

ANNUAL REPORT

For the work of ZAMP Macedonia in year 2022

Dear Sirs/Madams,

ZAMP is non-profit organization with unique activity – collective management of copyrights on behalf of the authors and rightholders. The main goal of ZAMP is to promote the growth and the diversity of the Macedonian music industry as socially useful mission, different than the others on the market.

Our mission is to obtain appropriate remuneration from the users due to the usage of musical work in public, so the authors could receive their royalties correspondingly.

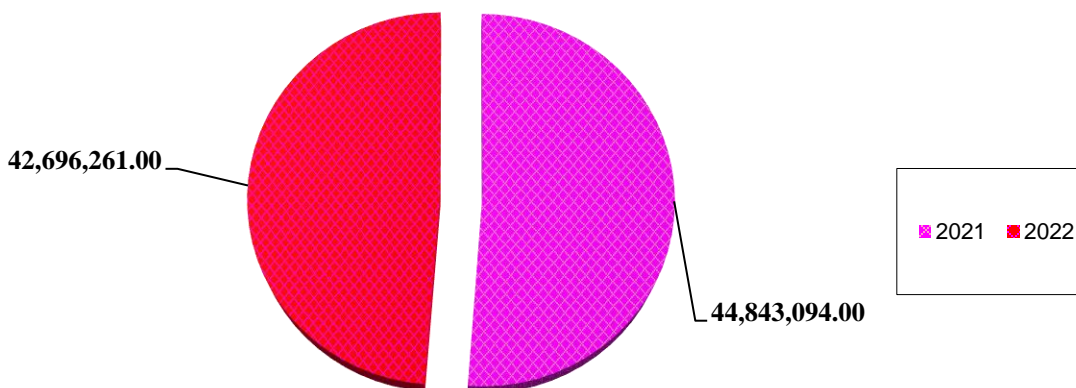
ZAMP is representing music from all over the world and distributes the remunerations to the individual rightholders, both Macedonian and foreign. This means that anyone who is attending to use musical content, through ZAMP can easily approach to millions of musical works and subsequently the rightholders will receive their royalties and produce new music. In this way, ZAMP has remarkable central role in the musical ecosystem.

On the basis of the international and reciprocal Agreements that ZAMP has concluded with other collective management societies from all over the world, the domestic and international music copyrights in Macedonia are protected.

The Annual Report over the work of the Musical Copyright Society of Macedonia ZAMP contains the major activities that were realized in the calendar year 2022.

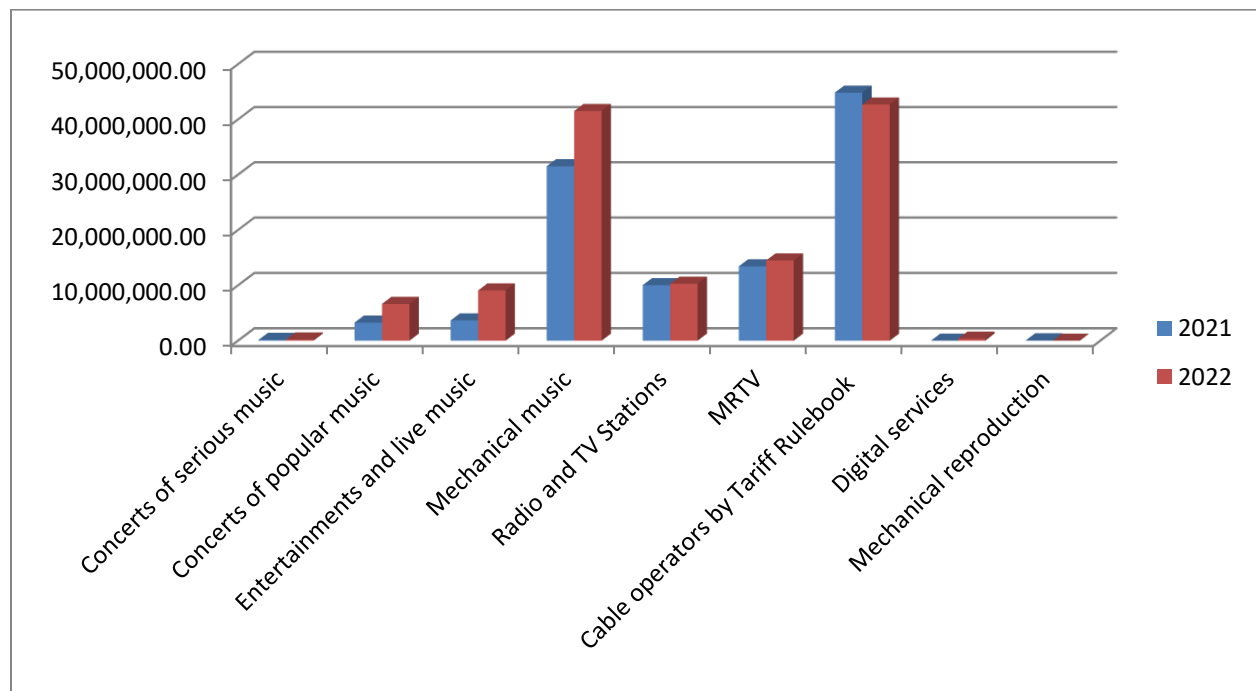
1. Payment collection – financial department

