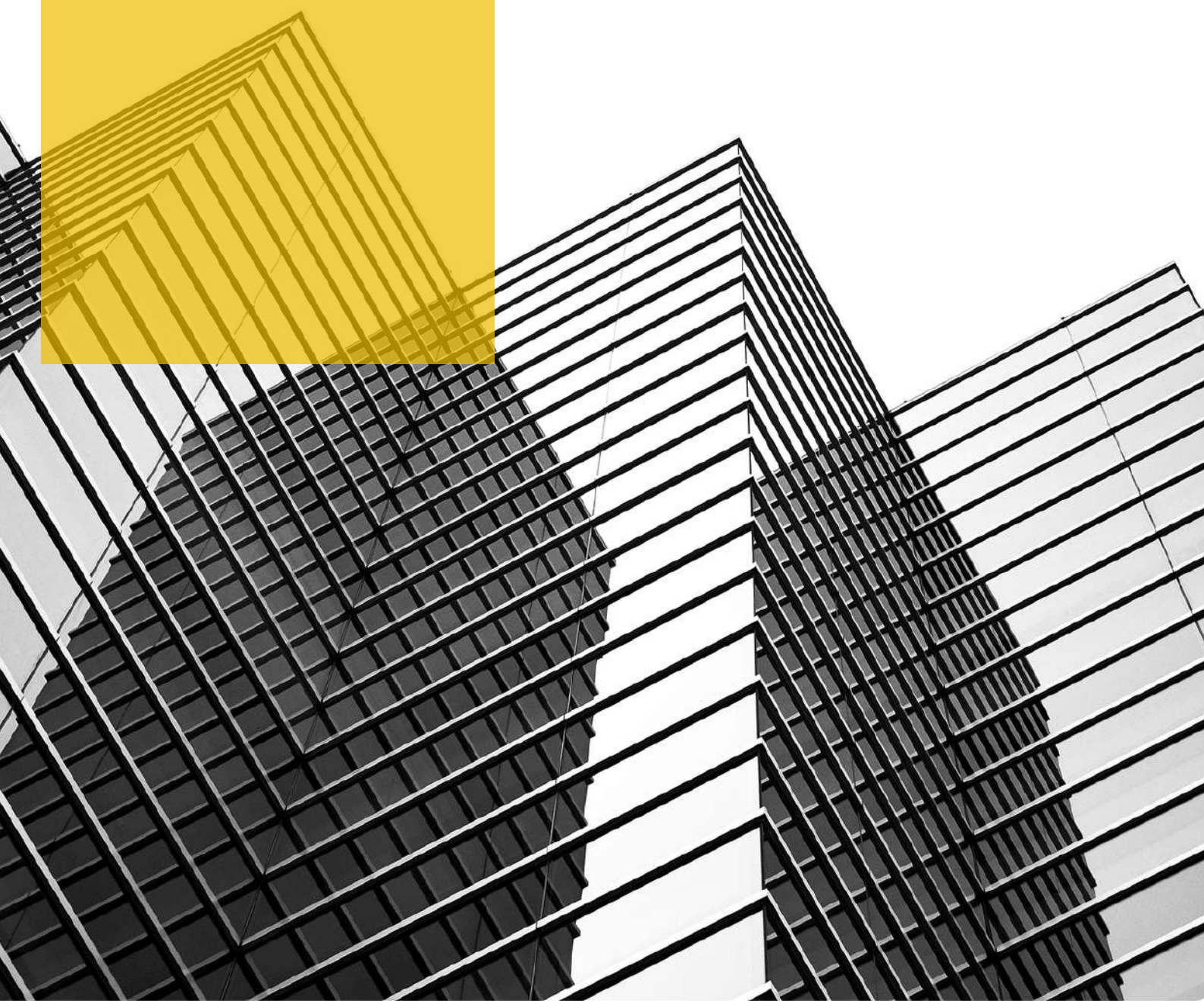


ANNUAL REPORT 2021



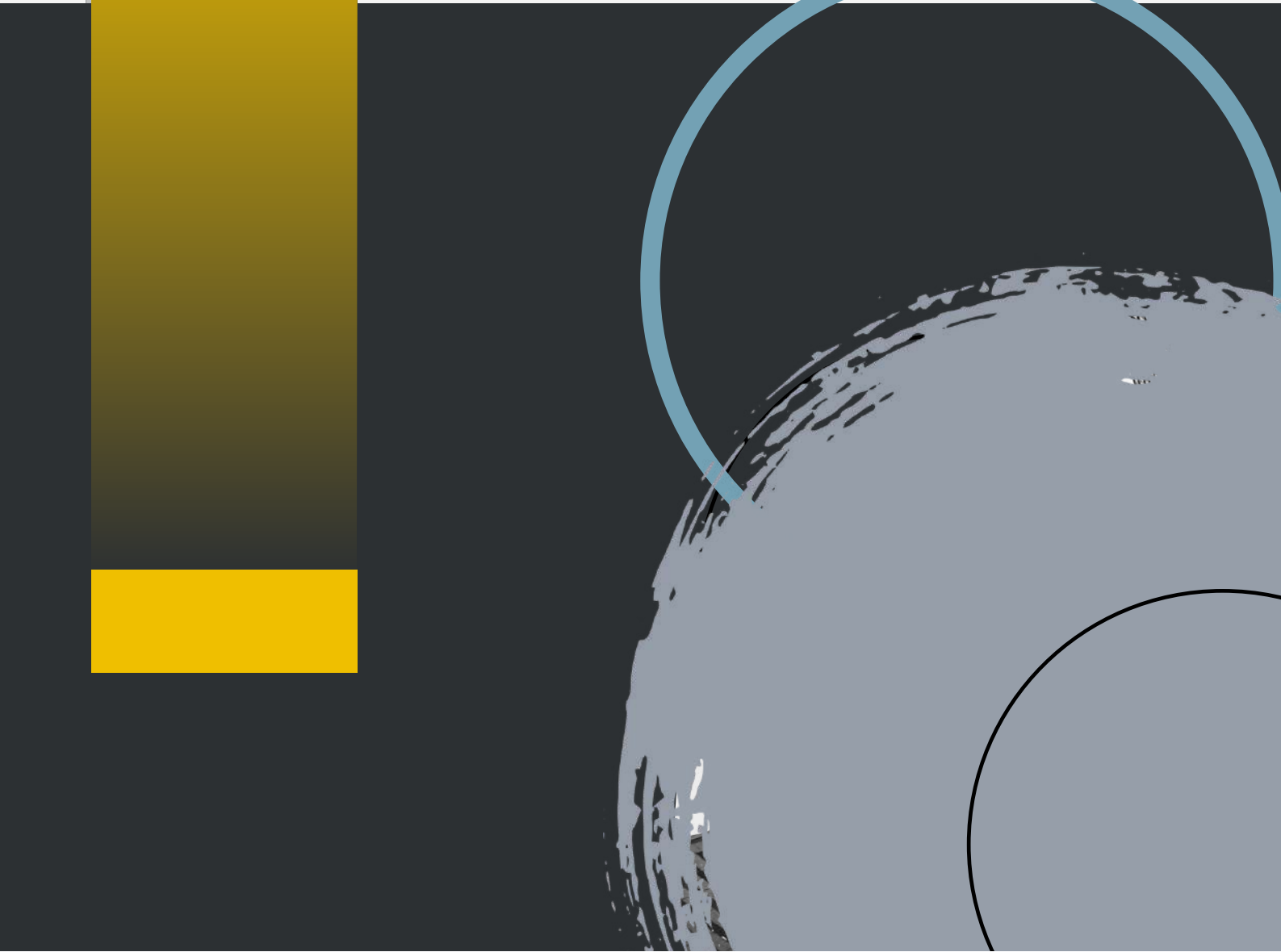
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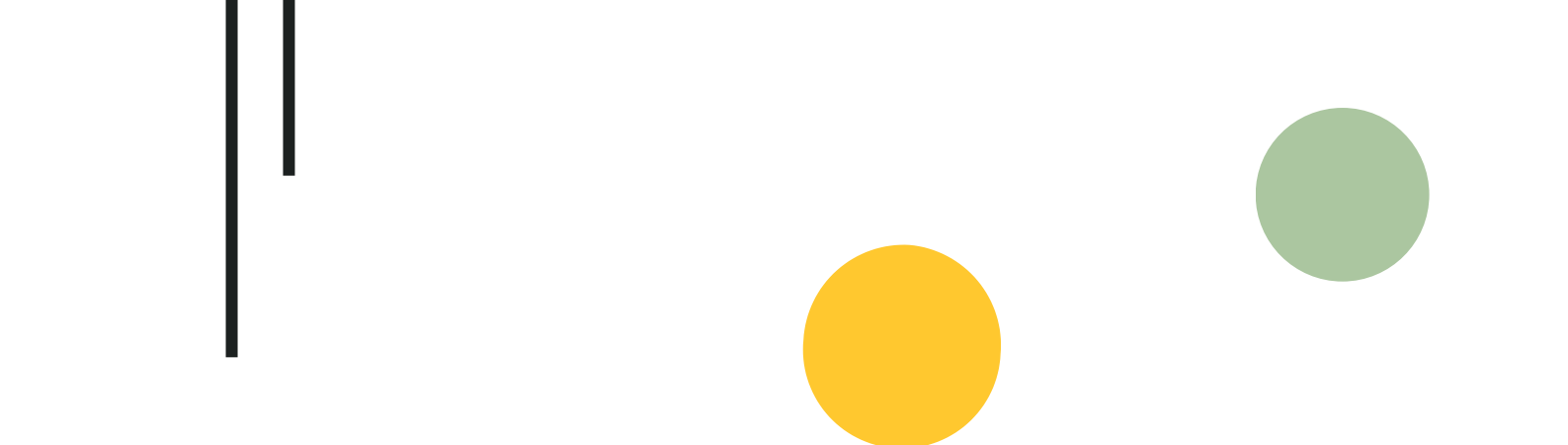
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Dear Sirs/Madams,


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 rightsholders, 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 rightsholders 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 2021.



