

Transparency and Accountability of State-Owned Enterprises

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Key Findings

- The average level of transparency and accountability demonstrated by state-owned enterprises, i.e. their compliance with law-stipulated obligations and standards on good practice, accounts for only 28% from possible 100%.
- Not a single one from the 30 biggest state-owned enterprises, whose total annual revenue exceeds 700 million euros, has achieved high or solid level of transparency.
- Conditions are fulfilled for dismissal of 18 general managers at public enterprises, of which 6 are established by the government and 12 are established by local governments, on the grounds of non-publication of their respective operation reports. This is a direct consequence of non-compliance with the Law on Public Enterprises whereby these entities are obliged to timely publish on their websites quarterly reports that include indicators on financial performance in 2018, as well as 2017 annual balance sheets and annual operation reports.
- According to their founder, the average level of transparency among enterprises established by the government is 31%, while among enterprises established by municipalities it stands at 27%. According to the status of enterprises established by the government, it could be concluded that public utilities demonstrate higher level of transparency (33%) compared to joint stock companies (29%).
- At the level of individual enterprises, the top position on this rank list is held by PE State Roads, a public enterprise established by the government, which demonstrated the highest level of compliance with law-stipulated obligations with a score of only 52%. The bottom position, with a score of 0%, is held by the joint stock company City Trade Centre, wherein state capital is owned by JSC Management of Commercial Property in State Ownership (detailed breakdown of compliance with transparency standards by all 30 biggest state-owned enterprises is available on the web platform: opendata.mk)
- Almost half of enterprises have not even published the names of members of their governing and supervisory boards. Publication of work biographies (CVs) for members of their governing bodies, which would allow the public insight into their competencies, is practiced by only two enterprises.
- Not a single enterprise established by the government or by municipalities publishes information from sessions held by their governing boards. Macedonian Radio Television – Skopje, which is established by the Parliament, is the only

enterprise that publishes minutes from meetings held by its programme council. Not a single enterprise has published data on reimbursements paid to members of their governing and supervisory boards.

- Only one enterprise has complied with the law-stipulated obligation for publication of contact information for the person authorized for protected internal whistleblowing reports, but has not published the Rulebook on Protected Internal Whistleblowing. The enterprise in question is JSC Macedonian Power Plants which enlisted the authorized person, but has not published the rulebook. Nevertheless, contract information made publicly available by this enterprise concerns only the telephone number, but not the authorized person's postal or e-mail address.
- The obligation for mandatory publication of plans on public procurements with all amendments thereto was not complied by as many as 67% of enterprises. Only two enterprises (State Lottery and MEPSO) publish procurement notices on their official websites, which means that 97% of them have not complied with this obligation. Only one public enterprise (Water Supply – Kumanovo) has published notifications on public procurement contracts signed.
- Not a single enterprise has published on its website notifications on public procurement contracts performed, which allows insight into whether the institution engages in practices of signing annex contracts and whether it has performed contracts signed in complete and adequate manner.
- In 2017, the biggest enterprises in the country were addressed with only 174 information requests lodged under the instrument for free access to public information, in the range from one information request addressed to ProAcqua from Struga to maximum 20 information requests addressed to the Macedonian Post Office. In that, 72 information requests were lodged by NGOs and citizens, 16 were lodged by legal entities and only 14 by journalists. These figures are indicative of the fact that low level of transparency demonstrated by state-owned enterprises is also accompanied by low interest on the part of stakeholders to secure relevant data on performance of these enterprises that would allow them to monitor the quality of services they provide to citizens.

Research Methodology

Standards that are used to assess transparency and accountability demonstrated by state-owned enterprises were selected on the basis of analysis of relevant legislation and international standards. Hence, dominant share of selected standards are legally binding for state-owned enterprises, while small share of them are standards that are considered good practices.

As regards law-stipulated obligations, selected standards include those stipulated under the Law on Public Enterprises, Law on Free Access to Public Information and the Law on Whistleblower Protection.

In defining the standards, due consideration was made of laws that regulate specific business activities performed by certain public enterprises (Energy Law, Law on Public Utility Services, Law on Postal Service, Law on Water Economy, etc.), as well as the Law on Securities. From the rank of legal acts with binding effect for state-owned enterprises, the list of standards included the Open Government Partnership Action Plan 2016-2018. As regards good practices, baseline standards include those recommended by the Organization for Economic Cooperation and Development (OECD), as given in [Guidelines on Corporate Governance of State-Owned Enterprises](#). According to these guidelines, state-owned enterprises should comply with high standards on transparency and accountability.

Based on the analysis of abovenamed laws and recommendations, the project team developed a list of 30 standards grouped into three segments, as follows: transparency in terms of work organization, transparency in terms of access to public information, and transparency in terms of performance results (the complete list of standards is given in attachment to this analysis as Annex 1).

After having established the standards, the project team continued with selection of the 30 biggest state-owned enterprises that will be subject to assessment and ranking. The selection was made on the basis of revenue generated in the last three years by all 118 enterprises established by the government and predominantly owned by the state, and enterprises established by municipalities, which have submitted their annual balance sheets to the Central Register of the Republic of Macedonia. The research on financial performance results achieved by state-owned enterprises is available on the web portal: opendata.mk.

Assessment of state-owned enterprises' transparency and accountability was performed on the basis of verification whether they publish information, documents and data about their operation and performance on their official websites (the list of 30

transparency and accountability standards), which was followed by assignment of scores and final ranking of enterprises. Under each standard, enterprises were assigned a score on the scale from 1 to 3, according to their weight.

