OSCE Office for Democratic Institutions and Human Rights Election Observation Mission The former Yugoslav Republic of Macedonia Municipal Elections, 15 October 2017



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I. EXECUTIVE SUMMARY

- The government was formed with a six-month delay after the last early parliamentary elections, resulting in the postponement of municipal elections. In July, the government introduced a plan to address the misuse of administrative resources, pressure on public employees, unbalanced media coverage and to improve transparency of the election administration.
- The electoral legal framework was substantially revised in 2016. Further changes in 2017 amended the timing for the municipal elections and authorized the parliament to change the composition of the State Election Commission (SEC).
- SEC sessions are public; however, some decisions so far have been made in closed sessions and observers have not always been informed in advance. Most Municipal Election Commissions (MECs) are operational and preparations are underway, but some reported a lack of adequate premises and material. To ensure voting rights for persons with disabilities, the SEC has mapped polling stations that are wheelchair accessible and plans to provide all voting locations with a tactile ballot sleeve. The voter education campaign is yet to begin.
- A total of 1,814,644 voters are registered for the elections. The online and in-person verification of voter lists resulted in a small number of changes. As a result, some OSCE/ODIHR EOM interlocutors acknowledged growing confidence in the accuracy of the voter register, while others continued to express concern over its precision.
- MECs registered 19 parties and coalitions and 65 groups of voters, for a total of 258 mayoral candidates and 369 lists for municipal councils. Six per cent of mayoral candidates are women and 14 per cent of council lists are headed by women. Candidates and lists tend to reflect the ethnic composition of the respective municipality.
- The campaign period started on 25 September. Contestants publicly committed themselves to an unprovocative conduct of the campaign, while the government pledged to respect the separation of the state and party. Electoral contestants are using a range of outreach tools, including online media. Some isolated, politically motivated incidents have occurred, including damage to campaign offices.
- The legal framework limits donations and sets a ceiling on campaign spending per registered voter. While two interim campaign finance reports will be published prior to election day, no verification of income or expenditure will be conducted until after the elections.
- The public media's coverage of the elections is strictly regulated as are political advertisements in commercial media. Public media are required to provide equitable news coverage of electoral contestants and grant access to free airtime. Media compliance with the legal requirements is monitored by the Agency for Audio and Audiovisual Media Services. On 21 September, the OSCE/ODIHR EOM began qualitative and quantitative media monitoring.

- A range of electoral offences are under the jurisdiction of the SEC and courts, while the State Commission for Prevention of Corruption reviews complaints pertaining to the separation of party and state and the misuse of administrative resources during the campaign.
- The legislation foresees citizen and international observers' access to all stages of the electoral process. So far, four civil society organizations have been accredited to observe the elections.

II. INTRODUCTION

Following an invitation from the Ministry of Foreign Affairs, the OSCE Office for Democratic Institutions and Human Rights (OSCE/ODIHR) established an Election Observation Mission (EOM) to observe the 15 October municipal elections. The OSCE/ODIHR EOM, headed by Ambassador Audrey Glover, comprises a 17-member core team based in Skopje and 20 long-term observers deployed across the country. Mission members are drawn from 22 OSCE participating States. Participating States have been requested to second 300 short-term observers to observe election day procedures.

III. POLITICAL BACKGROUND

After the 2016 early parliamentary elections, the Internal Macedonian Revolutionary Organization – Democratic Party for National Unity (VMRO-DPMNE) did not reach an agreement with its traditional coalition partner, the Democratic Union for Integration (DUI). Instead, the DUI and other ethnic Albanian parties aligned with the Social Democratic Union of Macedonia (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. This development triggered a confrontation in the parliament, resulting in an assault on its members, including ones from the SDSM and the Alliance of Albanians (AoA). 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, following a sixmonth delay. This resulted in the postponement of the municipal elections.

In July, the government introduced a plan to address the misuse of administrative resources, pressure on public employees, unbalanced media coverage and to improve the transparency of the election administration. The country's long-standing aspirations for European Union (EU) and NATO integration, the continuously high unemployment rate and high emigration form the backdrop to these elections. OSCE/ODIHR EOM interlocutors estimate that the conduct of the municipal elections may impact the ongoing integration processes and see it as a test of the new government's credibility. Currently, 55 of 80 municipalities are governed by the VMRO-DPMNE, while the SDSM has 4 of 81 party-affiliated mayors.

IV. LEGAL FRAMEWORK AND ELECTORAL SYSTEM

The amended 1991 Constitution establishes a full range of fundamental rights and freedoms. Municipal elections are primarily governed by the Constitution and Electoral Code (EC).³ Regulations adopted by the State Election Commission (SEC) supplement the EC; they should not contradict the legislation, but are not subject to judicial review.