The total collection for the calendar year 2022 amounts 125.328.119,00 den. which in accordance with year 2021 is increased for 18.335.909,00 den. or 17.14%.

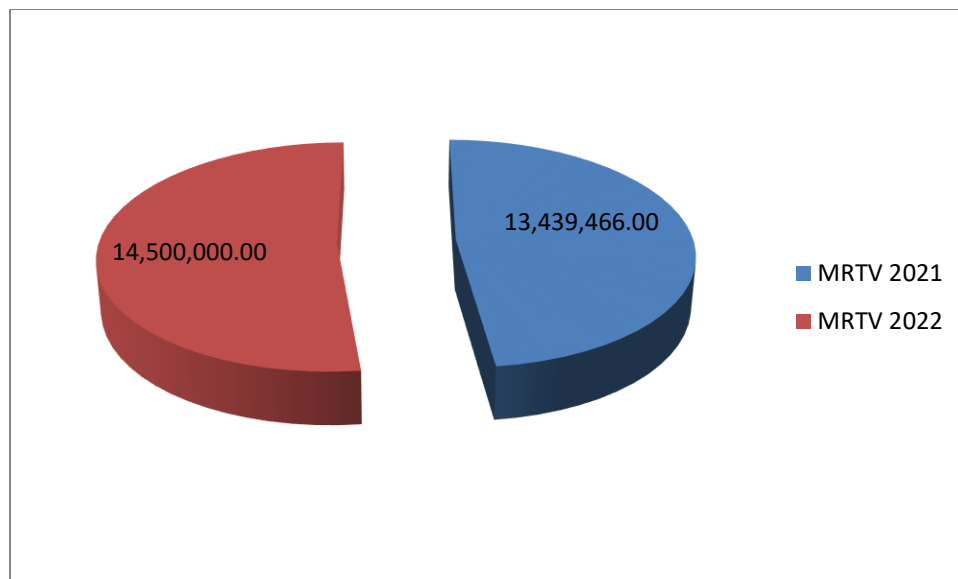


The collection per categories of payment in year 2022 in accordance with year 2021 amounts as follows:

