



GAPS AND INCONSISTENCIES IN REPORTING BUSINESS OWNERSHIP AND INTEREST BY PUBLIC OFFICE HOLDERS ON THE ROAD TO DETECTING CORRUPTION

RESEARCH

**for detecting possible conflict of interests and abuse of power
in public procurement among politically prominent individuals**

GAPS AND INCONSISTENCIES IN REPORTING BUSINESS OWNERSHIP AND INTEREST BY PUBLIC OFFICE HOLDERS ON THE ROAD TO DETECTING CORRUPTION

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TABLE OF CONTENT

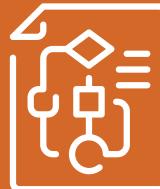
Key Findings	3
Context and Methodology Approach	4
Research Findings	6

Key Findings



- Access to data in the Registry of Beneficial Ownership in the Republic of North Macedonia is neither free-of-charge nor easy.
- The Registry of Beneficial Ownership allowed detection of company ownership by politically prominent individuals (mayors and ministers) which had not been reported in their interest declarations submitted to the State Commission for Prevention of Corruption (SCPC).
- Inconsistency of data on business interests of politically prominent individuals shows lack of adequate checks and accuracy verification of data contained in the Registry of Beneficial Ownership and asset and interest declarations submitted by elected and appointed officials to SCPC.
- Companies owned by current mayors and former ministers appear as holders of public procurement contracts, concessions and licenses awarded by state institutions.
- The mere fact that asset and interest declarations require data enlistment only for members of the closest family leaves outside the radar companies where persons close to politically prominent individuals appear as owners, founders, members of assemblies, supervision and management boards or management structures or act as authorized persons of companies (state or private). This complicates detection of conflict of interests and abuse of power in public procurement among politically prominent individuals.
- By the end of 2023, elected and appointed officials submitted their interest declarations on the old template, which had also required disclosure of business interests for persons close to them, not only for members of their family as stipulated in the Law on Prevention of Corruption and Conflict of Interests from January 2019. Therefore, while they were not obliged by law, a small number of elected and appointed officials also reported information relating to their parents, siblings and cousins.
- Payment of fees to access data in the Registry of Beneficial Ownership further underlines the importance of data from interest declarations made by elected and appointed officials. Hence, it is highly problematic that SCPC's electronic system does not offer data on interests reported by elected and appointed officials whose declarations were submitted by 2024. Notably, data available for these elected and appointed officials relates to their assets, but not to their interests.
- Citizens are prevented active engagement in detecting possible conflict of interests and abuse of power by public office holders. The Registry of Beneficial Ownership is not open to the public and access thereto is subject to payment of fees, while data on business interests of politically prominent individuals made available in SCPC's electronic system are incomplete.

Context and Methodology Approach



The enormous potential of beneficial ownership data in combating crime and corruption became immediately evident after the first registries of beneficial ownership were established across the world, exactly one decade ago.

In addition to the initial idea, i.e. to prevent concealment of company ownership, accumulation of illegal proceeds and financing terrorism, disclosure of beneficial ownership data has also become a veritable tool for prevention of tax evasion and abuse in award of public procurement contracts, concessions and other public funds.

Hence, beneficial ownership data are used to research and detect cases of corruption, take decisions on reducing corruption risks and create anticorruption policies and practices.

In this context, the value of beneficial ownership data in combating corruption arises from cross-referencing such data with other information, while innovative use thereof is crucial in view of expanding efforts for transparency and accountability in every field.

A key role in that is played by civil society organizations and investigative journalists, which serve as bridge between the new and still unclear regulations and the enormous possibilities they recognize in beneficial ownership data.

After having detected a series of abuses and malpractices, many countries have amended important policies and practices to prevent a number of corruptive practices that had taken place prior to the decision for publication of beneficial ownership data. In that, the civil society organizations were the ones that assisted development of policies and adoption of important decisions aimed at more transparent, accountable and efficient governance.