See previous OSCE/ODIHR reports on the former Yugoslav Republic of Macedonia.

The VMRO-DPMNE won the 2006, 2008, 2011 and 2014 parliamentary elections and led the government until May 2017.

Other relevant laws include the Law on Political Parties, Law on Financing of Political Parties, Criminal Code, Law on Public Assemblies, Law on Prevention of Corruption, Law on Administrative Disputes, and mediarelated laws.

As noted in the 2016 OSCE/ODIHR and Council of Europe's Venice Commission Joint Opinion on the Electoral Code, the legal framework provides a sound basis for the conduct of democratic elections, if properly implemented. ⁴ However, gaps and ambiguities, including some noted in previous OSCE/ODIHR recommendations, remain.

The EC was adopted in 2006 and has since been substantively amended, most recently in 2016. In addition, in 2017, several key amendments were introduced: the timing of municipal elections was changed from May to October, the Constitutional Court annulled some provisions aimed at preserving the separation of state and party, and the parliament was authorized to change the SEC composition to reflect the current composition of parliament.

Municipal elections are held every four years to elect mayors and councils in 80 municipalities and the City of Skopje. Councillors are elected by proportional representation through closed candidate lists. Seats are allocated using the d'Hondt formula. Mayors are elected through a two-round majoritarian system. If no mayoral candidate receives more than 50 per cent of the votes cast in the first round, a runoff would be held on 29 October. For the first round of mayoral elections, a one-third voter turnout is required; otherwise, the election is repeated for the corresponding municipality. There is no turnout requirement for a runoff.

V. ELECTION ADMINISTRATION

Municipal elections are administered by three-levels of election administration, comprising the SEC, 80 Municipal Election Commissions (MECs) and the Election Commission for the City of Skopje, and 3,480 Election Boards (EBs). Requirements for ethnic and gender balance in the election administration are set out in the EC.⁵

The SEC is comprised of nine members, three of whom are women. By law, three SEC members have no political affiliation, and are selected through open recruitment. The other six members reflect the political composition of the parliament. The non-partisan members' five-year tenure is protected, while party nominees, following 2017 amendments to the EC, must be changed to align the composition of the SEC to the current parliament. Accordingly, on 22 September, a Movement BESA member replaced the sitting Democratic Party of Albanians (DPA) member. One SEC member is under indictment in a case relating to misuse of office during municipal elections in 2013.

MECs comprise five members, randomly selected from among municipal-level civil servants. EBs are composed of two political appointees and three non-partisan members. The selection and appointment of EBs has not yet been finalised due to a range of reasons, including the right of those selected to refuse duty. ⁹ Thirteen MECs do not meet the gender quota. ¹⁰

The 2016 OSCE/ODIHR and Venice Commission <u>Joint Opinion</u> on the Electoral Code also concluded that many previous recommendations have been met, however, the EC would benefit from a complete review in order to harmonize it internally and with other relevant laws.

No gender may comprise less than 30 per cent of any election commission; in municipalities where an ethnic minority is more than 20 per cent, the principle of adequate and equitable representation shall be applied.

The SEC is supported by 34 regional offices and a secretariat staffed by professional civil servants.

The VMRO-DPMNE and SDSM have two members each as having the most seats in the parliament, followed by the DUI and BESA with one seat each.

The SEC member's term was to expire in 2020; his objection to dismissal filed with the Administrative Court and State Commission for Prevention of Corruption was rejected.

For example, the MEC in Kochani has to replace 40 EB members. Some problems were also reported in MECs in Bitola, Debarca, Kichevo, Kumanovo, Mogila, Ohrid, Struga, Strumica, Vevchani and Vinica.

Seven MECs have less than 30 per cent female members, while 6 have less than 30 per cent male members.

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Municipal governments are responsible for financing elections. Municipalities, whose accounts are blocked by a court decision due to unpaid debts, are to receive funding from the state budget. The Ministry of Finance has already allocated MKD 30 million for 17 such municipalities. Some MECs reported to the OSCE/ODIHR EOM that despite financing, they lack adequate premises and material.

By law, the election administration is required to make its work public and the SEC has to publish minutes of its sessions within 48 hours of adoption. While SEC official sessions are open to observers and media, some decisions so far have been made in closed sessions and observers were not always informed in advance. Also, some regulations, decisions and guidelines are not published online. MECs are not required to publish session minutes, but some do voluntarily.

