

Nepotism: Authorities change, "the relatives" remain

PN: The new composition of the Anti-Corruption Commission has opened 66 cases of nepotism since the start, 26 of which are still open. Others are closed due to obsolescence, lack of elements, resignations...

PB: Managers in public institutions often (mis) use the Article 21 of the Labor Relations Act, which allows for maneuvering on jobs decisions, anti-corruption officials have found.

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The distant 2003. The decision to hire the wife of the then director of the Health Insurance Fund, Rubinco Zarevski, was annulled on the recommendation of the State Commission for Prevention of Corruption. This is the epilogue to the first case of conflict of interest decided by the Anti-Corruption Commission at the time, led by Slagjana Taseva. Years have passed, cases of nepotism have been on the rise. Some were outdated, some of the mentioned withdrew from office, and some remained in office despite their kinship with senior officials, for which rule was named on the pretext that there is no case of nepotism.

MN: Genesis - relative employment

Nearly a year has passed since the "nepotism employment" affair with senior government officials exploded. According to the attractiveness of the position and the amount of wages - the state-run ESM and MEPSO emerged as companies that employed close relatives of the ruling party officials. Specifically, in the state-run ESM were employed: the father of the former SDSM secretary-general's wife, Aleksandar Kiracovski; the president of the local branch of the ruling party in Gostivar, Goran Angelov; daughter of Parliament Speaker Talat Xhaferi; the son of the architect and advisor to the Ministry of Culture, Miroslav Grcev; the son of MP Mira Stojcevska; the sister of the former Minister of Culture, Asaf Ademi.

Employment in the state-owned MEPSO - the son of one of the former prime ministers, Vlado Buckovski, has also been unveiled; the daughter of the former Gostivar leader Nevzat Bejta and Minister of Economy, Kreshnik Bekteshi's sister. The administration also included close people of current officials - the cousin of the Minister of Agriculture in that time and current SDSM Secretary-General, Ljupco Nikolovski; the mother of SDSM spokesman, Kostadin Kostadinov; the son of MP Goran Misoski; as well as the wife of the MP, Zekir Ramcilovic.

This wave of nepotism employment is not a new practice for North Macedonia. Some of these cases



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of nepotism associated with the previous ruling establishment remained unaffected. Some of the disputed jobs occurred when the previous members of the Anti-Corruption Commission were chaired by Igor Tanturovski and Goran Milenkov. Part of it came at a time when the Anticorruption Commission remained on paper only, as five members resigned following a scandal involving fraudulent and counterfeit accounts through which anti-corruption campaigners raised thousands of euros in travel costs.

Years later, with the formation of the new composition of the Anti-Corruption Commission, new members found serious suspicions of nepotism by former officials, but almost all cases that were opened were soon closed due to obsolescence.

"The cases expire within three years. We identified impacts on employment, job creation, unfulfilled employment conditions. But we have closed cases because of obsolescence, but also because the officials have already been replaced," says Biljana Ivanovska, president of the Anti-Corruption Commission.

Thus, the Commission concludes that the father of the VMRO-DPMNE Secretary-General, Igor Janusev, Ljube Janusev, an employee of the Crisis Management Center, [was employed as a second-ranked](#) without fulfilling the two main requirements, English language skills, and work experience. The case is closed due to obsolescence.

The anti-corruption commissioners also identified two cousins of VMRO-DPMNE MP, Antonio Milososki, employed by the discretion right of then VMRO-DPMNE executives - Jelica Milososka, employed in 2017 at "Vodovod" and Stanko Korunoski in the Central Registry when Milososki was foreign minister. Milososka is employed with the discretion right of "Vodovod" ex-executive, Aleksandar Atanasov. From the documentation for her employment, the State Commission publicly [at a press conference](#) announced that it had received only the job application. For Milososki's cousin, however, there is no documentation of the procedure as to how exactly he was employed and whether there were candidates and the selection of candidates. [The cases are closed as outdated](#). The first because the hiring took place in 2008, and the latter because the director of Vodovod is no longer in office.