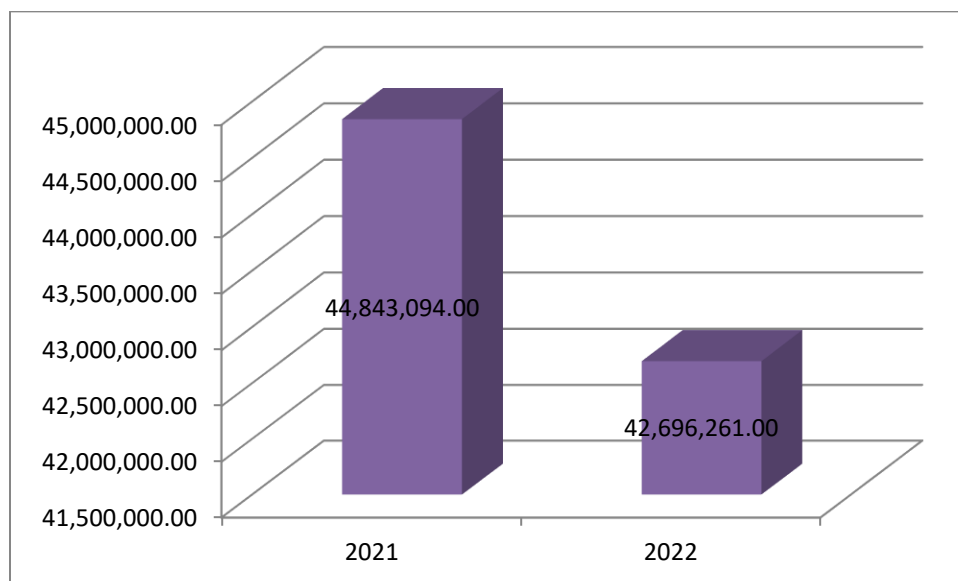
Num.	Category of payment	collection 2021	collection 2022
1	Concerts of serious music	156,082.00	215,505.00
2	Concerts of popular music	3,278,667.00	6,644,942.00
3	Entertainments and live music	3,661,644.00	9,073,895.00
4	Mechanical music	31,522,985.00	41,521,084.00
5	Radio and TV Stations	10,036,272.00	10,296,878.00
6	MRTV	13,439,466.00	14,500,000.00
7	Cable operators by Tariff Rulebook	44,843,094.00	42,696,261.00
Total (1-7):		106,938,210.00	124,948,565.00
8	Digital services	0.00	370,554.00
Total (1-8):		106,938,210.00	125,319,119.00
9	Mechanical reproduction	54,000.00	9,000.00
Total (1-9):		106,992,210.00	125,328,119.00



In year 2022 the payment from the national Broadcaster MRTV amounts 14.500.000,00 den. which in accordance with year 2020 is increased for 1.060.534,00 den. or 7,89%.



The payment from the cable operators in 2022 amounts 42.696.261,00 den. in accordance with the signed Agreement for retransmission of musical contents in the TV and Radio programs with the cable operators, as well as the Rulebook with Tariff for usage of musical copyright works of ZAMP which comparing to the payment in previous year is decreased for 2.146.833,00 den. or 4,79%.



In accordance with the concluded Agreement with SOKOJ for processing the digital services from 04.03.2019, in year 2022 ZAMP collected 370.554,00,00 denars from Youtube and Facebook.

The collected reimbursements in 2022 for mechanical reproduction amounts 9.000,00 den.

The reimbursements collected from digital services and mechanical reproduction are distributed with separate distributions and are not part of the Distribution mass for 2022.

DISTRIBUTION MASS

From the payment referring category 1-5 with amount of 67.752.304,00 den., the part that belongs to the authors with 85% amounts 57.589.458,00 den.

This amount is increased with the part from MRTV with amount of 12.325.000,00 den. and the part from collection due to mechanical reproduction with amount of 45.900,00 den. as well as the collection from cable operators for the musical rights in accordance with the signed Service Agreement between ZAMP and the rightsholders, the Agreement for retransmission of musical contents in the TV and Radio programs as well as the Tariff Rulebook for usage of copyright works with amount of 36.291.822,00 den.; the returned funds in 2022 due to the closed judicial cases with amount of 1.425.663,00 den. and incomes from interest of time deposits for 2022 with amount of 531.855,00; incomes due to cable retransmission of Macedonian TV channels abroad with amount of 1.050,00 den. and the positive currency rate in 2022 with amount of 531.855,00 den. which forms the total amount for distribution for the distribution year 2022 with amount of 108.164.848,00 denars.

