidates running independently). In order for candidates to be registered, they should submit signatures of registered voters in proportion to the number of inhabitants in their respective Municipality. However, signatures have to be collected in front of the SEC representatives at the SEC regional offices, thus opening the possibility for voters' intimidation, according to the opinion of some Congress' interlocutors. The final lists of candidates were published on 25 September and displayed at the MEC offices, enabling voters to familiarise themselves with the candidates.

¹⁰ Article 10 - Law on Local Elections

¹¹ According to Article 21 of the Electoral Code, in municipalities with at least 20% minority population, the principle for equal and just representation has to be applied for the composition of the MEC and the EBs; the law prescribes that at least 30% of members in all electoral bodies should come from each gender.

¹² A valid ID-card or passport had to be presented to the EB.

v. Complaints and appeals procedure

- 30. The State Election Commission (SEC), the State Commission for Preventing Corruption (SCPC), the State Audit Office (SAO) and the Administrative Court adjudicate various election-related complaints and appeals, while basic courts have jurisdiction over civil and criminal cases. A number of interlocutors informed the Congress observers that they lacked trust in the ability of the election administration and the courts to handle election-related cases with the necessary impartiality. The sessions of the Administrative Court are not open to the public which also reduces transparency.
- 31. The Electoral Code provides a limited framework for effective legal redress in electoral disputes. While certain decisions of the SEC and MECs are subject to judicial review, most are not, and as a consequence, significant aspects of the electoral process are under the final authority of the election administration, which is contrary to international good practice. ¹³ Stakeholders have limited rights to seek a legal remedy for campaign-related violations. Voter and civic groups have limited rights to challenge irregularities and cannot appeal election results.
- 32. Prior to the Election Day, the State Election Commission received a few complaints under its limited jurisdiction (basically, the SEC is in charge of complaints with regard to voters' lists and concrete voting itself). Several interlocutors of the Congress raised concerns on the misuse of administrative resources during the campaign, vote-buying and pressure on voters, but these complaints were overturned by the SEC.

E. Campaign, electoral environment and the media

i. Electoral campaign

- 33. The official campaign commenced on 25 September and ended at midnight on 13 October. The Electoral Code regulates campaigning and generally provides for a level playing field, though independent candidates are not fully granted equitable conditions, such as designated billboard space and media coverage. The law also aims to protect voters from undue pressure and prevent votebuying. Various restrictions aim to uphold a separation of the State and party, as well as ban the misuse of administrative resources.¹⁴
- 34. The October 2017 municipal elections in "The former Yugoslav Republic of Macedonia" were not mainly focused on local issues. According to some media representatives, they were somehow seen as a rematch of the 11 December 2016 Parliamentary elections between the VMRO-DPMNE and the SDSM. In this context, the municipal elections were considered as a first test for the new Government led by Prime Minister ZAEV, which, at the time of the elections, had been in power for just over 100 days. This was a common view from most Congress interlocutors. Overall, the campaign was described as mainly staged in the traditional way, with some parties using social media more than others, and less confrontational than during previous elections, despite a few individual violent incidents.
- 35. The campaign took place in an environment in which fundamental freedoms of assembly and expression were generally respected. Voters were offered a range of choices and highly contested races took place in many Municipalities. The larger parties campaigned on national issues of stability and integration and linked them to local issues of water, sanitation and infrastructure. The Congress Delegation was also informed about isolated politically motivated incidents which occurred across the country and were related to attacks on campaign offices and violence against one candidate.
- 36. Moreover, some Congress' interlocutors brought several alleged cases of irregularities to the attention of the Congress Delegation, in particular with regard to intimidation and coercion of voters, civil servants and public sector employees and vote-buying. In addition, the Congress Delegation heard complaints with regard to the misuse of State resources, the blurring of State activities and party campaigning.

¹³ According to the Code of Good Practice in Electoral Matters of the Venice Commission, "it is desirable that there should be some form of judicial supervision in place, making the higher electoral commission the first appeal level and the competent court the second" (3.3 An effective system of appeal).