FINANCIAL DEPARTMENT

Payment collection

The pandemic continued to affect the music in year 2021.

The total collection for the calendar year 2021 amounts 106.992.210,00 den. which in accordance with year 2020 is decreased for 8.593.166,00 den. or 7,4344%.



The collection per categories of payment in year 2021 in accordance with year 2020 amounts as follows:

Num ..	Categories of payment	Collection In 2020	Collection In 2021
1	Classical music concerts	244,412.00	156,082.00
2	Popular music concerts	3,169,448.00	3,278,667.00
3	Entertainments	3,565,585.00	3,317,084.00
4	Live music	277,920.00	344,560.00
5	Mechanical music	20,826,102.00	31,522,985.00
6	Commercial Radio and TV Stations	9,124,593.00	10,036,272.00
	Total (1-6):	37,208,060.00	48,655,650.00

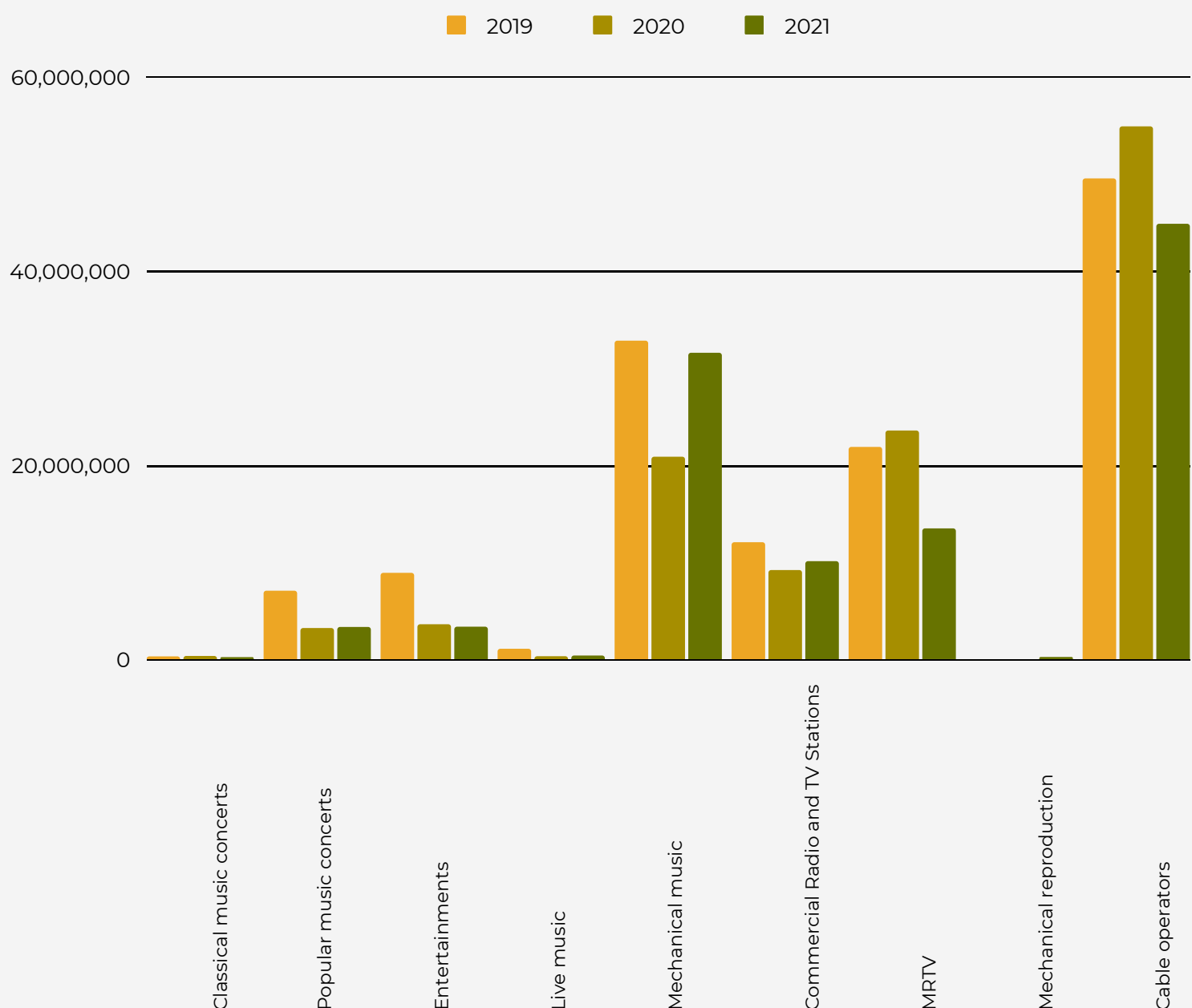
7	MRTV	23,500,000.00	13,439,466.00
	Total (1-7):	60,708,060.00	62,095,116.00