Unlike the situation in other countries and despite the fact that, in our country, it was introduced only several years ago under pressure from foreign partners and organization, the register of beneficial ownership does not imply any practical application as anticorruption tool. Nevertheless, independently from its application, the register does contain data and has the potential to be used as such instrument, especially having in mind the widespread corruption in the country and the ultimate need to intensify efforts to combat and prevent corruption.

All this has instigated another project activity, i.e. **to use beneficial ownership data as basis for detecting corruption, reducing corruption risks and adopting systemic solutions to that effect.**

The research subject was to check and detect existence of possible conflict of interests and abuse of power in public procurement among politically prominent individuals, notably by cross-referencing data from the newly-created Registry of Beneficial Ownership with those contained in the Registry of Elected and Appointed Officials, as well as to check their interest declarations against data on public procurement contracts, concessions and public-private partnerships awarded in the years after the registry was first established.

Beneficial ownership data can contribute towards detection of corrupted actors, deferral of dishonest actors from further abuse of public procurement, increased competition and improved quality of goods and services, as well as integrated systemic supervision and checks aimed at improving public procurement.

The research effort implied data checks for 360 elected and appointed officials who are the most influential in terms of competences and authorizations and for whom data is available, i.e. officials who are obliged by law to submit interest declarations. In this stage, the research targeted the presidents of the government, ministers, deputy ministers, directors of state-owned enterprises and funds, mayors and chairpersons of municipal councils.

Having in mind that the primary subject of this research was to check and detect possible conflict of interests and abuse of power in public procurement among politically prominent individuals, the first step implied identification of public office holders who (directly or indirectly, through members of their closest family from the same household) have ownership and hold interest in companies.

For that purpose, interest declarations submitted in by public officials to SCPC were checked - in hardcopy for those deposed by January 2024 and in electronic form for those deposed after January 2024. Then, checks were made in the Registry of Beneficial Ownership to see which public officials are registered as beneficial owners of companies, but also to check beneficial owners of companies that were in the focus of the public scrutiny, mentioned in the context of being close to certain public officials or being awarded public procurement contracts, mineral concessions and the like.

In the next stage, reported companies from interest declarations and identified companies whose owners are public officials or persons close to them were cross-referenced against the database in the Electronic Public Procurement System to ascertain whether, how many times, and when these had been awarded public procurement contracts. The same was done with accessible databases on concessions and public-private partnerships.

Serious problems were encountered during each of these stages, which ultimately prevent efficient use of data to detect and prevent corruption and conflict of interests, as elaborated further in this paper.

Based on the research findings, as well as the previously developed "Analysis on Use of Beneficial Ownership Data to Combat Corruption in North Macedonia", and after a series of public consultations, the project team will design a policy brief with recommendations to improve use of beneficial ownership data to advance anticorruption efforts in the country.

Research Findings



■ **Access to data in the Registry of Beneficial Ownership in the Republic of North Macedonia is neither free-of-charge nor easy.**

The subject of this research were 360 elected and appointed officials in the period 2022-2024 (first three years from establishment of the Registry of Beneficial Ownership) who appear as holders of the following public offices at central and local level of government:

- prime ministers;
- ministers;
- deputy ministers;
- mayors;
- chairpersons of municipal councils;
- directors of state funds, and
- directors of state-owned enterprises founded by the parliament and by the government.

Elected and appointed officials who were subject of analysis had held or still hold their public office.

To obtain information whether particular natural person is currently a beneficial owner of any company, the Central Register charges a fee in the amount of 300 MKD, whereas information whether particular natural person had been a beneficial owner in the past costs 800 MKD.

In the cases of several persons with identical name and surname enlisted in the Registry of Beneficial Ownership, the applicant needs to dispose with information about the month and year of birth for the person whose data are requested. Disposal of such piece of information, however, is useful even when the system enlists only one person with particular name and surname. Notably, absence of previous information about the month and year of birth implies a certain risk of receiving beneficial ownership data about a natural person who is neither elected or appointed official, but merely shares the same name and surname with the person of interest.