¹⁴ Provisions include bans, during the electoral period, against State and Municipal Governments making payments that are not already budgeted for; initiating new public infrastructure ventures or holding inaugurations of infrastructure projects; and termination or filling of public positions.

ii. Campaign financing

- 37. Campaign finance regulations have undergone significant development in recent years, in line with previous recommendations of the OSCE/ODIHR, Venice Commission, and Council of Europe's Group of States against Corruption (GRECO). However, some recommendations to further enhance transparency in campaign finance remain unaddressed, including auditing requirements for interim campaign finance reports and enhancing the oversight authority of the State Audit Office (SAO).
- 38. The Electoral Code and the Law on Local Elections regulate financing of election campaigns at local level. The legal framework requests all candidates' lists to open a dedicated bank account for campaign finance purposes. Individuals can donate up to 3,000 Euros while legal entities can donate up to 30,000 Euros. The legal framework prohibits foreign and anonymous donations. Campaign expenditures are limited according to the number of inhabitants in the respective Municipality. Candidates' lists are entitled to reimbursement only if they obtained at least 1.5 % of the votes cast in a Municipality. Campaign transactions should be administered through a dedicated bank account.
- 39. The SEC, the State Audit Office (SAO) and the State Commission for Preventing Corruption (SCPC) are responsible for monitoring the campaign financing. The SAO exercises campaign finance oversight. Before Election Day, it was supposed to receive two interim campaign finance reports from electoral contestants. Final reports are submitted within four months after the elections and the SAO is required to audit these reports. The SAO's limited mandate and resources to review reports does not fulfil transparency and accountability requirements as described by international standards. The SAO is mandated to act on irregularities based on its initiative or a complaint; no such cases have been reported during the October 2017 elections. Overall, the transparency and the effective accountability could be enhanced according to OSCE/ODIHR and several Congress interlocutors.

iii. Inter-ethnic issues and minority rights

- 40. Even though inter-ethnic relations were not a particular issue during the campaign for the 15 October 2017 municipal elections, the country is still largely divided along ethnic and political lines. In the weeks prior to Election Day, the overall political debate focused on the role of Albanian language because the governmental coalition agreement between the SDSM and the two Albanians parties the DUI and the DPA provided for the adoption on a new Law on Languages. The Law aimed at expanding the official use of the Albanian language as an official language at all levels of government and throughout the whole country, along with Macedonian. Given the fact that such Law created intense political polarisation in particular, the VMRO-DPMNE-led opposition strongly opposed the text -, the adoption of the Law was postponed to a later date, after the local elections.¹⁵
- 41. During the 15 October 2017 local elections, several ethnic Albanian parties competed against each other in Municipalities with an ethnic Albanian majority. Moreover, the parties of the current coalition also made efforts to reach out to all voters, irrespective of their ethnicity and a number of new Albanians parties had been recently created, thus increasing political plurality in general. However, the fact that most political parties rely on a specific ethnic electoral base provides clear evidence of an ethnically divided political system.

iv. Participation of women

42. To enhance gender equality, the Electoral Code requires candidate lists to include not less than 40 % of the less represented gender, usually women, which includes that, at least, one in every three positions on a candidates' list must be filled by a woman. However, these requirements were undermined by a SEC regulation. Among mayoral candidates, only 16 were women (6 %) and 14 % of women headed lists for Councils. MECs registered 9 lists with fewer than 40 % women candidates and 17 lists that did not place women on the required spots.

v. The fight against corruption

43. According to Congress interlocutors, corruption remains prevalent in many areas and continues to be a serious problem in the country. Some progress has been achieved in establishing the legal

¹⁵ The Law was adopted by Parliament on 11 January 2018 but was vetoed by President Gjorge IVANOV on 17 January 2018, on the ground that the new legislation threatened the "unity, sovereignty and territorial integrity" of the country. By the time this Report was prepared, the Parliament had to examine the Law again, as well as the 35,000 amendments tabled, in order to overcome the Presidential veto.

¹⁶ The regulation was amended following requests from parties, after the nomination deadline. It provides that in Municipalities with Councils of between 11 and 19 members, a woman could be placed as low as the last place.

¹⁷ As per the SEC, 11 lists did not have a woman in every third place; 6 did not have one in every tenth place.

and institutional framework for fighting corruption. In particular, the Law on Prevention of Corruption¹⁸ and the Criminal Code¹⁹ criminalise active and passive bribery, extortion, bribing of a foreign public official, attempted corruption, trading in influence and money laundering.