In the period 2015-2017, the selected 30 biggest enterprises have generated average annual revenue of 717 million euros, which accounts for 93% of total revenue generated by all 118 state-owned enterprises (770 million euros). The list of 30 biggest enterprises (the complete list is given in attachment to this document as Annex 2) features 13 enterprises established by the Republic of Macedonia, 15 by municipalities and the City of Skopje, 1 enterprise established by the Parliament of the Republic of Macedonia, and 1 public enterprise for management of commercial property in state ownership. In that, 7 from 13 enterprises established by the government have the status of joint stock companies, while 6 are public enterprises. Shares in joint stock companies where the government appears as the founding entity are 100% owned by the state and these joint stock companies are not quoted on the stock exchange market. In the case of JSC City Trade Centre - Skopje, as the single company quoted on the stock exchange market, the dominant share of stocks (97.58%) are owned by JSC Management of Commercial Property in State Ownership.

This research study was conducted as part of the project **“Enhance Integrity and Reduce Corruption in State and Private Business Sector”**, financially supported by the European Union. This project anticipates monitoring and research to identify generators of corruption, areas vulnerable to corruption and activities responsible for corrupted practices at state-owned enterprises. Importance of these activities arises from the fact that, in addition to line ministries, state-owned enterprises are the biggest source of political and economic power for the governing parties. The most obvious aspect of such power is the fact that, on annual level, enterprises that are fully owned by the state generate revenue in total amount of 700 to 800 million euros, which is equal to budgets disposed by all municipalities in the country, where public funds are spent under much greater public control compared to state-owned enterprises.

These research studies will be focused on assessing transparency and accountability of state-owned enterprises (ranking on the basis of indicators defined in compliance with law-stipulated obligations and OECD Guidelines); politicization of governing structures at state-owned enterprises (analysis of the process on selection and appointment of members in governing and supervisory boards, as well as their competences vis-a-vis their relations with the governing parties); poor supervision and performance compared to their economic power (revenue, expenditure, number of employees, financial results, unpaid liabilities, collection of receivables, etc.)

Ranking of Enterprises According to Transparency and Accountability

The average level of transparency demonstrated by state-owned enterprises accounts for only 28% from possible 100% and was assessed on the basis of their compliance with law-stipulated obligations and standards on good practices.

Not a single one from the 30 biggest state-owned enterprises has achieved high or solid level of transparency. More specifically, only seven enterprises demonstrated limited level of transparency in terms of compliance with their obligations, in the range from 40% to 60%. Almost half of enterprises (14) are marked by minimum level of transparency, accounting for 20% to 40% compliance with their obligations, while as many as 9 enterprises demonstrated unsatisfactory level of transparency, i.e. less than 20% compliance with their obligations.

Transparency	Number of enterprises
High level of transparency (compliance in the range from 80% to 100%)	0
Solid level of transparency (compliance in the range from 60% to 80%)	0
Limited level of transparency (compliance in the range from 40% to 60%)	7
Minimum level of transparency (compliance in the range from 20% to 40%)	14
Unsatisfactory level of transparency (compliance in the range from 0% to 20%)	9

According to their founder, the average level of transparency among enterprises established by the government is 31%, while among enterprises established by municipalities it stands at 27%.

According to the status of enterprises established by the government, it could be concluded that public utilities demonstrate higher level of transparency (33%) compared to joint stock companies (29%).

Here, it should be noted that JSC City Trade Centre is not enlisted among enterprises established by the government in order to respect the formal owner thereof, although in the case of this enterprise as well, the ultimate responsibility lies with the government as the founder of JSC Management of Commercial Property in State Ownership.

According to annual revenue, it could be concluded that enterprises marked by limited level of transparency generate total annual revenue in the amount of 283 million euros, while those marked by minimum level of transparency generate total annual revenue in the amount of 381 million euros. Enterprises that demonstrated unsatisfactory level of transparency generate total annual revenue in the amount of 53 million euros.

Level of transparency according to annual revenue

Level of transparency	Value of annual revenue (in million euros)	Share in total revenue
Limited	283	40%
Minimum	381	53%
Unsatisfactory	53	7%

At the level of individual enterprises, the top position on this rank list is held by PE State Roads, a public enterprise established by the government, which demonstrated the highest level of compliance with a score of only 52%, while the bottom position is held by JSC City Trade Centre, wherein the state capital is owned by JSC Management of Commercial Property in State Ownership, with a score of 0%.

Ranking of enterprises according to transparency

	Name of enterprise:	Compliance	Level of transparency
1	PE State Roads	52%	Limited
2	JSC MEPSO - Skopje	48%	Limited
3	PE Parks and Greenery - Skopje	46%	Limited
4	JSC Macedonian Railways Transport - Skopje	45%	Limited
4	PE Railway Infrastructure MR - Skopje	45%	Limited
6	PE Communal Hygiene - Skopje	43%	Limited
7	Macedonia Radio Television – Skopje	42%	Limited
8	PE Water Supply and Sewage– Skopje	40%	Minimum
8	PE “Komunalec” - Prilep	40%	Minimum
10	Public Transport Enterprise - Skopje	38%	Minimum
11	JSC Construction and Management of Residential and Commercial Property of Significance to the Republic – Skopje	33%	Minimum

Transparency and Accountability of State-Owned Enterprises

12	PUE "Derven" - Veles	32%	Minimum
12	PUE Water Supply – Kochani	32%	Minimum
14	JSC Macedonian Power Plants	30%	Minimum
15	PE "Strezevo" – Bitola	28%	Minimum
15	PE Macedonian Forests – Skopje	28%	Minimum
17	PE Macedonia Road – Skopje	27%	Minimum
18	PE Water Supply – Kumanovo	23%	Minimum
18	PE Streets and Roads – Skopje	23%	Minimum
20	PE "Komunalec" – Bitola	22%	Minimum
21	JSC Water Economy of the Republic of Macedonia	21%	Minimum
22	PE "Komunalec" – Strumica	20%	Unsatisfactory
23	JSC Macedonian Post Office	18%	Unsatisfactory
24	PE Macedonian Broadcasting – Skopje	17%	Unsatisfactory
25	PUE Water Supply – Bitola	15%	Unsatisfactory
26	JSC State Lottery of Macedonia	13%	Unsatisfactory
27	Inter-Municipal Public Enterprise "ProAcqua" – Struga	12%	Unsatisfactory
27	PUE Tetovo	12%	Unsatisfactory
29	PE "Isar" – Shtip	7%	Unsatisfactory
30	JSC City Trade Centre – Skopje	0	Unsatisfactory