For example, members of municipal councils in two different municipalities shared the same name and surname, but the Registry of Beneficial Ownership enlisted one female with that name and surname, in the capacity of company owner. Further cross-referencing has led to the conclusion that it is not a matter of one of the municipal council members with identical names, but rather a third person.

Under circumstances where many institutions do not publish work biographies of public office holders, the effort to obtain data about the month and year of birth poses a true challenge. All that makes the use of data contained in the Registry of Beneficial Ownership more difficult and complex.

Moreover, the effort to obtain information about beneficial ownership for particular company necessitates knowledge of the company's single identification number (SIN-B) and payment of fee in the amount of 299 MKD, i.e. 600 MKD to receive data on past beneficial ownership.

The research effort targeting the previously referred 360 elected and appointed officials could not obtain information about the month and year of birth for all of them in order to check whether they appear as beneficial owners of any company, in spite of all activities invested to browse official websites of relevant institutions and social network profiles. Ultimately, the research team secured data from the Registry of Beneficial Ownership for 339 of the total of 360 elected and appointed officials analysed as the date of birth could not be established for the remaining officials.

■ **The Registry of Beneficial Ownership allowed detection of company ownership by politically prominent individuals (mayors and ministers) which had not been reported in their interest declarations submitted to SCPC.**

Public officials are obliged to submit asset and interest declarations to SCPC within a deadline of 30 days after they have assumed performance of public authorizations and duties.¹ The section on interests from this declaration should be completed with information whether the official appears as owner, founder, trustee, member of assembly, supervisory or management board and management structure, or whether he/she acts as authorized person at any company.

On the other hand, the Register of Beneficial Ownership records ownership shares in legal entities above the threshold of 25%.² It could be rightfully expected for data contained in the Registry of Beneficial Ownership to be identical with data reported in interest declarations.

Nevertheless, a parallel analysis of data provided to the Registry of Beneficial Ownership and those contained in interest declarations submitted to SCPC reveals inconsistencies.

A detailed analysis of data secured from the Registry of Beneficial Ownership shows that 41 persons appear as company owners, accounting for 12.1% of all public officials analysed. In that, politically prominent individuals that appear as company owners most often have ownership shares in more than one company.

Research findings from the Registry of Beneficial Ownership

Type of public office held in the period 2022-2024	Number of public officials (per category of public office) who were subject of research	Data secured from the Registry of Beneficial Ownership	Appear as company owners	Share of persons who appear as beneficial owners
Prime Ministers, Ministers and Deputy Ministers	123	121	16	13.2%
Mayors	81	79	8	10.1%
Chairpersons of Municipal Councils	81	74	9	12.2%
Directors of State Funds	15	14	1	7.1%
Directors of State-Owned Enterprises	60	51	7	13.7%
Total	360	339	41	12.1%

¹ Law on Prevention of Corruption and Conflict of Interests ("Official Gazette of RM" no. 12/2019).

² Law on Prevention of Corruption and Conflict of Interests ("Official Gazette of RNM" no. 151/2022 and 208/2024).

According to data from the Registry of Beneficial Ownership, these 41 public officials appear as beneficial owners at a total of 72 companies.

Nevertheless, when data secured from the Registry of Beneficial Ownership were compared against data reported by public officials in their interest declarations submitted to SCPC, it could be noted that half of public officials had concealed ownership shares in companies. More specifically, as many as 23 officials have, fully or partially, concealed their ownership shares in companies. In that, 17 public officials have not reported 18 companies where they appear as owners, while 6 public officials, instead of reporting 34 companies, have enlisted only 9 companies in their interest declarations. Declarations submitted to SCPS lack a total of 43 companies that are registered as being owned by public officials in the Registry of Beneficial Ownership.

Several cases of detected data inconsistency can be elaborated as they showcase concealment of business interests by politically prominent individuals.