- 44. However, the implementation of anti-corruption laws and independent handling of corruption cases by the relevant supervisory bodies and courts remains a major challenge.²⁰ In particular, highlevel corruption cases are still not impartially and timely investigated. The European Commission highlighted that reports of selective justice in certain high-profile or politically sensitive court cases continued. Public demonstrations illustrated the climate of political tension surrounding the work of the judiciary, especially in relation to the wiretapping scandal in 2015 and 2016.
- 45. Transparency International ranks "The former Yugoslav Republic of Macedonia" 90th out of 176 countries according to the 2016 Corruption Perception Index.²¹ As a comparison, in 2013, the country ranked 67th in the Index, thus showing the deterioration of the situation.

vi. Media

- 46. In general, media in "The former Yugoslav Republic of Macedonia" are divided along political and ethnic lines, making journalists important players of the complex ethnic relations in the country. The media landscape includes over 170 radio and television channels, television remaining the main source of information. The circulation of newspapers is low, while internet penetration has led to the development of online news websites.
- 47. The Constitution guarantees freedom of expression and prohibits censorship. The Electoral Code requires all media, including online news websites, to cover elections in a fair, balanced and unbiased manner. The Agency for Audio and Audio-visual Media services (AVMS) is the body to oversee the implementation of such rules through systematic media monitoring and the publication of reports. The AVMS may apply sanctions and refer the matter to the relevant court. In the frame of the October 2017 electoral campaign, it initiated six misdemeanour proceedings on violations pertaining to paid political advertising, unbalanced reporting and the publication of opinion polls.
- 48. Despite some basic protections for freedom of the press included in the Constitution, the situation of freedom of expression in the country has recently declined. Journalists are frequently accused of defamations and condemned of heavy fines and jail terms. This situation leads to self-censorship, which is widespread according to the Macedonian Union of Journalists, Media Workers and Congress interlocutors.
- 49. During the campaign for the October 2017 municipal elections, both public and private broadcast media organised debates among mayoral candidates in their respective municipalities and in the Skopje studio of the public broadcaster, Macedonian Radio Television (MRT). However, a high number of invited VMRO-DPMNE candidates did not participate. Moreover, the national media devoted little airtime and space to candidates representing smaller communities and themes relevant to them were afforded limited coverage.
- 50. Social media was widely used in the campaign. A high number of candidates opened official Facebook pages for campaigning. Candidates from larger parties, particularly the VMRO-DPMNE, used social media more frequently compared to other parties and independent candidates.

F. Election Day

- 51. In the large majority of places visited by the Congress teams, the Election Day progressed in an overall orderly and calm manner with some procedural irregularities.
- 52. Most frequent irregularities observed by the Congress teams included: improper sealing of ballot boxes, family or group voting which seemed to be disguised as "assisted voting", incoherent procedures with regard to the signing of voters' lists and attempts to influence or intimidate voters' choices. Most of the polling stations visited by the members of the Congress Delegation were not accessible to the disabled, despite the fact that special booths were provided for wheelchair users in many locations. There was over-crowdedness in some places visited by the Congress, due to the small size of polling stations, notably in rural areas.

¹⁸ http://rai-see.org/wp-content/uploads/2015/06/LAW_ON_PREVENTION_OF_CORRUPTION.pdf

¹⁹ https://www.unodc.org/res/cld/document/mkd/1996/criminal-procedure-code-of-the-republic-of-macedonia-as-of-2010_html/FYROM_Criminal_procedure_code_as_of_2010_English.pdf

²⁰ https://www.transparency.org/files/content/corruptionqas/FYRO_Macedonia_overview_of_political_corruption_2014.pdf

²¹ https://www.transparency.org/news/feature/corruption_perceptions_index_2016

- 53. Counting was assessed as efficient and transparent in most polling stations observed by the Congress. However, in some cases, the procedures prescribed were not followed by the electoral staff. This includes the fact that Electoral Boards did not always properly invalidate unused ballots and that the number of voters who voted was not systematically established.
- 54. Transparency was enhanced by the presence of party and citizen observers in many polling stations. In total, the State Election Commission accredited almost 3000 citizen observers from "MOST" and "CIVIL" for the E-Day. MOST assessed the elections as being held in a fair and democratic atmosphere and welcomed the efficient reaction of the electoral institutions with regard to problems occurred during the voting. For example, all cases of photographs taken of ballot papers were addressed by the Election Boards in co-operation with the police. According to MOST, this has not been the case during previous elections. Also, the police initiated seven cases on alleged vote-buying in five municipalities; three of them were referred for prosecution.