8	Mechanical reproduction	0.00	54,000.00
	Total (1-8):	60,708,060.00	62,149,116.00

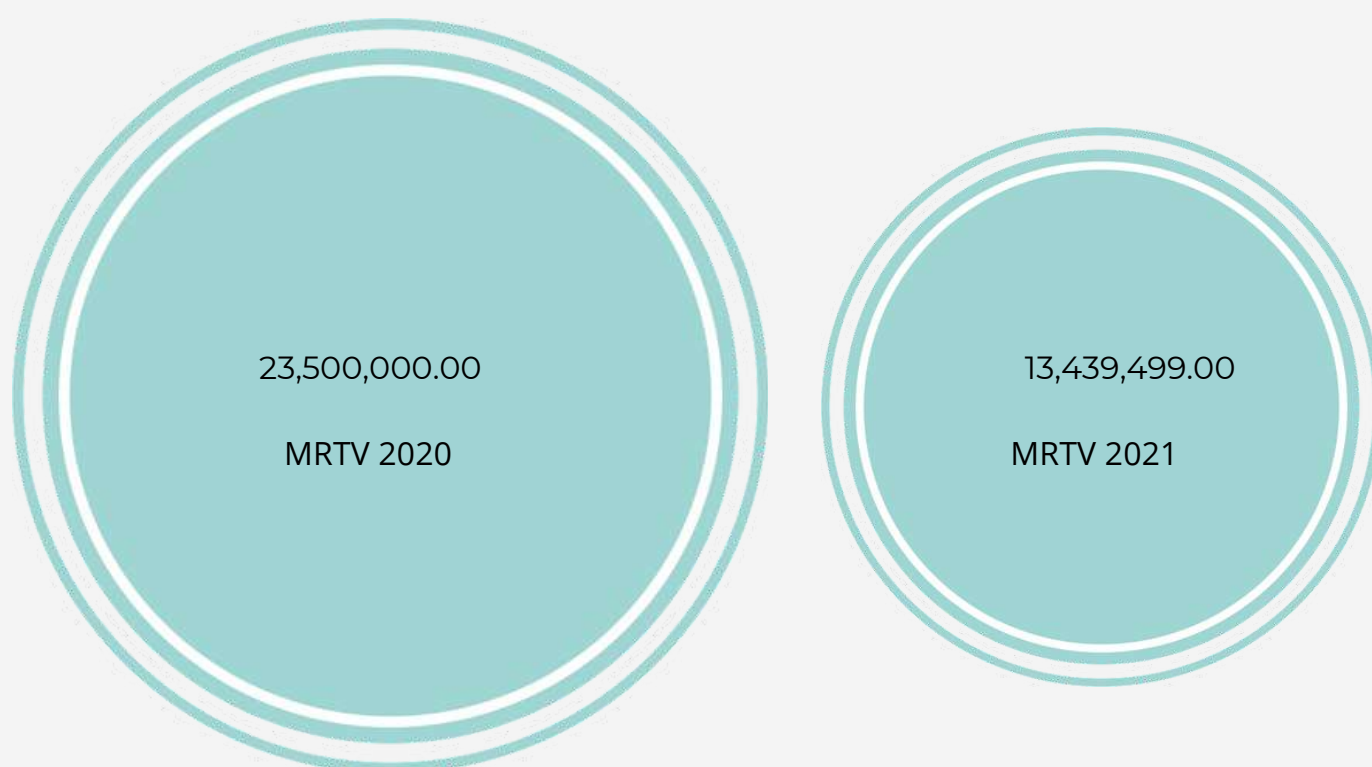
9	Cable operators (according to the Agreements and Rulebook with Tariff for musical rights)	54,877,316.00	44,843,094.00
	Total (1-9):	115,585,376.00	106,992,210.00

TOTAL 1 - 9

In 2021 year ZAMP collected reimbursements for mechanical reproduction with amount of 54.000,00, so the total payment in the categories 1-8 amounts 62.149.116,00 den. and it is increased for 1.441.056,00 den. or 2,3737% according to the collection per categories of payment from 1-8 in the previous year.