The amount of collected royalties for the distribution year 2022 are decreased in accordance with art.50 of the Statute of ZAMP that in 2022 are 2.905.384,00 denars, which include the fees due to the running legal procedures (legal fees for starting court procedures, expenditures for Central registry of Macedonia, expert evidences, executors, notaries, foreign exchange gain).

The total amount for distribution for the distribution year 2022 with all grounds amounts 105.259.464,00 which in accordance to year 2021 with amount of 89.100.302, den. is increased for 16.159.162,00 den. or 18,1359%.

In accordance with the signed bilateral Agreements with the foreign Collective Management Societies, ZAMP collected reimbursements with amount of 4.205.443,00 den. from: APRA-Australia, BUMA-Netherlands, GEMA-Germany, SOKOJ-Serbia, JASRAC-Japan, SGAE-Spain, TEOSTO-Finland, SAZAS-Slovenia, PAM-Montenegro, HDS-ZAMP-Croatia, KODA-Denmark, SOCAN-Canada, SUISA-Switzerland, PRS-UK, ACUM-Israel, BMI-USA, SOZA-Slovakia, UBC-Brasil, AMUS-Bosnia and Herzegovina, BUMA-Netherlands, AKM-Austria, UCMR ADA-Romania and ASCAP-USA.

In 2022 ZAMP has made payment with amount of 20.492.483,00 den. to the following foreign societies: KODA-Denmark, MUSICAUTOR-Bulgaria, JASRAC-Japan, APRA-Australia, SOCAN-Canada, UBC-Brasil, UCMR ADA-Romania, MESAM-Turkey, BMI-USA, SOKOJ-Serbia, SAZAS-Slovenia, STIM-Sweden, IMRO-Ireland, SIAE-Italy, ARTISJUS-Hungary, SPA-Portugal, HDS-ZAMP-Croatia, PRS-UK, PAM-Montenegro, TEOSTO-Finland, AMUS-Bosnia and HERZEGOVINA, OSA-Czech Republic and SACEM-France.

2. PERCEPTION DEPARTMENT

In accordance with the Law on copyright and related rights (Official Gazette of Macedonia num. 115/10, 140/10, 51/11, 147/13, 154/15 and 27/16), ZAMP was determining the remuneration for usage of the works primary by signed Agreements with corresponding Societies of users, i.e. their Chambers that are representing the majority of users from certain activity or gathered activities.

In case when the reimbursement can not be determined by Agreement with users (general or separate), then it is calculated in accordance with the Rulebook with Tariff for usage of musical copyright works (Official Gazette of Macedonia num. 153/17).

The Rulebook with Tariff for usage of musical copyright works determines the conditions under which the users (legal or physical entity) can use musical copyright works that are represented by ZAMP on the territory of Macedonia.

In 2022, for performing rights ZAMP issued 5783 Invoices with amount of 96.042.988,00 denars from which in the current year ZAMP managed to collect 47.808.397,00 den. or 49%.

During the year 2022, as each year ZAMP was facing with many users that failed to fulfill their obligations, besides our notices for unsettled obligations that ZAMP was sending to the users many times. The users demonstrated ultimate disobedience, so ZAMP was forced to claim the reimbursements through court procedures.

In accordance with the secured evidences until the end of year 2022, ZAMP submitted 328 Proposals for drawing Decision for enforcement on the basis of credible documents-invoices in accordance with the territory and the competence of the Appellate Courts in North Macedonia.

The users that failed to fulfill their obligation to pay remuneration for public communication of non-scene musical copyright works in the catering objects, hotels, markets, radio and TV broadcasters, organisers of musical events, faced with started procedures by ZAMP for forced collection of reimbursements.