Nepotism [was also found](#) in the employment of the wife of former Secretary-General of the Government Kiril Bozinovski, Kristina Bozinovska, employed in the Agency for Electronic Communications (AEC). Dragica Lepavcova, the sister of Andrej Lepavcov from VMRO-DPMNE, was also employed in AEC in 2012, without a systematic rulebook and regular procedure. [All are closed due to obsolescence](#).



MN: Some 'quit' jobs - others didn't want to 'hear about it'

"We will do the analysis, we will see the procedures. Wherever there are privileges, protections or any influence, we will certainly seek the withdrawal of such places." This statement by former Prime Minister Zoran Zaev made in February 2019 was an acknowledgment that this ruling set is not immune to the "power and influence" coming from the office, but should have been a "wind in the back" that things will work out.

Did that happen? Not entirely. The son of MP Mira Stojcevska, who was suspended from the job, was dismissed by the anti-corruption officials at the ESM, as well as Goran Misovski's son, then the mother of SDSM spokesman Konstantin Kostadinov and Alexander Kiracovskis's relatives.

"Although my mother is employed after a transparent job opening ad, where all legal procedures are complied with, I have spoken to her and she will withdraw. I expect this principle of high morality to be followed by other officials," Kostadinov said in February 2019.

"There is no nepotism and influence on the employment of my relatives", said the SDSM Secretary-General Kiracovski at that time. However, his relatives withdrew.

The pressure on all of these jobs has not gone public - the government has also made a move to replace MEPSO and ESM directors Saso Vasilevski and Dragan Minovski.

However, some officials did not recognize a conflict of interest in nepotism employment. In ESM and MEPSO are still working: the ex-Minister of Culture Asaf Ademi's sister, Hidoete Alili, employed in a previously non-existent job post, MIA Secretary of State Magdalena Nestorovska's husband, a textile engineer employed on the job post of an environmental engineer.

Anticorruption officials also pointed to the lack of a ranking list of applicants and the lack of scoring. This is the case with Economy Minister Kreshnik Bekteshi's sister, Vore Bekteshi. The job opening ad required 23 jobs and more than 800 people applied. There were 73 applicants for the position of independent officer for which applied and the minister's sister. A selection committee was set up at MEPSO, which submitted a list of 5 candidates for an independent officer to the manager one month later - but there is no document on how the scoring was done, nor is there a report on the conducted interviews.

"There is no explanation why the nurse was selected in the top five, and then by the decision of the director, she was employed, as well," concluded the Anticorruption Commission.



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Minister Bekteshi maintains that there is nothing controversial. He paid the offense fee because he did not inform the SCPC that his sister was employed by MEPSO, and when she was employed, they lived at the same address with him.

"I do not feel a moral responsibility and will not ask my sister to leave her job at AD MEPSO because she is not employed by the Ministry of Economy, she is of age, does not live with me, is married and decides for her own life," says Bekteshi.

MN: The anti-corruption officials have found nepotism, no responsibility

"Jobs are legal - no grounds for dismissals" - this explanation was issued by the state-owned ESM and MEPSO, regarding party employment after the Anti-Corruption Commission called on state-owned supervisory and management boards to demand accountability from the executives. But the Commission's finding that the Director is held accountable is not binding and does not mean the cancellation of employment. On the other hand, the supervisory and management boards with the government's "amen" provided support to the directors. This is evidenced by the fact that in any institution where family-friendly employments were established, they would not be held accountable by the directors.

According to the Law on Free Access to Public Information, we requested insight into the records of the supervisory boards that companies and institutions submitted to the Anticorruption Commission to see how these bodies did not establish accountability with the directors. However, we were told by the



Commission of Anticorruption that these are confidential documents of other institutions that they cannot provide.

We requested the records from both ESM and MEPSO. ESM says the documents are business secret of the company and publicly unavailable.

They point out that they had received only a letter from the Anti-Corruption Commission to the Supervisory Board to establish the responsibility of the General Manager because he was allegedly not exercising his discretionary powers under the law. But they received no instructions from the anti-corruption commissioners on how to handle the recruitment.

"Concerning the employees you are asking about, there is no legal basis under the Labor Relations Act on which the employer (AD ESM) can terminate the employment relationship with the named persons," they were told by the ESM on the grounds that the SCPC had not sent them a letter of guidance. for the treatment of the employees referred to, nor any statutory provisions which were breached in the course of employment and which would constitute grounds for dismissal.