The first one concerns a mayor who is recorded in the Registry of Beneficial Ownership as owner of 5 companies, with shares ranging from 34% to 100%. In his interest declaration, the mayor in question has reported ownership in only two from five companies. The remaining three companies are not enlisted in his interest declaration. Be that as it may, some of these companies have been awarded public procurement contracts and mineral excavation concessions.

The second indicative example of observed inconsistencies in terms of business ownership concerns yet another mayor. Notably, in the Registry of Beneficial Ownership he appears as beneficial owner of two companies, with shares in the range of 33.3% each. Business shares in one of these companies were reported in the interest declaration to SCPC at the beginning of his second term of office as mayor on 17.12.2021, in hardcopy format. However, the same mayor failed to report acquisition of ownership in the second company by the end of 2022. To make matters more confusing, the electronic database on asset and interest declarations that is currently available on SCPC's official website does not contain any data on company ownership for this mayor. This is a systemic anomaly of the electronic database kept by SCPC. For all public office holders who had submitted asset and interest declarations by 31.12.2023, the system displays only data on assets, but not data on business interests.

Yet another mayor, in addition to the two companies whose ownership was reported to SCPC, also appeared as founder of a third company. Notably, in his interest declaration, this mayor has reported 100% ownership of two companies. However, the Registry of Beneficial Ownership, except for these two companies, also includes a record for the mayor as owner of 33% shares in a third company.

Also, great discrepancy of data was noted in the case of a former member of government. The Registry of Beneficial Ownership enlisted this person as owner of shares in the range from 25% to 80%, in as many as 20 companies. However, his interest declaration submitted to SCPS enlists only two companies, one of which in the process of sales. It could be inferred that the difference in reporting business interest accounts for as many as 19 companies. An effort to find any logic behind such action reveals that the interest declaration had enlisted only companies in which the then current deputy prime minister appears as direct founder, but not the shares in other companies founded by said companies. One of the companies missing from the interest declaration of this former public office holder has been awarded a public procurement contract.

Furthermore, in the Registry of Beneficial Ownership, another mayor appeared as owner of private healthcare facility, but this interest is not reported in the interest declaration to SCPC.

The Registry of Beneficial Ownership recorded a former minister as 100% owner of a pharmacy. His interest declaration, however, referred to the legal entity in question as being owned by his spouse.

Inconsistency of reported data was also noted in the case of a deputy minister, who appeared in the Registry of Beneficial Ownership as owner of two companies, with 100% shares in the first and 50% shares in the second company. On the other hand, her interest declaration reported only ownership in the company with 100% and enlistment as manager, but not owner, in the second company. In the past, the companies of this deputy minister have been awarded public procurement contracts.

Having in mind these, as well as other examples detected during the research, the question is raised about which datasets can be trusted. If full trust cannot be afforded to asset and interest declarations, then do data from the Registry of Beneficial Ownership deserve such confidence?

■ **Inconsistency of data on business interests of politically prominent individuals shows lack of adequate checks and accuracy verification of data contained in the Registry of Beneficial Ownership and asset and interest declarations submitted by elected and appointed officials to SCPC.**

Inconsistency of data was noted in the case of a former minister who appeared in the Registry of Beneficial Ownership as holder of 50% shares in a company, while his interest declaration enlists the company as being fully owned by him.

The research revealed a case in which, as part of his interest declaration submitted in September 2021, a chairperson of municipal council had enlisted a share of 25% in a forwarding, trade and service company. That share is not recorded in the Registry of Beneficial Ownership on the registration application from April 2021 and it cannot be found in the so-called history of beneficial ownership for the company in question.

Asset and interest declarations published in SCPC's electronic system create additional confusion, as they do not refer to the precise scale of business shares owned by public officials, preventing credibility verification of reported data. Such was the case of a current director who was not recorded in the Registry of Beneficial Ownership, but has reported ownership of several companies in his interest declaration. Indirectly, this could be interpreted to mean that his shares in the reported companies are lower than 25%. However, such practices impose the need to improve the system of asset and interest declarations, by allowing company shares to be reported and published.