From July to September, the SEC, in co-operation with civil society, assessed the accessibility of polling stations for persons with disabilities, which can be checked online. The SEC is planning to produce braille ballot sleeves for each polling station. The SEC plans to conduct a voter education and information campaign, which has yet to get started.

VI. VOTER REGISTRATION

All citizens who reached the age of 18 have the right to vote, except those declared legally incapacitated by a court decision. In addition, only persons with a registered address and a valid identification card or a biometric passport are included in the voter register.

The SEC maintains the voter register based on data extracted from civil and population registers. Four times a year, it updates the voter register based on data provided by various state agencies. ¹⁴ The day after an election is called, a supplementary update is conducted. The SEC has the right to conduct random direct inspections for accuracy. ¹⁵ For these elections, the SEC did not undertake comprehensive verification of the voter register.

Public scrutiny of voter lists for municipal elections took place from 21 August until 9 September. During this period, more than 220,000 voters checked their data and only 237 requested corrections. As a result of a small number of changes, some OSCE/ODIHR EOM interlocutors acknowledged growing confidence in the accuracy of the voter register, while others continued to express concern over its precision. On 16 September, two days after the legal deadline, parties received a copy of the lists. After verification, five parties requested inclusion of or deletion of a total of 49 voters. While requests for inclusion were accepted, those for deletion were rejected by the SEC, as such changes fall under the jurisdiction of the Ministry of Interior. On 25 September, a day after the deadline, the SEC approved final lists containing 1,814,644 voters, including 1,882 voters in penitentiary institutions.

The EC does not allow a voter to change polling stations, thus a special provision is made for election commissioners and police deployed on election day, enabling them to vote. Homebound voters, who place a request with a MEC by 8 October, will be able to vote by mobile ballot box on 14 October.

An equivalent of EUR 488,000.

For example, the Arachinovo MEC lacks equipment; the Gazi Baba MEC does not have adequate office space.

The most recent SEC minutes on its website are from 6 September.

The Ministry of Interior informs the SEC on changes in the residency and identification documents' registry. Basic courts provide updates on persons deprived of their legal capacity.

According to the SEC, a total of 7,007 people with no registered address and some 600 with an "uncertain address" are not on the lists.

A total of 203,191 persons verified their data online and 21,594 at the SEC regional offices. There were 133 requests for corrections of data, 65 additions to the list, 22 removals due to death and 10 of other nature.

VII. CANDIDATE REGISTRATION

Any eligible voter residing in the municipality where she/he wishes to contest may stand for election, except those currently in prison or waiting to serve a prison term of more than six months. Parties, coalitions and groups of voters have the right to nominate candidates for these elections. The latter are required to support a nomination with signatures of 0.2 to 4 per cent of eligible voters residing in the respective municipality. Signatures should be collected in front of the SEC representative at SEC regional offices. A voter may sign in support of more than one list.

Candidate registration ended on 14 September, resulting in 19 parties and coalitions, and 65 groups of voters fielding a total of 369 candidate lists. Mayoral posts will be contested by 258 candidates, of whom 20 are independent. Two different political entities, a party and a coalition, with the same name, Alliance for Albanians, will stand against each other. A complaint by the coalition on this matter was rejected.

The OSCE/ODIHR EOM is aware of five rejections of candidate lists, which were all appealed to and dismissed by the Administrative Court (four in closed sessions). Three of these lists were deregistered by the MECs because a dedicated bank account was not opened within the legal deadline.

To enhance gender equality, the EC requires candidate lists to include not less than 40 per cent of the less represented gender. Of the 258 mayoral candidates, 16 are women; 52 of 369 lists are headed by women. On 17 September, after the nomination deadline, the SEC amended a regulation detailing how the gender quota should be applied.

VIII. CAMPAIGN ENVIRONMENT

The official campaign commenced on 25 September and will end at midnight on 13 October. ¹⁸ The EC comprehensively regulates campaigning and generally provides for a level playing field. Furthermore, the law aims to protect voters from undue pressure and various restrictions aim to uphold a separation of state and party, as well as preventing a misuse of administrative resources. Local governments play an important role in the campaign by allocating space for outdoor advertising.

On 5 September, the government adopted a Declaration on Free and Fair Elections, calling on public and state officials to refrain from fraudulent activities and respect voters' right to choose freely. On 19 September, the government adopted several laws on financial and social issues. On 24 September at the SEC and MECs, mayoral candidates signed a code of conduct pledging to uphold the law.