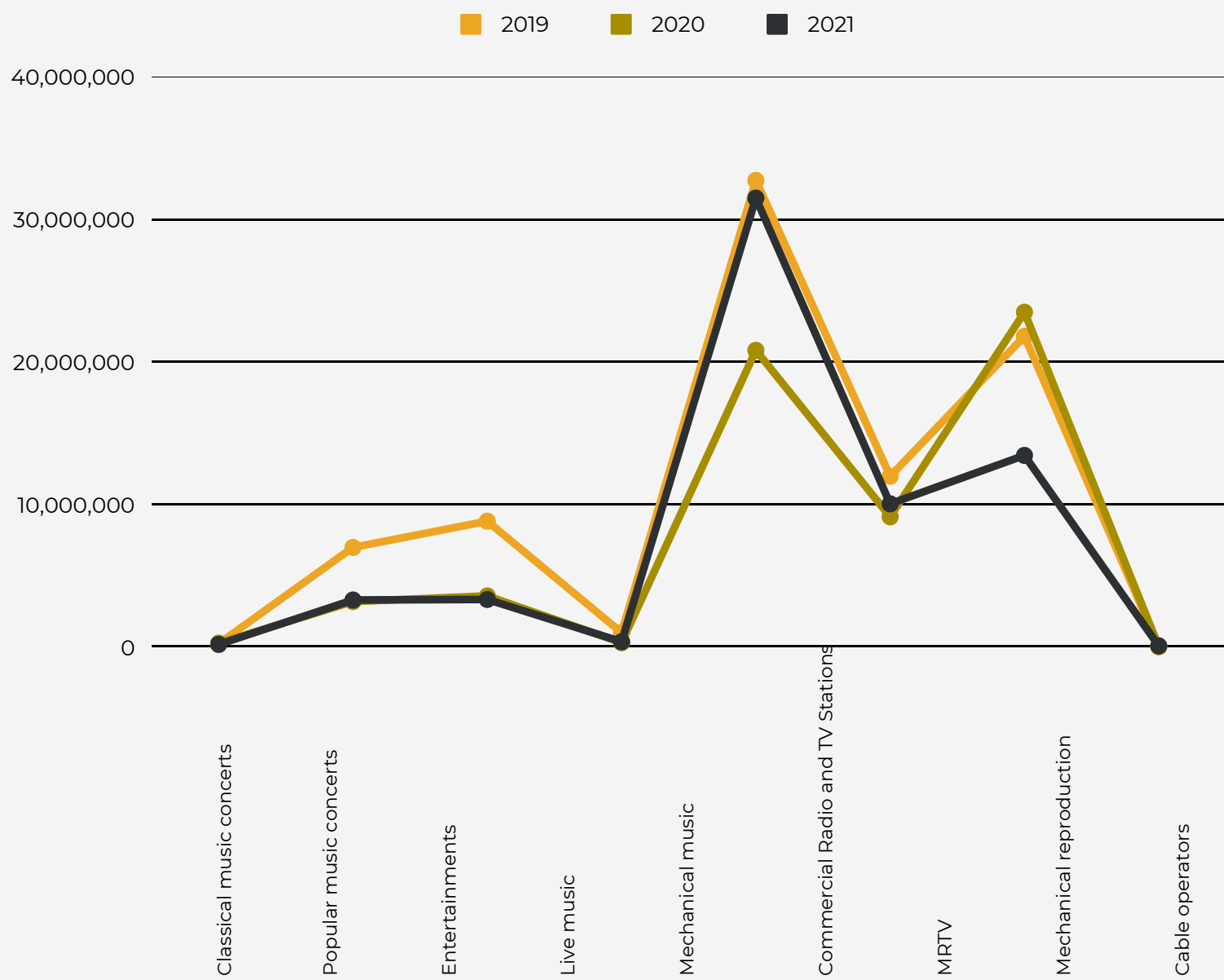


In year 2021 the payment from the national Broadcaster MRTV amounts 13.439.499,00 den. which in accordance with year 2020 is decreased for 10.060.534,00 den. or 42,8108%.