Furthermore, the research observed several examples of public office holders who have transferred their company ownership. Hence the question whether such changes had been made only to hide business interests behind an anonymous person or it is a matter of actual transfer of ownership.

Verification of data accuracy is important not only in terms of locating business ownership by politically prominent individuals, but also in terms of detecting cases where elected and appointed officials formally transfer company ownership to other persons, but their business interest in the companies remains.

Pursuant to the Law on Preventing Corruption and Conflict of Interests, SCPC is competent to verify data from asset and interest declarations. More specifically, Article 92 of the Law stipulates that SCPC verifies data enlisted in asset and interest declarations when it takes action in specific cases or pursuant to its annual work plan.

In the practice, this obligation is performed in limited scope, meaning that SCPC performs a very small number of checks for this purpose. According to SCPC's 2024 Annual Performance Report,³ for the purpose of verifying data from asset and interest declarations, the Commission has conducted 14 checks in compliance with its annual work plan and 30 checks when acting in specific cases, of which 6 were performed in ex-officio capacity and 24 were performed upon previously received corruption reports.

In parallel to verification of interest declarations, data from the Registry of Beneficial Ownership need to be verified as well. In that, such checks should allow accuracy verification of data entered in the registry, as well as changes made to beneficial ownership, including identification of the origin of funds and financial capacities of previous and new business owners. In the case where business ownership is transferred without charges, the owner's profile needs to be checked as well. Any suspicious activities should be reported to competent authorities for further investigation.

³ SCPC's 2024 Annual Performance Report, available at (last retrieved on 16.05.2025): https://dksk.mk/wp-content/uploads/2025/03/%D0%93%D0%98-%D0%B7%D0%B0-%D1%80%D0%B0%D0%B1%D0%BE%D1%82%D0%B0%D1%82%D0%B0-%D0%BD%D0%B0-%D0%94%D0%9A%D0%A1%D0%9A-%D0%B7%D0%B0-2024_%D0%B7%D0%B0-web-%D0%B1%D0%B5%D0%B7-%D0%BF%D1%80%D0%B8%D0%BB%D0%BE%D0%B7%D0%B8.pdf

■ **Companies owned by current mayors and former ministers appear as holders of public procurement contracts, concessions and licenses awarded by state institutions.**

The purpose of interest declarations submitted by elected and appointed officials, *inter alia*, is to reveal their potential business interest and monitor holders of public office against abuse of powers entrusted to them when awarding public procurement or other state-financed contracts, benefits and privileges, which distort the level playing field on the market. Concealment of business interests is the first red alarm sounded when politically prominent individuals are involved.

The revelation that, as part of their interest declarations, politically prominent individuals have not reported business interests in companies that are recorded in the Registry of Beneficial Ownership has already sounded this red alarm.

The next stage of this research implied checks of such companies in the Electronic Public Procurement System, as well as checks in databases on concessions and public-private partnerships awarded by the state. In the cases where indicated companies appeared as holders of public procurement contracts, an analysis was made to ascertain whether changes have occurred in terms of the company's value before and after public office acquisition.

Below is a selection of more important observations from that process.

As expected, mayors with ownership shares in companies have not allowed these companies to sign contracts with the municipality they manage. However, it was noted that some companies owned by mayors have been marked by increased value of public procurement contracts signed after they have assumed public office. This can most certainly be interpreted in the sense that their political power has resulted in certain influence.

Namely, in the period of five years prior to the start of his terms of office, *i.e.* in the period 2013 - 2017, one company fully owned by a mayor has accumulated public procurement contracts in total value of 25 million MKD (406 thousand EUR), while in the period of five years after he had assumed public office (2018 - 2022), this amount reached 90 million MKD (*i.e.* 1.5 million EUR), which is by two and a half times more. Another company in which the same mayor held business shares of 75% had accumulated public procurement contracts in total amount of 47 million MKD in the period of five years prior to the start of his term of office and around 111 million MKD in the period of five years after he assumed public office, accounting for an increase by 77%. It is important to emphasize that another company whose owner has a different joint venture with this mayor had made a major breakthrough on the market of public procurements.