G. Election results

- 55. According to the State Election Commission, that released preliminary results shortly after the closing of the polling stations, there were 1,814,644 voters registered for the municipal elections held on 15 October (first round). The number of individuals who voted amounts to 1,079,876 and there were 1,035,247 valid ballots. The turnout was 59.51 %. The ruling party SDSM managed to secure victories in 37 of 80 municipalities, while the former ruling party VMRO-DPMNE only achieved three.
- 56. The second round held on 29 October 2017 (which was not observed by the Congress) saw 833,716 registered voters, 432,861 voters who voted and 420,584 valid ballots. The turnout was 51,92 %. SDSM won in 16 additional municipalities and also won in the City of Skopje. VMRO-DPMNE won only in additional two. SDSM was therefore declared the winner with 56 municipalities plus the City of Skopje, VMRO-DPMNE five municipalities, DUI 10, Alliance for Albanians three, Besa, DPA and DPT each one, while three municipalities were won by independent candidates. A detailed presentation of election results can be found at SEC webpage.

H. Conclusions

- 57. In general, the municipal elections held in "The former Yugoslav Republic of Macedonia" on 15 October 2017 were well organised and in line with international standards, by and large. With a few exceptions, Election Day was calm and orderly, without major incidents, preceded by a competitive election campaign. Given the overall political context, this is an important feature of these elections.
- 58. Due to the deep political crises in the wake of the wiretapping scandal, the October 2017 municipal elections could be seen also as a test for the new Government associated with high expectations from the electorate in particular with regard to reform, the implementation of the rule of law, the fight against corruption and EU rapprochement.
- 59. The overall situation continued to be characterised by the deep politicisation of the country along ethnic and party lines. While the campaign atmosphere, in which the municipal elections took place, changed to the better, concern remains with regard to systemic problems such as corruption, a climate of impunity and lack of effective checks and balances.
- 60. Following the recommendations made by the Congress in 2013 (resulting from the observation of local elections of 24 March 2013), progress was made, in particular, in respect of more balanced media coverage of the campaign, respect of freedom of the media and better working conditions for journalists, despite further need for their professionalisation and empowerment. There were also moves towards increased transparency of campaign financing, although the required interim reports on campaign expenditure were submitted only by a small number of contestants. On the other hand, systematic training of the electoral staff, as suggested by the Congress in 2013, remains high on the agenda in order to ensure the coherent implementation of electoral rules, notably with regard to the proper sealing of ballot boxes, the systematic signing of voters' lists or prescribed counting procedures.
- 61. Despite endeavours to make electoral decision-making more comprehensible to the public, politicised discussions on contentious questions were still an issue at the level of the State Election Commission which lacked genuine transparency, according to reports of Congress interlocutors. This was also true for the lack of effective complaint and appeal procedures in the Electoral Code. Also, the late revision of the Electoral Code led to a change of the composition of the SEC which is at odds with international good practice. Moreover, lacked trust in the ability of the election administration and the courts to handle election-related cases impartially was expressed vis-à-vis the Congress Delegation.

In addition, with regard to the composition of the Electoral Boards at polling stations, politically sponsored members of the EBs are currently nominated on the basis of the power situation in the national Parliament, which may not reflect the majority situation in the given municipality and was therefore flagged to the Congress Delegation as a possible issue with regard to political impartiality.

- 62. There is also room for improvement with regard to the clear separation of State and party interests and, as a consequence, continued need to further enhance measures for the prevention of misuse of administrative resources during electoral processes in order to provide a level playing field for the contestants.
- 63. Contrary to previous elections, the accuracy of the voters' lists seemed to be no major issue and there were not very many corrections requested to these lists, neither by voters nor by parties. However, according to those Congress interlocutors who expressed continued concern with regard to this point, the underlying issue was the lack of an up-dated population census.²² With regard to candidates' registration, the Electoral Code provides for a quota regarding the less represented gender. However, apart from this legal requirement, women still do not feature significantly in the political reality of cities, towns and regions.
- 64. As was the case already in 2013, the issue of financial resources of Municipalities is of particular concern to the Congress in general, and, more specifically, with regard to their capacity to organise local elections.

²² However, the Congress was later informed that the set-up of an Electronic Registry of citizens was scheduled for June 2018, which would improve the accuracy of voters' lists.