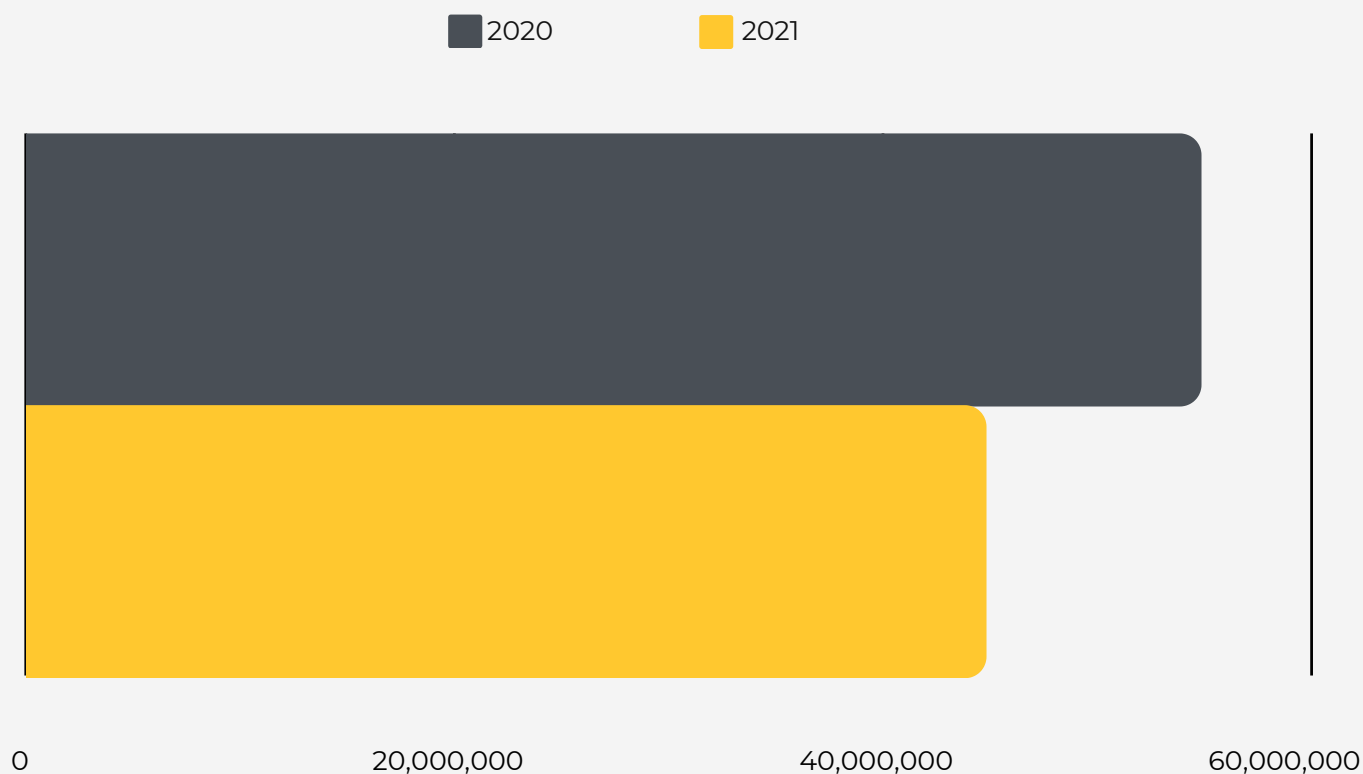
TOTAL 1 - 8

In 2021 year ZAMP collected reimbursements for mechanical reproduction with amount of 54.000,00, so the total payment in the categories 1-8 amounts 62.149.116,00 den. and it is increased for 1.441.056,00 den. or 2,3737% according to the collection per categories of payment from 1-8 in the previous year.



CABLE OPERATORS

The payment from the cable operators in 2021 amounts 44.843.094,00 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 10.034.222,00 den. or 18.2848%.



In accordance with the signed GLA with the cable operators, by the foreign rightsholders VG Media, RTL and EBU for the rights that they represent, ZAMP collected 7.430.525,00 den. from which to ZAMP (as authorized party for management of the administration on behalf of the foreign rightsholders) belong 10% of the collected royalties. After the deduction of the agreed provision from the collected reimbursements related to the GLA, the rest 90% belong to the foreign rightsholders.



Monetary Fund for the distribution of royalties

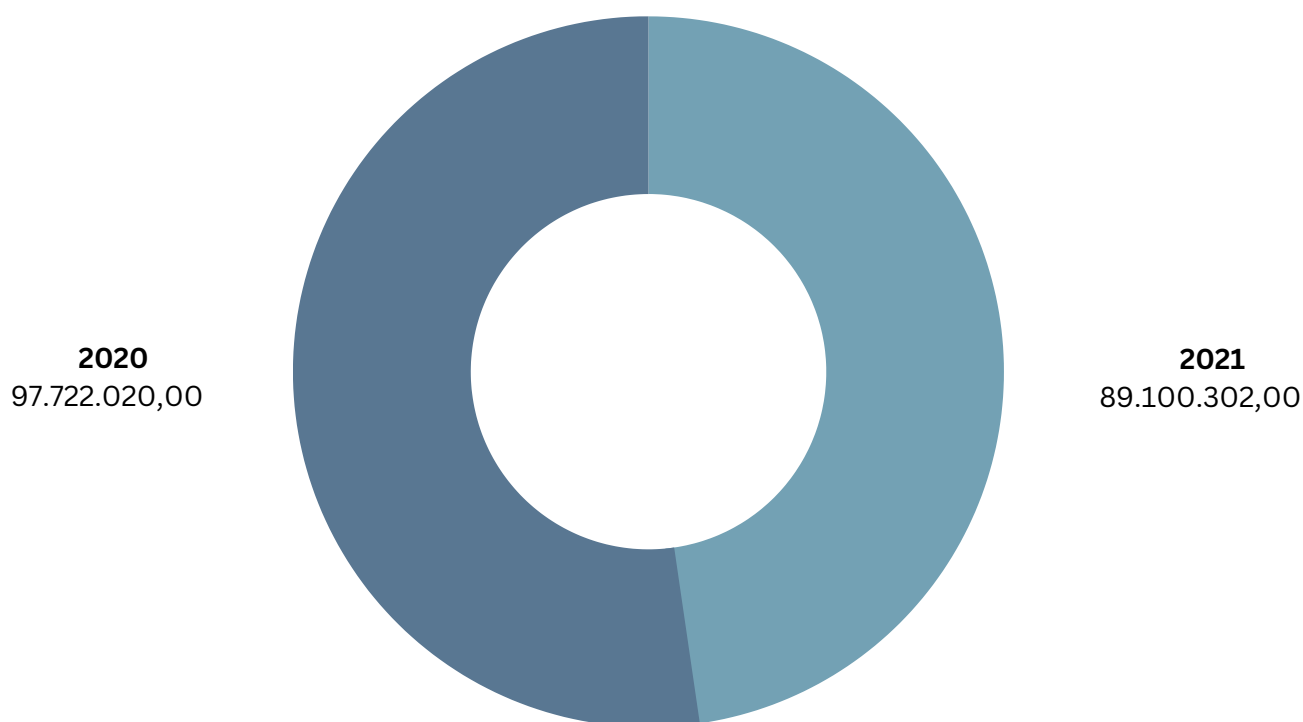
After the occurrence of COVID 19 it was necessary to control it through many measures taken by the governments of the countries in whole world. The measures in accordance with year 2020 were also present in 2021 although in lower extent, which is resulting with direct influence over the exploitation of musical works and the collection of reimbursements. Relaxing the measures and starting law procedures against the users that fail to fulfill their obligations, ZAMP in 2021 increased the payment collection according to year 2020 almost in every payment category from 1-6.