In December 2022, another mayor who manages the same municipality for two consecutive terms of office has acquired ownership in two companies. It seems that these ownership shares had been a result of changes made to family-run companies, as evident from the identical surname of the person from whom the mayor acquired the company ownership. Moreover, in June 2024, one of these companies was granted energy performance license for electricity generation from photovoltaic power plant.

At the level of public office holders at local level of government, another example involving a municipal council chairperson necessitates due elaboration as the company in question was awarded two public procurement contracts by the municipality. These contracts concerned geodesy services in total value of 600,002 MKD (9,756 EUR). The municipal council's chairperson has even assigned his signature on the public procurement contracts in the capacity of the company's manager.

The research detected a series of other cases, one of which concerns a former member of the government. This person's companies were awarded concession contracts, and one of his companies, where his ownership share accounts for 40%, had signed a total of 78 contracts in total value of 320 million MKD (5.2 million EUR) in the period 2014 – 2024. However, during his tenure as public office holder, this company had signed only one contract in the value of 2.3 million MKD (37 thousand EUR).

Another case involved a minister who had incorporated a company during his public office tenure. Having in mind that the company had earned revenue while the minister was still in office, this is yet another weakness of the system for prevention of corruption and conflict of interests.

Having in mind the examples elaborated above, it is of outmost importance for beneficial ownership to be publicly announced, before and after politically prominent individuals have left their public office. Transparency of business ownership in awarded public procurement contracts and concessions will allow citizens to gain a more comprehensive image about the processes.

- The mere fact that asset and interest declarations require data enlistment only for members of the closest family leaves outside the radar companies where persons close to politically prominent individuals appear as owners, founders, trustees, members of assemblies, supervisory and governing boards or management structures or act as authorized persons of companies (state or private). This complicates detection of conflict of interests and abuse of power in public procurement among politically prominent individuals.

Given that the value of public procurement and other public contracts is continuously increasing, and, according to all assessments, there is widespread corruption, it could be rightfully ascertained that there is a high risk for companies where persons close to public office holders have ownership shares to be privileged in terms of award of public procurement contracts, concessions, public-private partnerships and the like.

Additional problem emerges with the fact that asset and interest declarations are removed from SCPC's website after expiration of the term of office of elected and appointed officials.

This further underlines the need for public interconnection of data in the Registry of Beneficial Ownership with the Electronic Public Procurement System, as the first step towards effective use of such data to enhance the fight against corruption.

Another inconsistency in the system that further complicates full insight and data verification is the fact that public officials are those who enlist the names of companies where they have business interest. This is often accompanied by incomplete and inaccurate enlistments of company names that later cannot be found in the Central Register and other databases. Moreover, determining the actual name of the company to make further checks is a time-consuming task.

This inconsistency can be solved by automatic interconnection of the system where data from asset and interest declarations are electronically recorded with the Central Register. In that manner, company names would be selected from the Central Register and companies would appear with their full and accurate names, thereby facilitating further verification and insight. This type of interconnection is already enabled in the Electronic Public Procurement System where names of companies awarded public procurements and participating in tender procedures are automatically taken from the Central Register.