On the territory of the Appellate Court Skopje (Appellate Courts Veles, Gevgelija, Kavadarci, Kratovo, Kriva Palanka, Kumanovo, Negotino and Primary Court Skopje), ZAMP started 111 court procedures, 52 of them are finished, and for the rest of the users who failed to fulfill their obligation in accordance with the effective and executive Decision, ZAMP started procedures for enforcement in front of the competent executive.

At the moment, there are 5 court procedures after submitted objection by users.

On the territory of the Appellate Court Bitola (primary Court Bitola, Krusevo, Ohrid, Prilep, Resen and Struga) ZAMP started 43 court procedures, 14 of them are finished, and for the rest of the users who failed to fulfill their obligation in accordance with the effective and executive Decision, ZAMP started procedures for enforcement in front of the competent executive.

There are 3 active court procedures on the territory of the Appellate Court Bitola.

On the territory of the Appellate Court Kicevo (primary Court Kicevo and Struga) ZAMP started 28 court procedures that are still active.

On the territory of the Appellate Court Stip (primary Court Berovo, Vinica, Delcevo, Kocani, Radovis, Sveti Nikole, Strumica and Stip) ZAMP started 77 court procedures, 45 of them are finished, and for the rest of the users who failed to fulfill their obligation in accordance with the effective and executive Decision, ZAMP started procedures for enforcement in front of the competent executive.

At the moment, on the territory of the Appellate Court Stip, there are 8 active court procedures after submitted objection by users.

On the territory of the Appellate Court Gostivar (primary Court Tetovo, Gostivar, Kicevo and Debar) ZAMP started 67 court procedures, 35 of them are finished, and for the rest of the users who failed to fulfill their obligation in accordance with the effective and executive Decision, ZAMP started procedures for enforcement in front of the competent executive.

At the moment, on the territory of the Appellate Court Gostivar, there is one active court procedure after submitted objection by the user.

3. DISTRIBUTION DEPARTMENT

From the start the year 2022 was full with activities related to the exertion of the scheduled tasks of the sector, as well as the improvement of the running activities with the entire Information System.

After the import of the data gained from the users and the data documentation and the database was updated and optimized, the distribution department prepared the Annual distribution. In accordance with the Law on copyright and related rights of Macedonia, ZAMP exerted the Distribution for year 2021 that comprised 2925 domestic authors and realized the obligation that owes to the foreign Societies with which it has concluded bilateral Agreements.

In the running year, the Distribution Department also made the distribution for the domestic authors whose works were performed abroad and which had regulated the rights for their performances. In January 2022 in accordance with the reciprocal Agreements, the department exerted the distribution to the domestic authors from the following societies: ACUM-Israel, AKM-Austria, APRA-Australia, JASRAC-Japan, HDS-ZAMP-Croatia, KODA-Denmark, PAM-Montenegro, PRS-UK, SAZAS-Slovenia, SOCAN-Canada, SOKOJ-Serbia, SUISA-Switzerland and TEOSTO-Finland.

In November 2022, the department processed the distribution to domestic authors from: ACUM-Israel, AKM-Austria, APRA-Australia, ARTISJUS-Hungary, JASRAC-Japan, HDS-ZAMP-Croatia, GEMA-Germany, KODA-Denmark, PRS-UK, SAZAS-Slovenia, SOZA-Slovakia, SOKOJ-Serbia, SUISA-Switzerland, TEOSTO-Finland, TONO-Norway, UBC-Brasil and UCMR ADA-Romania. In the same period the department made the distribution to the domestic authors from the digital services YOUTUBE and DEEZER.