With compliance score of 52% for defined standards, PE State Roads is marked by limited level of transparency about its operation and performance. Inter alia, this enterprise's top ranking position is due to publication of its 2017 annual operation

report, 2017 audit report, annual operation program, as well as publication of names and contact information for its employees. Nevertheless, in spite of its top ranking position, official website of this enterprise does not host any information on members of governing and supervisory boards or 2018 quarterly financial reports, which is a law-stipulated obligation under the latest amendments to the Law on Public Enterprises.

JSC City Trade Centre is at the bottom of this ranking list, notably due to the fact that this enterprise has not published any data or document that would at least represent slightest attempt or effort to demonstrate transparency about its performance before the citizens. Being the single joint stock company with state capital that is quoted on the stock exchange market and knowing that 97.58% of shares are owned by JSC Management of Commercial Property in State Ownership, the City Trade Centre's official website does not host any information or document that is commonly featured on the [Macedonian Stock Exchange's](#) website, such as: financial reports, profit and loss statements, public calls for assembly of shareholders and decisions taken by such assembly.

Detailed breakdown of compliance with transparency standards demonstrated by the 30 biggest state-owned enterprises is available on the web platform: opendata.mk.

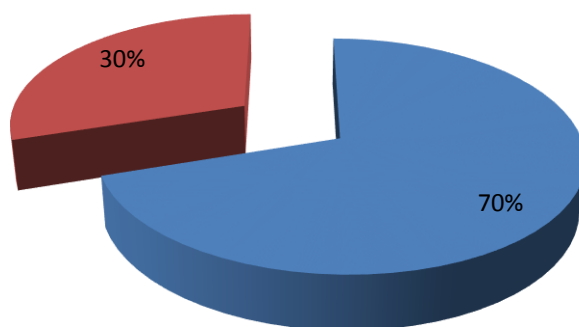
Transparency of Enterprises in Terms of Work Organization

This group of standards includes publication of regulations and information on the enterprise's competences; publication of the statute, operation and development program; publication of strategies, positions, opinions, studies and similar documents; publication of the enterprise's organizational structure (scheme, organogram), as well as names and contract information for the general director and employees/heads of sectors/departments, including their job position, official e-mail address and telephone number, and all relevant information on governing bodies and performance thereof. The average level of compliance with these standards accounts for only 28%.

It could be concluded that only 9 from the 30 enterprises publish their operation and development programs, covering one or multiple years. Failure to publish operation programs on the part of state-owned enterprises prevents citizens to have insight into their operation and to adequately monitor their performance.

Do state-owned enterprises publish their operation and development programs?

■ YES ■ NO



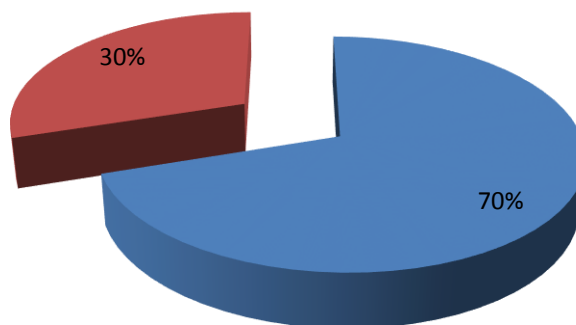
The same ratio was obtained in regard to the fact whether state-owned enterprises publish their statutes.

Furthermore, in spite of being stipulated as obligation under the Law on Free Access to Public Information, as many as 14 enterprises (47%) do not publish on their official websites laws and bylaws that govern their operation and obligations. In that, even the enterprises that have published relevant laws and subsequent amendments thereto do not provide clean copy of these laws, which is often missing, thus preventing citizens to be certain about the relevance of what is published.

The Law on Free Access to Public Information stipulates an obligation for publication of strategies, positions, opinions, studies and similar documents. The analysis showed that this type of documents is not published by as many as 21 enterprises.

Do state-owned enterprises publish strategies, positions, opinions, studies?

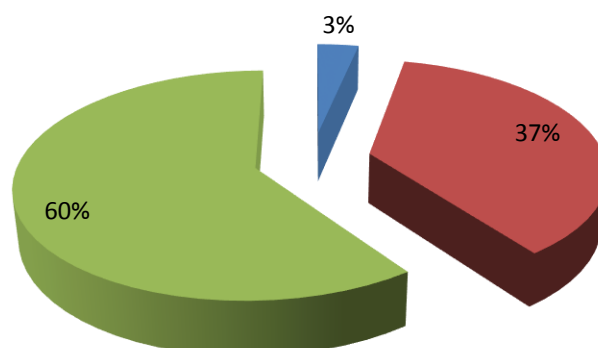
■ YES ■ NO



The obligation for publishing the list of employees, including their job position, official e-mail address and telephone, which had been introduced as transparency standard by the government in the course of 2018, is not adequately complied with by the very enterprises established by the government. Nevertheless, the same was included in this research study as good practice and is relevant for all enterprises. The analysis showed that only PE State Roads has published its list of employees, while 18 enterprises (60%) have published only information on heads of sectors/departments, and 11 enterprises (37%) have not published any data in this regard.