APPENDIX I

CONGRESS ELECTION OBSERVATION MISSION

15 October 2017 Local elections in the Former Yugoslav Republic of Macedonia FINAL PROGRAMME

Wednesday, 11 October 2017				
Various times	Arrival of the Congress' Delegation in Skopje			
	Thursday, 12 October 2017			
09:00 – 09:30	Briefing for the Delegation with the Congress' Secretariat Venue: Hotel Holiday Inn, Millennium Room 2			
09.30 – 10:30	Meeting with Ambassadors of relevant Council of Europe member States and the European Union to the Former Yugoslav Republic of Macedonia Czech Republic – Ambassador, H.E. Miroslav RAMEŠ Italy – Ambassador, H.E. Carlo ROMEO Hungary – Ambassador, H.E. DUX László István Romanian – Ambassador, H.E. Viorel STANILA Ukraine – Ambassador, H.E. Rostislav PALAGUSINEC United Kingdom – Ambassador, H.E. Charles Edmund GARRET European Union – Head of Delegation, Mr. Samual ZBOGAR USA – Ambassador, H. E. Jess BAILY Venue: Hotel Holiday Inn, Millennium Room 2			
Coffee break				
11:00 – 11:30	Briefing with representatives of political parties participating in the 15 October local elections Mr Elmi AZIRI, Vice-President of the Alliance for the Albanians and Deputy Minister of Labour and Social Policy Venue: Hotel Holiday Inn, Millennium Room 2			
12:00 – 12:45	Meeting of a sub-delegation with the Minister of Local Self-Government, Mr Suhejl FAZLIU Venue: tbc, Ministry of Local Self-Government, Dame Gruev no. 14, Skopje 1000			
Lunch break				
13:30 – 14:00	Briefing with the Head of Operations of the Council of Europe Programme Office in Skopje, EU/CoE Horizontal Facility for the Western Balkans and Turkey Ms Monica MARTINEZ and the Venice Commission expert to the State Election Commission, Ms Florence GANOUX Venue: Hotel Holiday Inn, Millennium Room 2			
14:00 – 14:45	Briefing with Ms Dusica PERISIC , Executive Director of the "Association of the Units of Local Self-Government of the Republic of Macedonia" (ZELS) Venue: Hotel Holiday Inn, Millennium Room 2			
15:00 – 16:00	Meeting with representatives of the civil society - Mr Zlatko DIMITRIOSKI, Citizens' Association "MOST" (citizen election			

Mr Velimir DELOVSKI, Legal Advisor and Project Coordinator, Helsinki Committee for Human Rights

observation)

- **Ms Marija ANDREEVA**, Project Coordinator, Ohrid Institute for Economic Strategies and International Affairs

Venue: Hotel Holiday Inn, Millennium Room 2

16:30 – 17:15 Meeting with **Ms Irena MISHEVA**, Chair of the City Council of Skopje (VMRO-DPMNE) and Member of the delegation of the Former Yugoslav Republic of Macedonia to the Congress

Venue: Hotel Holiday Inn, Millennium Room 2

Volido. Flotor Floriday IIII, Millori IIIdii Ftoom 2

17:30 – 18:30 Meeting with the Independent Expert of the Congress on the European Charter of Local Self-Government, **Prof. Mrs Gordana SILJANOVSKA DAVKOVA**, University of Skopje

Venue: Hotel Holiday Inn, Millennium Room 2

Friday, 13 October 2017

9:30 – 10:30 Meeting with representatives of the media

- "Association of Journalists of Macedonia" Mr Naser SELMANI-VEST, President
- MIA Agency Mr Saso ARSOVSKI, Editor and Mr Dragan ANTONOVSKI, Director

Venue: Hotel Holiday Inn, Millennium Room 2

Coffee break

11:00 – 12:00 Meeting with the President of the State Election Commission, Mr Alexandar CHICHAKOVSKY and the Vice-Presidents of the SEC Venue: tbc, SEC premises, St. Cyril and Methodius No.54, Skopje 1000

Briefing with **representatives of political parties** participating in the 15 October local elections Venue: Hotel Holiday Inn, Millennium Room 2

- 12:30 13:00 Mr Fatmir BESIMI, Mr Muamed HOHXA and Mr Arbor ADEMI representatives of the DUI
- 13:00 13:30 **Mr Damjan MANCHEVSKI**, Minister of Information Society and Administration and Vice-President of the **SDSM**

Lunch break

- 14:00 14:30 Mr Bilal KASAMI, President, Mr Afrim GASHI, General Secretary, Mr Zekirija IBRAIMI, Vice President and Mr Faton FAZLIU, Head of Cabinet of the BESA Movement
- 15:00 16:30 Briefing with OSCE/ODIHR Election Observation Mission Head of Mission, **Dame Audrey GLOVER** and the Core Team Venue: Hotel Holiday Inn, Millennium Room 2