The pre-campaign environment was calm with a few isolated incidents. ¹⁹ The OSCE/ODIHR EOM observed instances of early campaigning by several parties. ²⁰ A number of OSCE/ODIHR EOM stakeholders raised concerns of potential vote-buying, intimidation and the use of government resources for campaigning. Recently, charges were laid against two incumbent mayors for abuse of office, including election-related offenses. ²¹

The campaign commenced with festive rallies, where party leaders presented their candidates, unveiled campaign slogans and outlined policy platforms. Although parties campaign on municipal

On 24 September, the headquarters of the VMRO-DPMNE in Kisela Voda and on 29 September in Kavadarci were vandalized; and SDSM office in Butel on 27 September and on 24 September in Aerodrom were damaged,

Contrary to the EC, the SEC held two lotteries on the order of the ballot paper; one for parties and coalitions, and the other for groups of voters. The latter were placed at the bottom of the list.

Campaigning prior to the official period is subject to a high fine.

On 24 September, the OSCE/ODIHR EOM observed rallies in Skopje (DUI), in Struga (AoA), in Veles (VMRO-DPMNE and SDSM) and in Tetovo (BESA).

Charges were filed against the mayor of Shtip on 21 September, and the mayor of Novo Selo on 26 September.

issues, platforms reflect national agendas. From 25 September, large billboards appeared in urban centres, predominantly featuring mayoral candidates. In some cities, parties opened temporary offices. Contestants plan to purchase advertisements on TV and in print media and increase their support base through social media.

IX. CAMPAIGN FINANCE

Campaigns are financed by donations and party membership fees. Public, foreign and anonymous donations are prohibited. Donations are limited to EUR 3,000 (individuals) and EUR 30,000 (legal entities), including in-kind contributions. Expenses are partly reimbursed by the local administration for lists that receive at least 1.5 per cent of all votes cast in a municipality (EUR 0.24 per vote). All campaign transactions should be administered through a dedicated bank account.

The campaign spending limit is EUR 1.8 per registered voter in a municipality, per round. The State Audit Office (SAO) exercises control and handles complaints on campaign finance. It is to receive and publish two interim campaign finance reports from each list submitter but is not required to audit them. ²³ Only final reports that contestants must file up to four months after the elections are to be audited. The SAO informed the OSCE/ODIHR EOM that it does not necessarily audit all reports received. Sanctions for violations include cancellation of reimbursements and strict criminal penalties depending on the violation.

On 1 September, the Ministry of Finance issued a new reporting template that requires comprehensive information about all donors and, in line with a previous OSCE/ODIHR recommendation, a detailed breakdown of donations and expenditures. The current template does not have expenses broken down by municipality.

Regional party branches informed the OSCE/ODIHR EOM that campaigns will be financed mainly by funds raised locally; parliamentary parties also plan a centralized disbursement of funds and campaign goods. Smaller parties and independent candidates complained to the OSCE/ODIHR EOM about a lack of financing.

X. MEDIA

A large number of media outlets, largely divided along political lines, operate in a small advertisement market. Television is the main source of information; the circulation of newspapers is rather low, while growing Internet penetration has led to a significant development of online news sites. On 19 September, the parliament abolished the broadcasting fee for financing the public broadcaster Macedonian Radio Television (MRT), the Agency for Audio and Audiovisual Media Services (AVMS) and the Macedonian Broadcasting (MRD). From 1 October, these institutions will be funded only from the state budget. OSCE/ODIHR EOM interlocutors noted concern that such funding limits may hinder the AVMS and further weaken the MRT as a public broadcaster due to possible political interference.²⁴

The Constitution guarantees the freedom of expression and prohibits censorship. The EC requires all media outlets to cover the elections in a fair, balanced and unbiased manner, including on their websites. The MRT is required to provide political contestants with free airtime during primetime.²⁵

Reports are to be published on the websites of the SAO, SEC, SCPC, and the political entities.

Amounts in the EC are provided in EUR. EUR 1 is an equivalent to MKD 61.

The MTV, AVMS and MRD will receive a total of 0.5 per cent of the 2018 state budget; 75 per cent of this amount will be devoted to the MTV. OSCE/ODIHR EOM interlocutors believe that not less than one per cent is necessary.

Mayor candidates are entitled to five minutes and those heading candidate lists are entitled to three minutes each.

There will be no lottery on the allocation of slots; the order will be determined based on candidate requests. The MRT's news coverage of elections is strictly regulated as is the placement of paid advertisement in the commercial media. ²⁶

Media compliance with the legal requirements is monitored by the AVMS. The AVMS may apply sanctions in a case of violation and refer the matter to the relevant court. Since 7 August, the AVMS has conducted systematic media monitoring and publishes results on its website every 10 days. So far, the AVMS notes that the main media outlets provide more balanced coverage than in past elections.