Do state-owned enterprises publish the list of employees, including their job position, official e-mail address and contact telephone?

■ Yes, for all employees ■ No ■ Yes, only for heads of sectors/departments



As many as 24 from the 30 biggest state-owned enterprises (80%) have not published the work biographies (CVs) of their respective general managers, which is a good practice and in line with the OECD Guidelines on Corporate Governance.

The official websites of enterprises do not host information on members of governing and supervisory boards, as well as their work biographies, which would allow the public insight into and reassurance in their competencies, which is in line with the standards provided by OECD Guidelines. In that, the analysis on compliance with these transparency standards made due account of the fact that instead of governing board, JSC Water Economy and JSC City Trade Centre have Board of Directors, while MRTV (public service broadcaster) has Programme Council. Relevant governing structures at JSC Water Supply, JSC Management of Residential and Commercial Property of Significance to the Republic, and JSC City Trade Centre do not have supervisory boards and therefore this parameter is not valid for them.

Publication of data related to the governing boards

Members of governing boards and their work biographies are published	3
Only names of the members of governing boards are published	13
No data are published	14

Publication of data related to the supervisory boards¹

Members of SB and their work biographies are published	2
Only names of SB members are published	11
No data are published	14

Not a single enterprise established by the government or by municipalities publishes information from sessions held by their governing boards. Only the Macedonian Radio and Television – Skopje, established by the Parliament, publishes minutes from meetings held by its programme council. Not a single enterprise has published data on reimbursements paid to members of their governing and supervisory boards, which is standard envisaged in the OECD Guidelines on Corporate Governance.

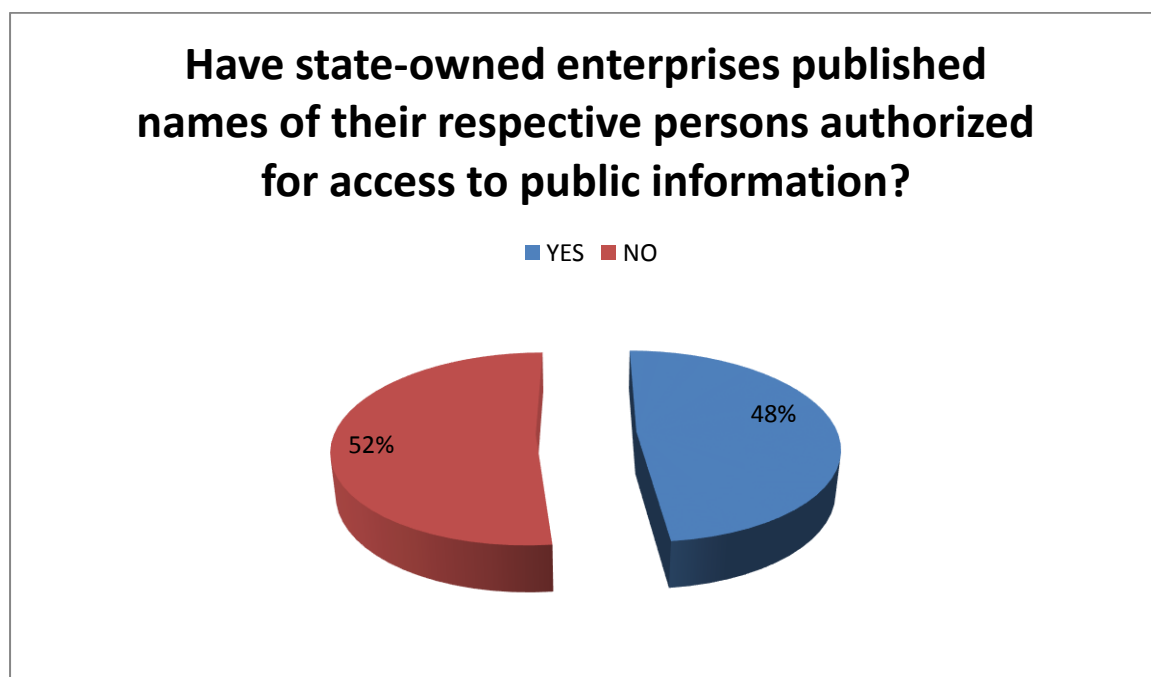
¹ JSC Water Economy, JSC Management of Residential and Commercial Property of Significance to the Republic, and JSC City Trade Centre do not have supervisory boards.

Transparency of Enterprises In Terms of Access to Public Information

Among the 30 biggest state-owned enterprises only JSC City Trade Centre is not defined as information holder pursuant to the Law on Free Access to Public Information, although reasons for the failure to grant such status to this enterprise are unknown. In capacity of information holders, all enterprises are obliged to publish names of their respective persons authorized to mediate access to public information, to explain the method for submission of information requests, to publish the list of public information they dispose with, as well as to publish press releases, newsletters or other forms for dissemination of public information. Assessment of their compliance with transparency standards made due consideration of the number of days within which individual enterprises disclosed the information requested, as well their compliance with obligations for dissemination of information to interested parties in relation to protected whistleblowing.