Coffee break

17:00 – 17:30 Meeting with **Ms Katerina TOPALOVA**, Editor of the News Desk, MTV (public broadcaster)

Venue: Hotel Holiday Inn, Millennium Room 2

Saturday, 14 October 2017					
	Oditilday, 14 October 2017				
10:00 – 10:45	Meeting with the Mayor of Skopje and President of the "Association of the Units of Local Self-Government of the Republic of Macedonia" (ZELS), Mr Koce TRAJANOVSKI Venue: Hotel Holiday Inn, Millennium Room 2				
11:00 – 11:45	Briefing with OSCE/ODIHR Long Terms Observers in Skopje				
12:00 – 12:30	Technical briefings for Election Day with the Congress' Secretariat Venue: Hotel Holiday Inn, Millennium Room 1				
12:30 – 13:00	Technical briefings for Election Day with the drivers and interpreters Venue: Hotel Holiday Inn, Millennium Room 1				
Around 13:00	Deployment of 3 Congress' teams from Skopje to Bitola, Strumica and Ohrid (See "Deployment plan")				
13:00	Meeting with OSCE/ODIHR on the statement of preliminary findings Venue: OSCE/ODIHR premises				
17:00	Briefing with OSCE/ODIHR Long Terms Observers for the teams in Bitola, Strumica and Ohrid Venue: respective hotel				
	Sunday, 15 October 2017 – ELECTION DAY				
Around 6:00	Deployment of Congress' teams from Skopje (See "Deployment plan")				
Around 22:00	Debriefing with the Congress' teams in Skopje Venue: Hotel Holiday Inn				
Monday, 16 October 2017					
09:00	Meeting with OSCE/ODIHR on the statement of preliminary findings Venue: OSCE/ODIHR premises				
15:00	Press conference to present preliminary conclusions with OSCE/ODIHR Venue: Hotel Aleksandar Palace, Congress Hall 2, Bul. 8-mi Septemvri br.15, Skopje				
Various times	Departure of the Congress' Delegation				

APPENDIX II

DELEGATION

Membres du Congrès

M. Karim VAN OVERMEIRE, Belgique (NI, R) – Chef de délégation

Mme Henrietta BERO, Hongrie (PPE-CCE, L)

M. Andrew DAWSON, Royaume-Uni (CRE, R)

M. Mario GAUCI, Malte (PPE-CCE, L)

M. Remo GRENGA, Italie (SOC, L)

M. Robert GRUMAN, Roumanie (PPE-CCE, R)

M. Henrik-Brade JOHANSEN, Danemark (GILD, L)

Mme Marie KAUFMANN, République tchèque (PPE-CCE, R)

Mme Kateryna MARCHENKO, Ukraine (SOC, L)

Secrétariat du Congrès

Mme Renate ZIKMUND, Chef de Division, Observation des élections locales et régionales Mme Ségolène TAVEL, Chargée de l'Observation des élections locales et régionales Mme Martine ROUDOLFF, Assistante, Observation des élections locales et régionales

Expert

M. Matej GOMBOSI, Expert du Congrès sur l'observation des élections locales et régionales

APPENDIX III

CONGRESS ELECTION OBSERVATION MISSION

15 October 2017 Local Elections in "the former Yugoslav Republic of Macedonia"

DEPLOYMENT PLAN

Congress teams	Composition of the Congress teams	Saturday night	Area of Deployment
Team 1	Marie KAUFMANN Martine ROUDOLFF	Hotel Holiday Inn SKOPJE +389 2 329 29 29	Skopje and environs east (including Kumanovo, 45 minutes from Skopje)
Team 2	Kateryna MARCHENKO Henrik-Brade JOHANSEN	Hotel Holiday Inn SKOPJE +389 2 329 29 29	Skopje and environs west (including Tetovo, 45 minutes from Skopje)
Team 3	Mario GAUCI Remo GRENGA	Hotel Holiday Inn SKOPJE +389 2 329 29 29	Stip (1h20 from Skopje) and Veles (45 minutes from Skopje)
Team 4	Henrietta BERO Robert GRUMAN	Hotel Sirius STRUMICA +389 34 345 141	Strumica and environs (2 h from Skopje) and Radovis (on the way back to Skopje)
Team 5	Karim VAN OVERMEIRE Matej GOMBOSI Renate ZIKMUND	Hotel Epinal BITOLA +389 47 224 777	Bitola (2h15 from Skopje) and Prilep (1h45 from Skopje, on the way back to Skopje)
Team 6	Andrew DAWSON Ségolène TAVEL	Hotel Millenium OHRID +389 46 263 361	Ohrid (2h45 from Skopje) and Struga, possibly Kicevo (on the way back to Skopje)