According to the Anti-Corruption Law, by which Anti-Corruption Commission works, they can request the institution to annule the decision on employment selection (not the whole competition) and give guidance on choosing a new candidate from the applicants, if there was political influence about the employment. The Anti-Corruption Commission's President, Biljana Ivanovska says she did so in the first few cases of nepotism they worked on, but that those cases were dropped by the Administrative Court.

"When in one such case we asked the Director of the Dental Clinic to annul the selection decision, we received a complaint from her and the Administrative Court ruled in her favor. And after one such case, we stopped making such decisions and now we wonder what to do. We have a feeling that everything is being done so that we cannot function in our work," says Ivanovska.

We did not receive the full report from MEPSO, as they were also referred to as business secrets, but we did receive the notification they sent to the Anticorruption Commission. It states that the MEPSO Supervisory Board found no responsibility for the abuse of discretion in employing the sister of Economy Minister Kresnik Bekteshi to then-director Saso Vasilevski, after the company hired lawyers who gave such an opinion.

"We point out the need for the State Commission for the Prevention of Corruption, during the further action concerning the matter in question, to appreciate the fact that as of 01.08.2018 the sole shareholder



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of the state-owned AD MEPSO is the Ministry of Transport and Communications, headed by Minister Goran Sugareski." says the letter that MEPSO sent to the SCPC.

The president of the Anticorruption Commission says the cases are not yet closed and that the resignation of directors in some cases does not mean that the public interest is satisfied.

"Some of the members of the Commission believe that our targets are the appointed and elected persons, who in the case of MEPSO and ESM were replaced and that we should stop here. That we have fulfilled our purpose. But is the public interest fully satisfied if these people are still at work? In my opinion, not entirely. The cases are still open. But we as a commission must make a joint decision", says Biljana Ivanovska, president of the Anti-Corruption Commission.



Anticorruption officials say one of the key "links" in solving the nepotism cases are the board members who stand up for the decisions, so the government and parliament will be informed of such examples. But that is where their jurisdiction ends.

According to the latest information we came across in this survey – the Anti-Corruption Commission has opened 66 cases of nepotism since it started, while 26 of them are still open. The rest are closed due to obsolescence, insufficient elements, resignations, etc. But no one has been fired at the behest of the anti-corruption officials.



MN: Is there a cure for nepotism?

With the formation of the new composition of the SCPC, the cases in which nepotism emerged were the most current. The Institute for Democracy "Societas Civilis" recently released the first report on the work of the Anti-Corruption Commission. The results showed that the Commission, since its establishment in March 2019 until September of the same year, has opened 273 cases, 208 of which it has decided to close, and on 65 it decided to continue the proceedings. Citizens filed the most complaints about the procedures for hiring and checking the assets of officials for whom the Anti-Corruption Authority has issued the highest number of misdemeanor orders.

Anticorruption officials have found that executives in public institutions often (mis) use Article 21 of the Labor Law, which allows for decision-making maneuvers. "The employer has the right to freely decide, whereby a candidate who fulfills the prescribed contractual requirements, that is, the employer required to perform the work, in compliance with the legal prohibitions, will conclude an employment contract," says the Article 21 of the Labor Law.

The President of the Commission, Biljana Ivanovska, considers that it is precisely this discretion right that should be the exception and apply when two or three candidates emerge who are equally ranked and marked, and not a regular practice that is being abused.

The analysis of the laws and bylaws related to this problem shows that the policymakers, i.e. officials who were or are in power, have always taken care that in the laws that modulate the system and the manner of employment to leave room for the "eligible", that is, for party members, relatives or friends – comment the anti-corruption experts, and point out that in such cases they do not have much legal capacity to act.

In dealing with such examples, anti-corruption practitioners refer to the Law on Prevention of Corruption and Conflicts of Interest and Article 63, which defines that in the exercise of discretionary powers: "Every official is obliged to make decisions conscientiously, taking into account all the facts and circumstances of the particular cases concerning the principle of legality and equity. "

The same article also states that "the Commission shall be obliged to examine complaints on this ground and to notify the individual or legal person of its action".