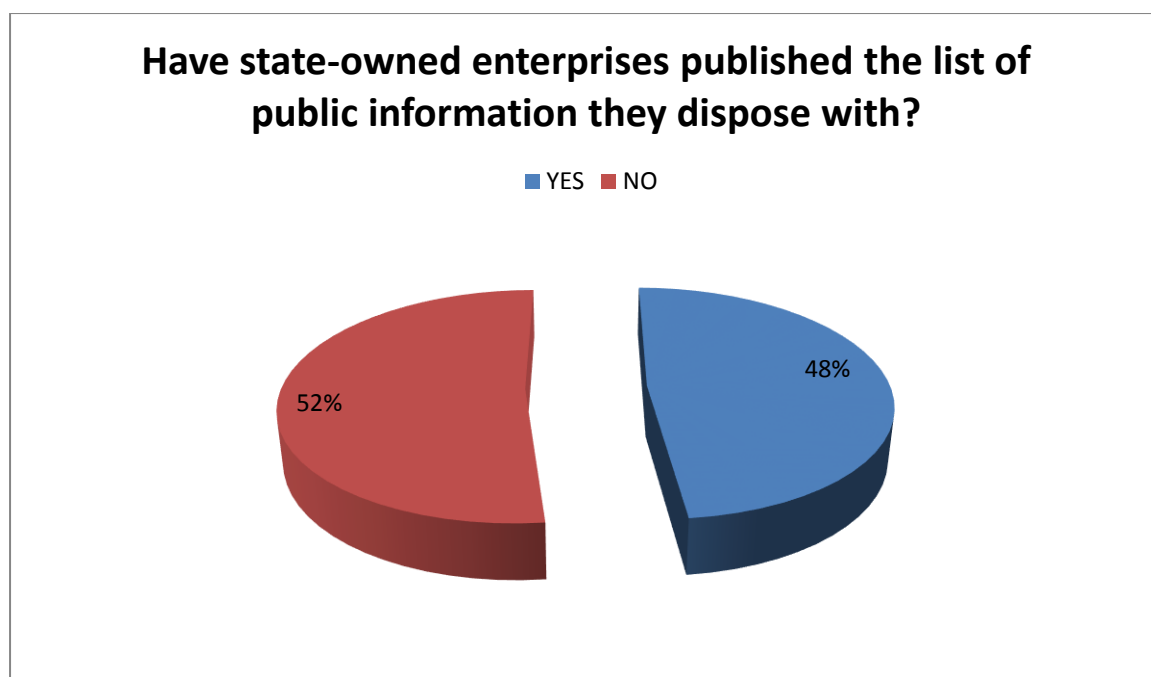
In this regard, state-owned enterprises demonstrated the highest level of compliance with transparency standards standing at 33%, but the situation is far from being favourable. JSC City Trade Centre was again excluded from this group of standards on the account of the fact that it does not have the status of information holder.

As many as 15 from the 29 enterprises have not published on their websites information about the names of their respective persons authorized to mediate access to public information although they are required by law to publish them.



As many as 23 from the 29 enterprises (79%) have not uploaded information on their websites that describe the method for submission of information requests, including a reference to standard template thereof.

The Law on Free Access to Public Information stipulates an obligation for enterprises to publish the list of information they dispose with.



In order to obtain a better image about the level of transparency demonstrated by state-owned enterprises, the list of 30 standards used for this research study included the deadline for disclosure of information requested under the instrument for free access to public information. Hence, all enterprises were addressed with unified information request on the same day. Responses from 25 enterprises were obtained within the maximum law-stipulated deadline of 30 days, while the response from PE Macedonian Forests Branch Office - Skopje was obtained 4 days after the deadline expiration. JSC City Trade Centre referred to the fact that it does not have the status of information holder, while JSC Water Economy of the Republic of Macedonia, PE “Isar” – Shtip and PUE Tetovo did not respond to information requests submitted. The three enterprises that are obliged by law to disclose information requested also failed to comply with this obligation after appeals were lodged before the Commission for Protection of the Right to Free Access to Public Information. The problem identified in this regard concerns the fact that, as of May 2018, this commission is understaffed and does not hold sessions in order to adopt decisions whereby it would instruct institutions to disclose information requested.

All enterprises were requested to disclose data on the number of information requests they have received in 2017, breakdown according to information requesters and

manner in which these requests were responded. The purpose of this endeavour was to assess the frequency under which citizens, NGOs, the media and companies use this instrument and law-stipulated right in order to obtain proper information on operation and performance of these enterprises.

The analysis of data collected showed that, in 2017, the biggest enterprises in the country were addressed with only 174 information requests under the instrument for free access to public information, whereby ProAcqua from Struga was addressed with only one information request, while the Macedonian Post Office was addressed with maximum 20 information requests. Moreover, 72 information requests were lodged by NGOs and citizens each, 16 were lodged by legal entities and only 14 by journalists. These figures are indicative of the fact that low level of transparency demonstrated by state-owned enterprises is also accompanied by low interest on the part of stakeholders to secure relevant data on operation and performance of these enterprises that would allow them to monitor the quality of service they provide to citizens.

Having in mind that transparency leads to reducing corruption, due attention here should be paid to obligations of state-owned enterprises arising from the Law on Whistleblower Protection, such as publication of the person authorized for protected internal whistleblowing reports and publication of the Rulebook on Protected Whistleblowing.

Only one enterprise has complied with this law-stipulated obligation and published information about the person authorized for protected internal whistleblowing reports, but not the rulebook. The enterprise in question is JSC Macedonian Power Plants which enlisted the authorized person, but has not published the rulebook. Nevertheless, contact information made publicly available by this enterprise concerns only the telephone number, but not the authorized person's postal or e-mail address. According to the Law on Whistleblower Protection (Article 4), a whistleblower or a legal entity shall make protected disclosure within the institution in cases of suspicion or knowledge that a punishable action or another unlawful or inadmissible action that violates or threatens the public interest has been, is being or will be performed. Protected internal disclosure (whistleblowing) shall be performed in oral form, followed by composition of minutes, or in written form.