The Distribution Department during the year 2022 followed the new trends on the field of distribution, the best practices of the societies in the region and the news in the work of CISAC. The software solutions that enable to send and receive reports from/to foreign societies with electronic format CRD, were applied and actively used. The entire documentation of the databases was complemented and updated. The programs of broadcasted copyright works obtained by the users were processed through Batch-import via the existing application Sazek, so the bigger part of the data import was automated. The Department took all the necessary measures to maintain the operative systems, the system for administration of the databases and the applicative software and exerted the regular back-up procedures. Concerning the start of the digital services administration, the Department prepared the necessary data.

The realization of the Business Technical Committee (BTC) this year was alternated into realization of online Webinar. The online Committee that was realized 07.11.2022 was containing different issues related to the treatment of the music in the commercials, the documentation for commercials data exchange between the societies, the improvements of CISNet, the practices related to the unidentified works, the experiences and news about the Binding Resolutions, as well as the improvements and the formats for data exchange with proposal to cut off the out of date formats.

In 2022 ZAMP continued the usage the Spanish Monitoring Company BMAT for tracking the Radio and TV Stations that broadcast on the territory of Macedonia. The process of submitting audio files to BMAT is continuing.

In order to increase the security of the computer web, the Department updated the License of Firewall Cisco Meraki and continuously monitored the work and the reports of the antivirus program Symantec Endpoint Protection. The department imported the system File Station for receipt of audio files in ZAMP in order to avoid usage of portable devices during the registration of works.

The new search module on web page of ZAMP was constantly updated with new musical works and authors from the domestic Repertoire of ZAMP. Throughout the whole year the Department worked on updating, complementing and enriching the contents on the official website of ZAMP.

The department started to reconsider different offers for technical solutions and software for online profiles of authors and online registering of the works, and started negotiations for its realization.

The new software for online profiles of authors and online registering of the works was the biggest novelty in the Distribution department. It is expected that it will make positive changes of the entire work of ZAMP. The implementation and optimization of the software, its functioning as well as the settling of the software data will be prior tasks of the Distribution department of ZAMP in the following period.

4. DOCUMENTATION AND INTERNATIONAL AFFAIRS DEPARTMENT

Following the principles appointed in the Bern Convention, each society adopts national system for registration of works. The management of the copyright work is exerted through obtaining rightholders in order to plainly and precisely confirm the authorship. The data from the international registries are necessary not only in legal and economical relations, but also they are important treasury of cultural and historical heritage.

The progress of the digital technology caused many authentic data for property to be easily accessible. Therefore we appoint the importance of the registration of authors that is also significant out of the traditional functions related to the copyrights realization i.e. authentication of the property.

In the 2022, the Documentation Department registered 84 new authors and rightholders that signed agreements with ZAMP. There were 3198 new works.

We have to mention that the only way to exert precise distribution of reimbursements is obtaining valid documentation. The documentation is shared on international level, through registration of the works in the world Base of authors (IPI List) and the world Base of authors CIS-Net, to which ZAMP has direct access (online).

Activities of the International Affairs Department:

Cooperation with foreign collecting societies

For already 25 years ZAMP is successfully working on the reciprocal representation of the authors with sister societies. This year on the list there are 54 bilateral agreements of ZAMP with foreign societies for small rights. On the list of agreements for mechanical rights there are 16 societies.

European Committee of CISAC, Webinar (07.04.2022)

The Committee started with the actual war crisis in Ukraine and the support that CISAC as institution that unites the authors and societies from all over the world, can provide for the authors and any person who left his country during the war. Therefore the General Manager of CISAC-Mr. Gadi Oron gave information about the current steps that are taken, as well as how each society can give its contribution to the Ukrainian Fund that through ZAIKS-Poland would reach the most affected from this hard situation. There are three active projects:

-Ukrainian fund, by now it has reached approximately 1,2 million eur. CISAC International has donated over 2,7 millions for Ukrainian refugees and authors.

-songs for Ukraine-after the initiative of ARTISJUS in order to intensively promote the Ukrainian repertoire on the digital platforms and broadcasting, with which everyone will be able to give its contribution

-open letters of authors that will express their solidarity for anyone who is affected by the war, as well as collecting signatures for support.