- **By the end of 2023, elected and appointed officials submitted their interest declarations on the old template, which also required disclosure of business interests for persons close to them, not only for members of their family as stipulated by the Law on Preventing Corruption and Conflict of Interests from January 2019. Therefore, while they were not obliged by law, a small number of elected and appointed officials also reported information relating to their parents, siblings and cousins.**

Pursuant to the Law on Preventing Corruption and Conflict of Interests⁴ (Art. 119, par. 5), within a deadline of 60 days from its constitution, SCPC should have stipulated the template for asset and interest declarations. The need for such action emerged from the merger of two previous laws, i.e. on preventing corruption⁵ and on conflict of interests,⁶ into single legislation, resulting in merger of two declarations – assets and interests – into one declaration. However, the template for the joint declaration was designed as late as four years after the law was adopted, with adoption of the Rulebook on the Form and Content of the Template for Asset and Interest Declarations by Elected and Appointed Officials⁷ on February 14th, 2023. The practical use of the new template started as late as January 1st, 2024, with the introduction of SCPC's new electronic system. This was preceded by adoption of amendments to the Rulebook and final design of the template for asset and interest declarations and the template for reporting changes thereto.⁸

Problematic is the fact that the old template for interest declarations,⁹ used by elected and appointed officials by 31.12.2023, contained guidelines for template completion wherein, in respect to companies, they should also report data for "close persons" who are owners, founders, trustees, members of assemblies, supervisory and management boards or management structures or act as authorized persons of companies (state and private). In that, "close person" was understood to mean persons in wedlock or civil partnership with the public official, first-line blood relatives (sons and daughters, nephews, parents and grandparents), blood relatives once removed, up to fourth line (siblings of parents, first and second cousins), foster parents and foster children, in-law relatives, up to second line (spouse's parents, siblings and cousins), any natural person or legal entity where the public official has a private interest. By the end of 2018, the Constitutional Court had revoked "cousins once removed" and "spouse's cousins" from the scope of "close persons" in asset and interest declarations.¹⁰

The Law on Preventing Corruption and Conflict of Interests from January 2019 further narrowed the scope of persons whose interests should be reported by public officials. Thus, the new obligation exempted "close persons" and is limited only to "family members of the public official from the same household". This has resulted in non-alignment between the law and the template used by the end of 2023.

In spite of the non-aligned template, the practice had shown that elected and appointed officials did not report business interests of any persons beyond their close family. SCPC explained this with the fact that instruction was given to elected and appointed officials to follow the Law and not the guidelines that are part of the template.

According to the research, only 29 from the total of 360 public officials whose interest declarations submitted to SCPC were checked had enlisted companies where persons "close to them" hold ownership shares or act as managers.

⁴ Law on Preventing Corruption and Conflict of Interests ("Official Gazette of RM" no. 12/2019).

⁵ Law on Preventing Corruption ("Official Gazette of RM" no. 28/2002, 28/2002, 46/2004, 126/2006, 10/2008, 161/2008, 145/10, 97/15 and 148/15).

⁶ Law on Preventing Conflict of Interests ("Official Gazette of RM" no. 70/2007, 114/2009, 6/2012 and 153/2015).

⁷ Rulebook on the Form and Content of the Template for Asset and Interest Declarations by Elected and Appointed Officials, SCPC, 14.02.2023, available at (last retrieved on 16.05.2025): [Правилник-за-форма-и-содржина-на-образецот-за-податоци-на-избрани-и-именувани-лица.pdf](https://priviljnik-za-forma-i-sodrzhina-na-obrazecot-za-podataci-na-izbrani-i-imenuvani-lica.pdf)

⁸ Rulebook on Amending the Rulebook on the Form and Content of the Template for Asset and Interest Declarations and Reporting Changes Thereto, SCPC 28.12.2023, available at (last retrieved on 16.05.2025): 08-2059-3.pdf

⁹ Interest Declaration, SCPC, available at (last retrieved on 16.05.2025): <https://dksk.mk/wp-content/uploads/2021/12/izjavazainteresiNMK.pdf>

¹⁰ Decision of the Constitutional Court U.no.24/2018-1 from 25.12.2018, available at (last retrieved on 16.05.2025): <https://ustavensud.mk/archives/17322>

However, it seems that these 29 officials had reported interests although they had not been under any legal obligation. This situation leads to the assessment that disclosure of information in asset and interest declarations only for family members of public officials that live in the same household is limited and exceptionally narrow, thereby preventing detection of possible conflict of interests and abuse of power in public procurement among politically prominent individuals.