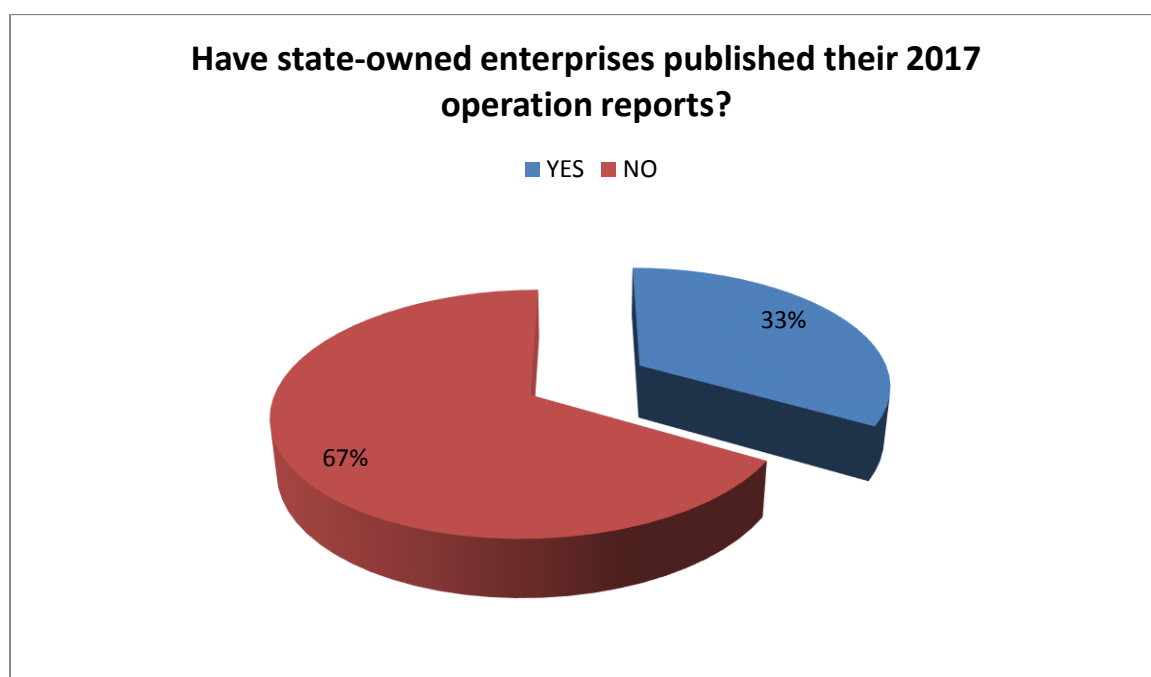
Accountability of Enterprises in Terms of Performance Results

State-owned enterprises demonstrated the lowest level of transparency and accountability in terms of publication of reports and data on their operation and performance. Hence, the compliance rate under these standards accounts for low 21%.

Publication of annual operation reports, as well as annual and quarterly financial reports is direct law-stipulated obligation for public enterprises. Nevertheless, with a

view to promote greater transparency and accountability among joint stock companies that are owned by the state, these standards are considered to be relevant for them as well. In particular, joint stock companies established by the government are 100% owned by the state and therefore it is not in the best interest of citizens for this status to be used as excuse for their lack of accountability.

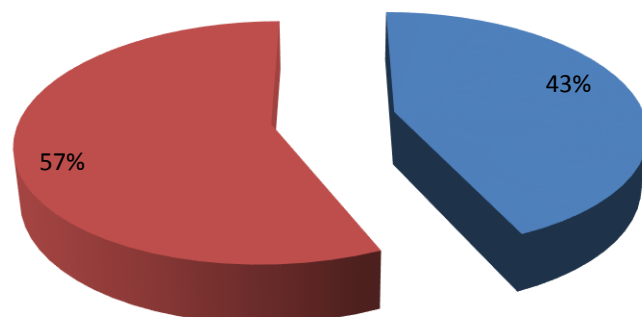
Hence, analysis of the biggest enterprises showed that, by November 30th 2018, as many as two thirds of them have not published their 2017 annual operation report.



The situation observed in terms of publication of 2017 financial reports is only slightly better.

Have state-owned enterprises published their 2017 financial reports?

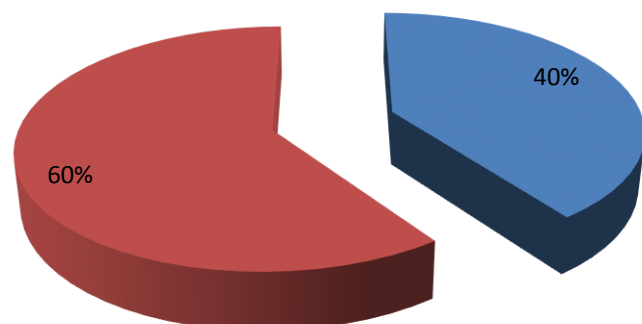
■ YES ■ NO



As regards quarterly financial reports (report for the second quarter of 2018 should be published by July 30th 2018, and report for the third quarter by October 31st 2018), the ratio of published versus non-published reports is 40% to 60%.

Have state-owned enterprises published their 2018 quarterly financial reports?

■ YES ■ NO



According to the last amendments to the Law on Public Enterprises, which entered into effect in April 2018, conditions are fulfilled for the government and local authorities to dismiss 18 general managers at public enterprises on the grounds of not having published relevant financial reports. Notably, according to Article 24-a, paragraph 8 of the Law on Public Enterprises *“general manager of the public enterprise shall be dismissed prior to expiration of their term of office in cases when, after expiration of the deadline referred to under Article 5, paragraph 3 and Article 7-a, paragraph 1 of this law, they have not published the quarterly report that contains indicators for financial performance, annual balance sheet and the enterprise’s operation report on the official website”*.

Only 4 public enterprises from the total of 22 that are included in this analysis have published their 2017 annual operation reports, 2017 annual financial reports and 2018 quarterly financial reports.