Several national media outlets actively organize debates among mayoral candidates in their respective municipalities. Lively discussions between candidates and supporters are taking place on social media. On 21 September, the OSCE/ODIHR EOM commenced its quantitative and qualitative media monitoring of election-related coverage of six main television channels and four daily newspapers.²⁷

XI. COMPLAINTS AND APPEALS

The SEC, independent administrative bodies and courts are responsible for adjudicating election-related cases. ²⁸ Concerns have been raised by a number of OSCE/ODIHR EOM interlocutors about alleged lack of impartiality of the SEC and courts dealing with politically sensitive cases.

Parties can appeal MEC decisions that reject candidate lists in the Administrative Court; other MEC decisions and actions, however, are not subject to SEC or to judicial review. Voters can only lodge complaints to the SEC on voter lists and violation of their right to vote. Political entities can only challenge voter lists, voting and counting irregularities. While SEC decisions on complaints and annulment of results are reviewable by the Administrative Court, other administrative decisions and actions are not subject to judicial review. 30

Complaints on campaign violations are not under the SEC's mandate, and are considered criminal or civil matters. Disputes concerning actions of government and public entities that breach provisions aimed at a separation of state and party and to prevent the use of public resources for campaigning, are under the jurisdiction of the State Commission for Prevention of Corruption (SCPC). The SCPC has received some 15 complaints against public entities for the termination of employment of public officials in the election period.³¹

XII. PARTICIPATION OF NATIONAL MINORITIES

Interethnic relations play a role in elections, especially at the local level. Matters relevant to intercommunity relations, such as the draft law on the use of languages, feature in the campaign alongside specific local issues. Candidates and lists tend to reflect the ethnic composition of a municipality. In several cases, however, candidates sought votes from across ethnic boundaries. In

The MTV has to devote 30 per cent of its daily newscast to campaign activities of the ruling and opposition parties each and 10 per cent to non-parliamentary parties all together. Paid advertisements are allowed only on commercial media; parties may purchase up to eight minutes per hour each; while others up to a minute per hour.

These include MTV-1, MTV-2, Sitel, Kanal 5, Telma, Alsat-M; newspapers Nova Makedonija, Sloboden Pecat, Vecer and Koha.

The law provides MECs with the duty to make decisions on complaints but does not establish any specific types of complaints under their jurisdiction; the SBE informed the OSCE/ODIHR EOM that in practice MECs will not handle complaints.

On 21 July, the SEC amended the complaints procedure to provide that election-day related complaints will not be considered on merit if the irregularity is not noted in the polling station protocol, or submitted to the MEC within five hours from completion of the protocol.

The only exception is that SEC decisions affecting minority interests can be appealed.

Two cases were upheld; several warranted continued investigations. On 15 August, the SCPC issued an opinion that dismissal of the General Prosecutor would violate the EC; the General Prosecutor was dismissed.

municipalities with an ethnic Albanian majority, several ethnic Albanian parties that are part of the government are competing against each other.³²

Parties representing smaller ethnic communities field mayoral candidates in only a few cases where such ethnic groups are concentrated in one municipality, such as ethnic Turks in Centar Zhupa and the Roma in Shuto Orizari. In other localities, they present lists of candidates for municipal councils. Parties from smaller communities complained to the OSCE/ODHIR EOM of not having a SEC member and that they are underrepresented in the local election administration.

XIII. CITIZEN AND INTERNATIONAL OBSERVERS

The EC foresees citizen and international observer access to all stages of the electoral process. The SEC has so far accredited four citizen observer organizations, which will assess the work of the election administration and deploy a considerable number of observers on election day.³³ Electoral contestants can also accredit their representatives. Unlike citizen observers, partisan observers can submit complaints at all stages of the electoral process.

XIV. OSCE/ODIHR EOM ACTIVITIES

The OSCE/ODIHR EOM commenced its work on 13 September, and has met the President, the Prime Minister, the SEC, other state agencies as well as representatives of political parties, media, civil society, the OSCE Mission to Skopje and international community. The OSCE/ODIHR EOM established contacts with electoral stakeholders at all levels. The Congress of Local and Regional Authorities of the Council of Europe intends to deploy a delegation for election day observation.

The English version of this report is the only official document. An unofficial translation is available in the Macedonian and Albanian languages.

For example, in Gostivar, where the AoA Minister of Health stands against the incumbent DUI mayor, and in Struga where the AoA mayor will be challenged by the DUI candidate and former mayor.

MOST is planning to deploy some 3,000 observers, while CIVIL aims at some 100 observers on election day. Also, the Macedonian Centre for Culture and Development and the Centre for Understanding and Institutional Cooperation have accredited observers.