Reported business interests of close persons

Type of public office in the period 2022–2024	Total number of public officials that were subject to research	Reported interests of close persons	Share of public officials who reported interests of close persons
Prime Ministers, Ministers and Deputy Ministers	123	15	12.20%
Mayors	81	9	11.11%
Chairpersons of Municipal Councils	81	0	0
Directors of State Funds	15	2	13.33%
Directors of State-Owned Enterprises	60	3	5.00%
Total	360	29	8.05%

- **Payment of fees to access data in the Registry of Beneficial Ownership further underlines the importance of data from interest declarations made by elected and appointed officials. Hence, it is highly problematic that SCPC's electronic system does not offer data on interests reported by elected and appointed officials whose declarations were submitted by 2024. Notably, data available for these elected and appointed officials relates to their assets, but not to their interests.**

The Law on Preventing Corruption and Conflict of Interests is straightforward and stipulates that, within a deadline of 30 days the latest from their election, appointment or employment, elected or appointed officials, responsible officers at public enterprises, public institutions or other legal entities disposing with state capital, notaries, executors, administrative officers of category A as established by law and persons employed at the cabinets of the President of the Republic of North Macedonia, President of the Parliament of the Republic of North Macedonia, Deputy Presidents of the Parliament of the Republic of North Macedonia, President of the Government of the Republic of North Macedonia, Deputy Presidents of the Government of the Republic of North Macedonia, Ministers and the Secretary General of the Government of the Republic of North Macedonia, for the purpose of performing work tasks of special councillors are obliged to submit an asset and interest declaration. The same deadline of 30 days is applied in the case of reporting changes to their assets and interests.

In the practice, however, elected and appointed officials do not consistently adhere to these obligation and it often happens for certain elected and appointed official to be included in the registry with an asset and interest declaration submitted for their previously held, not for their current public office.

This results in differences between the Registry of Elected and Appointed Officials and data on assets and interests. In a significant number of cases, the declarations are not submitted from their current, but rather their previously held public office. Such examples are also noted with holders of high public offices.

Additional confusion is created by the fact that the electronic system uses separate records for asset declarations submitted by the end of 2023 and those submitted after January 1st, 2024. At the same time, not all data contained in asset and interest declarations of all public office holders that were submitted in hardcopy by 31.12.2023 are publicly available. Notably, in its publicly accessible electronic records, SCPC has transferred only data on assets, but not data on declared interests. Hence, for the purpose of this research, SCPC was presented with an information request pursuant to the Law on Free Access to Public Information inquiring about hardcopy declarations of elected and appointed officials. The entire process for collection of these declarations lasted 4 months as expert services at SCPC were able to anonymize and disclose around 60 declarations per month.

- **Citizens are prevented active engagement in detecting possible conflict of interests and abuse of power by public office holders. The Registry of Beneficial Ownership is not open to the public and access thereto is subject to payment of fees, while data on business interests of politically prominent individuals made available in SCPC's electronic system are incomplete.**

The current configuration of the system prevents citizens to participate in the process for verifying accuracy of ownership data for elected and appointed officials. They do not have access to information on owners of particular companies that would allow them to alarm the public and competent institutions about cases in which public office holders have close relations with said companies.

At the same time, citizens are unable to form an informed opinion whether holders of high public office abuse the powers they are entrusted with to allow companies owned by persons close to them to be awarded public procurement contracts, public-private partnerships or concessions.

Circumstances whereby information on company ownership is subject to payment of fees also facilitate concealment of company owners because data verification is not a process that allows participation of more citizens, civil society organizations or media outlets.

Correlation of this fact with the knowledge that, in many cases, interest declarations submitted by elected and appointed officials are not objective, comprehensive and accurate, brings under question the quality of the process for detecting business interests of politically prominent individuals.



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