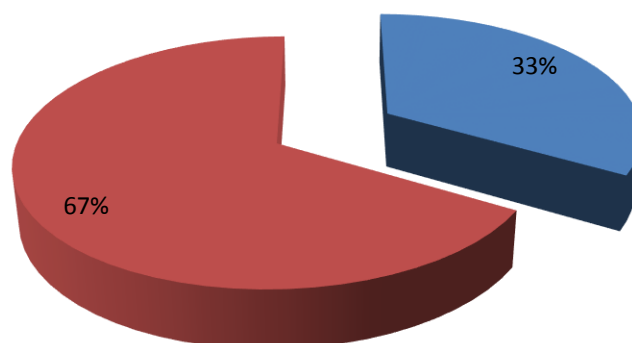
In that, although the change to the Law on Public Enterprises was adopted on initiative by the current government and is in line with efforts for greater transparency and accountability, literally not a single enterprise founded by the government has published the required operation reports on their websites. Only three public enterprises established by the City of Skopje have published these reports (Parks and Greenery, Communal Hygiene and PTE), and the public service broadcaster Macedonian Radio Television – Skopje, which is established by the Parliament.

Transparency standards related to public procurements were taken from obligations defined for enterprises under the Open Government Partnership Action Plan 2016-2018.

Hence, the obligation for mandatory publication of plans on public procurements and amendments thereto was not complied by as many as 67% of enterprises.

Have state-owned enterprises published their 2018 plans on public procurements?

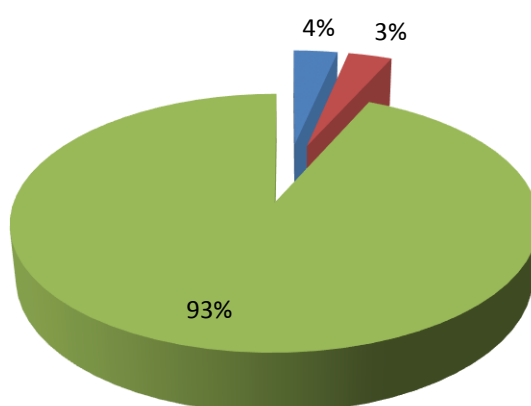
■ YES ■ NO



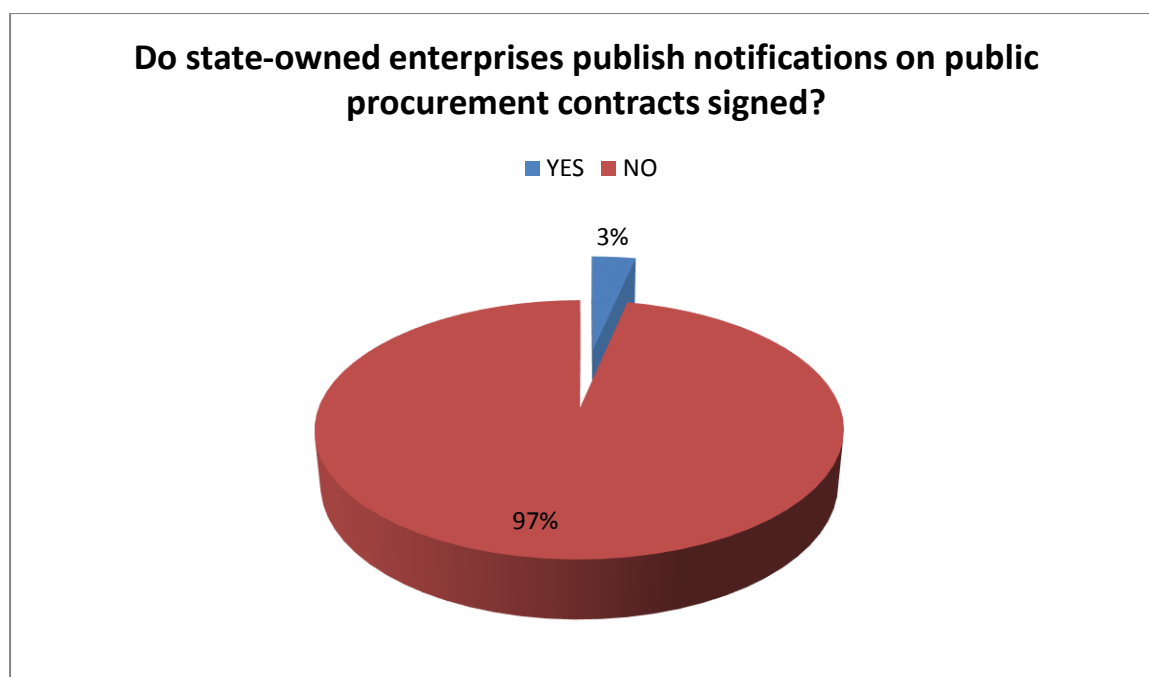
As regards the obligation for publication of procurement notices and tender documents, only JSC State Lottery published this type of documents on its website, while MEPSO has published tender documents for public procurement procedures it has opened.

Do state-owned enterprises publish their procurement notices and tender documents?

■ YES, both procurement notices and tender documents ■ YES, only tender documents ■ NO



Only one public enterprise (Water Supply – Kumanovo) has published notifications on public procurement contracts signed.



Not a single enterprise has published on its website notifications on public procurement contracts performed, which allows insight into whether the institution engages in practices of signing annex contracts and whether it has performed contracts signed in complete and adequate manner.

ANNEX 1: STANDARDS TO ASSESS TRANSPARENCY AND ACCOUNTABILITY OF STATE-OWNED ENTERPRISES

Transparency in terms of work organization

1. Have state-owned enterprises published regulations that govern their competences?
2. Have state-owned enterprises published information on their respective competences?
3. Have state-owned enterprises published their statute?
4. Do state-owned enterprises publish their operation and development programs, covering one or multiple years?
5. Do state-owned enterprises publish strategies, positions, opinions, studies and other similar documents falling within their competences?
6. Have state-owned enterprises published their organizational structure (scheme, organogram)?
7. Have state-owned enterprises published the names of their general managers and the list of employees/heads of sectors/departments, including the job position, official e-mail address and telephone?
8. Have state-owned enterprises published work biographies (CVs) of their general managers?