From the payment referring category 1-6 with amount of 48.655.650,00 den., the part that belongs to the authors with 85% amounts 41.357.303,00 den.

This amount is increased with the part from MRTV with amount of 11.423.546,00 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 38.107.627,00 den.; the returned funds in 2021 due to the closed judicial cases with amount of 1.734.657,00 den. and incomes from interest of time deposits for 2021 with amount of 653.230,00; incomes due to cable retransmission of Macedonian TV channels abroad with amount of 37.068,00 den. and the positive currency rate in 2021 with amount of 115.620,00 den. which forms the total amount for distribution for the repartition year 2021 with amount of 93.474.951,00 denars.

The amount of collected royalties for the repartition year 2021 are decreased in accordance with art.50 of the Statute of ZAMP that in 2021 are 4.374.649,00 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 repartition year 2021 with all grounds amounts 89.100.302,00 which in accordance to year 2020 with amount of 97.722.020, den. is decreased for 8.462.418,00 den. or 8,8227%.



In accordance with the concluded Agreement with SOKOJ for processing the digital services, in year 2021 ZAMP collected 902.646,00 denars that will be distributed to the authors in 2022.

In accordance with the signed bilateral Agreements with the foreign Collective Management Societies, ZAMP collected reimbursements with amount of 3.294.841,00 den. from: ARTISJUS-Hungary, APRA-Australia, BUMA-Netherlands, GEMA-Germany, SOKOJ-Serbia, JASRAC-Japan, SGAE-Spain, TEOSTO-Finland, SAZAS-Slovenia, PAM-Montenegro, HDS-ZAMP-Croatia, KODA-Denmark, MUSICAUTOR-Bulgaria, SOCAN-Canada, SUISA-Switzerland, PRS-UK, NCB-Denmark, ACUM-Israel, BMI-USA, SOZA-Slovakia, UBC-Brasil and ASCAP-USA.

To the following foreign societies: KODA-Denmark, MUSICAUTOR-Bulgaria, JASRAC-Japan, APRA-Australia, OCAN-Canada, UBC-Brasil, UCMR ADA-Romania, MESAM-Turkey, BMI-USA, SOKOJ-Serbia, SAZAS-Slovenia, STIM-Sweden, BUMA-Netherlands, IMRO-Ireland, SIAE-Italy, AKM-Austria, ARTISJUS-Hungary, SPA-Portugal, HDS-ZAMP-Croatia, PRS-UK, PAM-Montenegro and TEOSTO-Finland, ZAMP has made payment with amount of 22.952.739,00 den.

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.

During the year 2021, 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 2021, ZAMP submitted 459 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 228 court procedures, 207 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 21 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 163 court procedures, 160 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 Stip (primary Court Berovo, Vinica, Delcevo, Kocani, Radovis, Sveti Nikole, Strumica and Stip) ZAMP started 65 court procedures, 55 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 10 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 3 court procedures.

The starting of new court procedures was exerted until 31.12.2021.

In the period from 01.01.2021 to 31.01.2021, ZAMP was continuously signing Agreements with the users due to the regulation of copyrights derived from public communication of musical works and ended with 29 concluded agreements with users.

REPARTITION DEPARTMENT

From the start the year 2021 the department 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, the database was updated and optimized and together with the necessary changes in the scripts, the repartition department prepared the Annual repartition. In accordance with the Law on copyright and related rights of Macedonia, ZAMP exerted the Repartition for year 2020 that comprised 3026 domestic authors and realized the obligation that owes to the foreign Societies with which it has concluded bilateral Agreements.

In the running year, the Repartition Department also made the Repartitions for the domestic authors whose works were performed abroad and which had regulated the rights for their performances. The distribution of royalties to the domestic authors is planned for the beginning of 2022 in accordance with the reciprocal agreements with the foreign societies.

The Repartition Department during the year 2021 followed the new trends on the field of repartition. The software solutions that enable to send and receive reports from/to foreign societies with electronic format E4 and 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.