However, there are no specific mechanisms in the law how the Anti-Corruption Commission will deal with the abuse of discretion of officials in employment. "We can ask for a choice or a decision about hiring, but we cannot annulate the competition. The law gives us the opportunity to this point. We, as the



Commission have a suggestive role, not to sue in the Administrative Court, for example. We are not a repressive authority to punish anyone, even if the penalties provided for by law are small, symbolic regarding the harm that can occur. But here is the public opinion that we need to wake up to, that is our role", the Commission for the Prevention of Corruption said.

"There was and will be nepotism. There have been and will be attempts to influence through the use of office and power, but the key question is what the institutional outcome of such cases is", said Slagjana Taseva, one of the former chairmen of the Anti-Corruption Commission. She reminds of the first case the commission has faced, dealing with nepotism and conflicts of interest.

The epilogue of the case was - both husband and wife left the posts. "The first case we opened as Anti-corruption Commission at the time was a conflict of interest and influence on the employment of the wife of the then director of the Health Insurance Fund, Rubinco Zarevski. His wife was employed at the then Military Hospital as a dentist. It was about a woman who was the best student of the generation, but her job post was neither advertised, nor procedures followed, so the institutions responded immediately. The inspectorate and the ministry and Zarevski's wife were fired and he was dismissed from the post of director, "Taseva recalled, citing yet another example of a "political price" being paid although there was no conflict of interest. "The Minister Ilija Filipovski, in that time was expressly dismissed at a government meeting after the Anti-Corruption Commission announced it was opening a case for the employment of his brother in charge at the Skopje airport. The government sacked the minister, and then the SCPC found that there was no conflict of interest, because Filipovski's brother had worked for the then state-owned firm all his life and progressed in accordance to the regulations and laws, passing all the steps. This is an example of a hasty reaction and an example that institutions should not be silent on this type of employment", says Taseva. According to her, the key question is whether the open cases in the SCPC have an outcome- and if not, where the problem is.

The staffing of the "new" anti-corruption commission has increased expectations of the public for greater work efficiency and an epilogue to open cases.

"The new staff of the SCPC, according to media reports, is not only interested in a narrow interpretation of the corruption but looks at things a little broader. The too comprehensive understanding of the corruption can lead the SCPC to areas and situations where they have no jurisdiction, "said Misha Popovic of the Institute for Democracy. According to Popovic, from March onwards the SCPC faces an increased workload, but it is necessary to make a list of priority cases related to both high corruption and abuses.

"Now what we see on the subject of nepotism and conflict of interest is sad because there are no



concrete solutions to such cases. That's a big problem. Things cannot be left to the consciousness and conscience of officials, everything is simple - either the rules are respected or they are not respected, and as we can see, there is no serious handling and follow-up of these cases", says Taseva.

The latest research that is part of the Project "Corruption Vulnerability Assessment in Employment Policies and Procedures, with a particular focus on nepotism, cronyism and clientelism" has identified 46 vulnerable points to intervene to prevent nepotism employment. Nevertheless, the research is still active and numerous state institutions are scanned, including ESM and MEPSO. The project is run by the SCPC and Transparency International.

To expand and increase their powers, the current composition of the SCPC prepared a list of 350 observations of the law they are working on in order to make them more effective. But legal changes have not yet entered the procedure. Legislation, especially the key filter for corruption and nepotism - the SCPC, have been regularly included in EU reports on the country's progress on the road to the Union, with the emphasis not only on adoption but also on the application of laws if we are to build a society of equality and equal citizens.

Frame:

In five cases the new SCPC members did not substantiate allegations of employment impact. These are the following cases: for the daughter of the President of the Assembly, Xhaferi, then for Cvetan Veleovski, brother of MP Mira Stojcevska, as well as for the employment of MP Goran Misoski's son, Christian Misovski, in the Insurance Supervision Agency. Neither for Iljo Stojcevski, husband of MP Mira Stojcevska, and Nadica Delkova, wife of the Mayor of Negotino Employment in the Primary School "Goce Delcev" in Dolno Disan, was established influence about the employment.

This investigative story was produced with the financial support of the European Union. Its contents are the sole responsibility of the author and do not necessarily reflect the views of the European Union.



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