APPENDIX IV

Press Release

Congress concludes mission to observe local elections held in "the former Yugoslav Republic of Macedonia"

[16/10/2017 16:30:00] 16 October 2017 At a joint press conference with OSCE/ODIHR in Skopje, preliminary findings were presented further to the international observation of the municipal elections held in 'the former Yugoslav Republic of Macedonia' on Sunday, 15 October.

The Congress - who joined efforts in this case with the ODIHR Mission - deployed six teams involving observers from 12 Council of Europe member States to monitor the vote in some 100 polling stations throughout the country.

The Head of Delegation, Congress Rapporteur Karim Van Overmeire (Belgium), made clear in his statement that the voter turnout of some 60 percent was an important element of the overall positive atmosphere in which the elections took place, despite some incidents during the campaign and also on Election Day.

He also referred to issues that should be addressed by the authorities, in particular, the training of members of the Electoral Boards in order to ensure coherent implementation of the rules and further sustainable up-date of the voters' lists to prevent fraudulent manipulations and provide for a closer link between voters and the elected representatives of a specific municipality.

'Regarding the situation of local self-government, we encourage the authorities, immediately after these elections, to put programmes into practice in the interest of further sustainable development at the local level and to improve the living conditions of all citizens of this country', Van Overmeire concluded.

APPENDIX V

Speech by Karim VAN OVERMEIRE, Head of Delegation

Skopje, 15 October 2017, "the former Yugoslav Republic of Macedonia"

Dear ladies and gentlemen,

Let me first of all, on behalf of the Congress of Local and Regional Authorities of the Council of Europe, thank the authorities of this country, for the invitation to observe yesterday's municipal elections. Our Delegation comprised 13 observers from 12 member States of the Council of Europe and we shared the work with our colleagues from OSCE/ODIHR, as usually in the spirit of good cooperation.

The voter turnout of some 60 percent is - in our opinion - an important element of the overall positive atmosphere in which the vote took place, despite some incidents during the campaign and also on the Election Day. It shows that the citizens have expectations with regard to the future and that they believe that things can change to the better.

We, the observers from the Congress, have all elected political mandates in our home countries, we are involved in campaigns and administrative matters there, and this is why we look very carefully into political but also organisational aspects of elections.

We found that yesterday's municipal elections were well organised, overall calm and in line with international standards, by and large. This is not a detail and has to be seen also in the overall political context.

However, there are some issues that should be addressed by the authorities. For example, the training of the members of the Electoral Boards should ensure coherent implementation of the rules notably with regard to the proper sealing of ballot boxes, the signing of voters' lists or the procedures during the counting.

We also found that there is still room for improvement concerning the quality of the voters' lists. The law provides for a domicile requirement in municipal elections and is generally in line with Congress recommendations which suggest that only voters permanently residing in a specific municipality should be entitled to vote at the local level. However, we recommend a further sustainable and transparent up-date of the voters' lists to prevent any fraudulent manipulations and to ensure a closer link between the voters and the elected representatives of a specific municipality.

This is also true for the composition of members of the Electoral Boards organising the elections for mayors and municipal councils. We think that - in respect of representatives of political parties there - this should reflect the political situation in a specific municipality rather than the general situation in parliament.

Last not least, our raison d'être as Congress of Local and Regional Authorities, - the situation of local self-government in this country. We are aware of the difficulties including the blocking of accounts of a considerable number of municipalities. We have heard during our meetings that the Government wants to address this problem. Therefore, we can only encourage them, after these elections, to put the programmes into practice, - the work begins tomorrow (or in November for those municipalities where there will be a second round on 29 October).

The proof of the pudding is the eating - and the citizens of this country deserve a sustainable development at the local level in order to improve their living conditions.

We from the Congress stand ready to assist the Ministry of Local Self-Government and the newly elected representatives in the municipalities in their endeavours to strengthen local democracy.

Thank you for your attention!