Concerning the COVID Pandemic situation, again the realization of the Business Technical Committee (BTC) 2021 was alternated into realization of online Webinar. The online Committee that was realized 28.10.2021 was containing different issues related to regulations and practices for the major concerts and live events, the provisions and practices for unidentified works, the experiences and news about the Binding Resolutions, the treatment of the music in the commercials, as well as the improvements of CISNet.

2021 was the year when ZAMP started negotiations with the Spanish Monitoring Company BMAT for tracking the Radio and TV Stations that broadcast on the territory of Macedonia. Concerning the technical aspect, the main issues were in line with obtaining conditions for the start of mutual cooperation:

- obtaining access to the signal to monitoring media
- processing, arranging and verifying of the audio base of copyright works from domestic authors.
- sending MP3 files packages containing musical works from the domestic authors via FTP server which are filling up the base of BMAT
- obtaining connection for demo testing
- after the finish of technical preparations, on 01.10.2021 started the demo period of BMAT software. The official cooperation will start on 01.01.2022. The process of submitting audio files to BMAT is continuing.

In order to increase the security of the computer network, 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 web page of ZAMP was enriched with new search module for registered 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.



DOCUMENTATION AND INTERNATIONAL AFFAIRS DEPARTMENT

In the 2021, the Documentation Department registered 74 new authors and rights holders that signed agreements with ZAMP. There were 2519 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 20 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.

In 2021 ZAMP concluded unilateral Agreement with the society AMRA-USA

European Committee of CISAC, Webinar (15.04.2021)

Due to the pandemic crisis, the European Committee of CISAC was held on 15.04.2021 with online conference.

The president of the European Committee of CISAC Mr. Gernot Granninger emphasized the negative influence of the pandemic over the societies. Yet he pointed out the resilience and the capability of the societies to resist and to support their members in such crisis. He noted that the pandemic is used as possibility by many societies to direct their activities and improve their efficiency. At the end, he expressed his hope that the actual situation will additionally enhance the cooperation between societies and CISAC.

The global activities of CISAC concerning the COVID crisis were presented by the General Manager of CISAC-Mr. Gadi Oron. He started with global and regional preview over the situation of the societies and the collection of reimbursements due to copyrights, as well as the negative influence of the pandemic over their work. He continued with the work of CISAC on the elaboration of new strategy for the near future. As part of this project, CISAC exerted survey (responded by 140 societies) and engaged external consultant that interviewed at least 50 executives. The main challenges that were identified in their answers were: the influence of the digitalization and digital services; new competition, buyouts, weakening of copyrights in many countries. Additional issues derived from the interviews were: the need of better technological support of the network; the importance of the trainings and support for the smaller societies in order to maintain strong global network; as well as the challenges in the negotiations with the digital giants. The General Manager also gave warm welcome to the readmission of SGAE in CISAC after the significant reforms in their work. The buyout agreements were mentioned as top priority of the policy of CISAC in order to continue obtaining legal help for the societies and raising the awareness of the societies members. Mr. Oron presented the educational campaign YOUR MUSIC YOUR FUTURE as innovative global study for private copying (in cooperation with BIEM and Stichting de Thuiskopie).

Mr. Sylvain Piat, Director for IT Technologies of CISAC gave retrospection of the new ISWC system; the corresponding key statistics; the improved functionality; improved accessibility for the societies, publishers and DSPs. He appointed that the whole functionality is supported through new Agency portal.

22-nd regional meeting-23 November 2021, Tivat, Montenegro

On invitation from our colleagues from PAM Montenegro, there was regional meeting with physical presence of the colleagues from the region.

The meeting was attended by: Nenad Marcec, Janica Novacic Bosnjak-HDAS ZAMP, Ales Kozina, Mirijam Noc-SAZAS, Dejan Manojlovic, Srecko Barbaric, Pavle Pavicic, Miroslav Brkic-SOKOJ, Vasilije Rajicevic, Boris Giljanovic-PAM, Nina Ivanovska, Antoneta Tokovska Kotevska, Borce Necovski-ZAMP.

Unfortunately, our colleagues from AMUS-Bosnia and Herzegovina were not present at the meeting.

The main subject on the meeting was the current conditions in the region-reports from the societies related to their negative impact on the work, especially the collection of reimbursements after the start of COVID 19, as well as the measures that each society takes in order to amortize the consequences and the news in the Laws on copyrights and related rights, challenges, problems and positive practices.

Annual seminar of CISAC-Budapest, Webinar 07.12.2021

The annual Budapest seminar organized by CISAC/BIEM, unfortunately online due to the COVID 19 pandemic, this year contained quite interesting and advanced Agenda related to the issue-Challenges and IT solutions for improving usage data reporting in public performance area for public performances of musical contents. There were few representatives from different societies presenting their monitoring systems and their performances. Through these experiences and presentations, the societies got possibility to gather information for the work of each system, the importance of the monitoring for improving the evidence for usage of musical contents not only in the society, but also on the international level as well, contributing to more accurate and fair distribution of royalties, which will result with more satisfied authors and simplified communication between society-user concerning the above mentioned reports.

ZAMP

General Manager

Antoneta Tokovska Kotevska