9. Have state-owned enterprises published the names of members of their governing board and their work biographies? (JSC Water Economy and JSC City Trade Centre have Boards of Directors, while MRTV has Programme Council)
10. Have state-owned enterprises published the names of members of their supervisory board and their work biographies (JSC Water Economy and JSC City Trade Centre do not have supervisory board and therefore this parameter was not applied to them)
11. Do state-owned enterprises publish information from sessions held by their governing board?
12. Have state-owned enterprises published information on reimbursements paid to members of their governing and supervisory boards?

Transparency in terms of access to public information

13. Do state-owned enterprises have separate department on access to public information?
14. Have state-owned enterprises explained the method for submission of information requests?
15. Have state-owned enterprises published the name of their respective persons authorized to mediate access to public information?
16. Have state-owned enterprises published general contract information on the information holder, such as: title, address, telephone number, e-mail address?
17. Have state-owned enterprises published the list of public information they dispose with?
18. Do state-owned enterprises publish press releases, newsletters or other forms for dissemination of public information?
19. Number of days within which state-owned enterprises responded to information request submitted under the instrument for free access to public information.
20. Have state-owned enterprises published the Rulebook on Protected Whistleblowing?
21. Have state-owned enterprises published contact information for their respective persons authorized for protected internal whistleblowing reports?

Accountability for performance results

22. Have state-owned enterprises published their 2017 annual operation reports?
23. Have state-owned enterprises published their 2017 financial reports?
24. Have state-owned enterprises published their 2018 quarterly financial reports?
25. Have state-owned enterprises published their independent audit reports for 2017 financial report?
26. Have state-owned enterprises published their 2018 plan on public procurements?
27. Do state-owned enterprises publish procurement notices and tender documents for public procurements?
28. Do state-owned enterprises publish notifications on public procurement contracts signed?

29. Do state-owned enterprises publish notifications on public procurement contracts performed?
30. Have state-owned enterprises published data on financial and operation results for enterprises where they appear as the founding entity? (This question is valid only for PE Parks and Greenery, which appears as founder of two limited liability companies: Florakom LLC and Luna LL, as well as for Public Transport Enterprise - Skopje which appears as founder of JSP Turs.)

ANNEX 2: LIST OF ENTERPRISES THAT ARE SUBJECT OF ASSESSMENT AND RANKING

The 30 biggest state-owned enterprises according to the amount of average annual revenue generated in the period 2015-2017

Rank	Enterprise	Founder	Average revenue in euros
1	JSC Macedonian Power Plants – Skopje	Government of RM	235688556
2	PE State Roads	Government of RM	114830148
3	JSC MEPSO – Skopje	Government of RM	86337493
4	PE Management of State-Owned Forests MACEDONIAN FORESTS Branch Office - Skopje	Government of RM	27797999
5	PE WATER SUPPLY AND SEWAGE – Skopje	City of Skopje	24684380
6	PTE Skopje	City of Skopje	27524058

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7	JSC Macedonian Post Office – Skopje	Government of RM	21365817
8	PE COMMUNAL HYGIENE – Skopje	City of Skopje	19843144
9	JSC Macedonian Railways Transport – Skopje	Government of RM	22135738
10	Public Broadcasting Enterprise MACEDONIAN RADIO TELEVISION – Skopje	Parliament of RM	19032718
11	PE Maintenance and Protection of Motorways and Regional Roads MACEDONIA ROAD – Skopje Headquarters	Government of RM	15018451
12	JSC Construction and Management of Residential and Commercial Property of Significance to the Republic	Government of RM	18993997
13	PE Railway Infrastructure Macedonian Railways – Skopje	Government of RM	14445370
14	JSC Water Economy of the Republic of Macedonia in State Ownership	Government of RM	7370200
15	PE PARKS AND GREENERY – Skopje	City of Skopje	6655491
16	Public Utility Enterprise KOMUNALEC Headquarters – Strumica	Municipality of Strumica	4710143
17	PE STREETS AND ROADS – Skopje	City of Skopje	4897099
18	PE MACEDONIAN BROADCASTING - Skopje	Government of RM	5607710
19	PUE WATER SUPPLY – Bitola	Municipality of Bitola	3760360
20	Public Utility and Service Enterprise “ISAR” Branch Office Shtip	Municipality of Shtip	3662909
21	JSC Renting Commercial Property CITY TRADE CENTRE – Skopje	JSC Management of Commercial Property in State Ownership	3600970
22	PE STREZEVO – Bitola	Government of RM	3637628
23	PE WATER SUPPLY Kumanovo with Headquarters in Kumanovo	Municipality of Kumanovo	3574461
24	Inter-Municipal Public	Municipalities of	3506634

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	Enterprise for Drinking Water Supply, Drainage and Treatment of Waste and Atmospheric Waters for the Municipalities of Ohrid and Struga and Protection of the Ohrid Lake PROACQUA – Struga	Ohrid and Struga	
25	JSC State Lottery of Macedonia	Government of RM	3324488
26	PUE TETOVO Central Unit Tetovo	Municipality of Tetovo	3195952
27	PUE DERVEN – Veles	Municipality of Veles	3107959
28	PUE KOMUNALEC - Prilep	Municipality of Prilep	2883590
29	PUE WATER SUPPLY – Kochani	Municipality of Kochani	2894605
30	KOMUNALEC Bitola Branch Office	Municipality of Bitola	2788139
	Total		716876205