The information about the amount of the Ukraine fund, as well as the support signatures can be found on the website www.creatorsforukraine.org

The second issue related to the Ukraine war is whether the Russian societies should be excluded from CISAC membership. After the expression of the many different opinions of the member societies it was decided that there isn't legal basis for such solution.

The meeting continued with the progress of Turkiye concerning the work of the two societies for collective management MSG and MESAM that were suspended one year from the CISAC membership. After the intensive negotiations and the directions that they were given, the two societies made huge improvement concerning the joint software, database, licensing, as well as their good will for cooperation in order to solve the conflicts. Both of the societies are back in CISAC.

Furthermore, there was discussion related to the campaign for improving the royalties for usage of audiovisual works that in years are constantly decreasing, the impact of the streaming overwhelming the music industry and its affection over the copyrights. Ella Kirby gave short presentation of TIK TOK platform, and Andres Guadamuz presented short explanation of NFT-non refundable token and its relation to copyrights.

The meeting ended with candidature of new chairman of the European Committee.

23-nd regional meeting-13-14 June, 2022, Ohrid, Macedonia

On 13-14 June, in Ohrid, Macedonia, ZAMP organized the 23 regional meeting of the sister societies from the region on which there were representatives from SAZAS-Slovenia, PAM-Montenegro, AMUS-Bosnia and Herzegovina, HDS ZAMP-Croatia, SOKOJ-Serbia and ZAMP-Macedonia.

The concept for regional meetings started 15 years ago and is realized twice a year, each time in organization of another society. The only pause of this tradition was during the Covid 19 Pandemic and continued with the previous meeting in Tivat Montenegro organized by PAM. The general themes of the meetings are the actual issues related to the work of societies, Law on copyright regulative, as well as other present issues.

All of the representatives gave their standings and presentations concerning the relevant issues, giving details about the changes in the Law regulative and their implementations. The practical experiences of the colleagues from SAZAS and HDS ZAMP as EU members are always of great meaning, concerning that they are always the first that implement the EU Directives.

The following theme of the meeting was about the implementation of Sarajevo Agreement- signed by the societies in 2011 in order to speed up the transfer of reimbursements for bigger concerts to authors. It was appointed that the societies are acting in accordance with the agreement and the cooperation between them is on significant level.

The Ohrid Agreement is result of the workshop that was organized with representatives from all societies from the region and the need to solve the conflicts that arose due to the "mixed" works i.e. the different percentage among the authors in same work, in different society. CISAC has also encouraged the work of this group, considering the

importance of this issue. On the meeting the representatives decided that the prepared text from the colleagues of HDS ZAMP should be signed. This will solve many conflicts, especially concerning the digital platforms.

Annual seminar of CISAC-Budapest, 08.12.2022

The post-COVID challenges and strategies in the collective management in central and eastern Europe were the main themes on the annual Budapest seminar organized by CISAC/BIEM for the societies from central and eastern Europe. On the seminar there were representatives, CISAC members that manage different Repertoires. There were 65 representatives of CMO-s.

Due to the huge restrictions that affected the gastronomy, night clubs and live events, the incomes of collective organizations suffered enormous failure in 2020 and 2021. For ex. The total income of AKM Austria are decreased for - 22.6% in 2019-2020 and another -9.8% from 2020-2021.

The challenges in the post-covid period are directly related to the recession of the musical market. In 2022 we all made efforts for stabilization from the pandemic, but there was the energetic crisis that arose right after. Moreover, there are the streaming platforms which generate very small reimbursements. As once the Manager of the Hungarian society said: In the past we were catching big fish with small nets. Now we need huge nets to catch small fish. At the and the joint opinion was that the CMO-s are facing with big challenge concerning the fact that have increased work, but decreased payment.

ZAMP

General Manager

Antoneta Tokovska Kotevska