

FREE OFFICIAL GAZETTE

FINANCIAL IMPLICATIONS OF OPENING THE OFFICIAL GAZETTE

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INTRODUCTION

In the public policy document "Is the rule of law possible with a commercial official gazette?"¹ prepared by the Center for Change Management, the need to provide free and equal access to the Official Gazette of the Republic of North Macedonia was highlighted, as it is a constitutional right that is limited by making access to the official gazette subject to a paid subscription. The possible abolition of the subscription for using the electronic edition of the "Official Gazette of the Republic of North Macedonia" will cause financial implications for the operations of the Public Enterprise "Official Gazette" (PEOG) and in this analysis we address precisely these implications.

The analysis in this document has been prepared in accordance with the data submitted by the PE Official Gazette following a previously submitted request for free access to public information. Specifically, the analysis covers the balances of income and expenses of the PE Official Gazette for the period 2022 - 2025 in order to determine the trend of financing the public enterprise and to determine the possible solutions for the abolition of the subscription for using the electronic edition of the "Official Gazette" and the potential impact on the finances of the enterprise.

FINANCIAL SITUATION 2022 – 2025

According to the data received, the realized revenues and expenditures of the PE Official Gazette for the period 2022-2025 are expressed in the following amounts:

- In 2025, PEOG had a total revenue of 105,603,472 denars and expenditure of 96,491,537 denars.
- For 2024, PEOG had a total revenue of 105,963,027 denars and expenditure of 90,906,914 denars.
- In 2023, PEOG had a total revenue of 103,577,870 denars and expenditure of 84,352,687 denars.

¹ <https://cup.org.mk/publication/public-policy-document-is-the-rule-of-law-possible-with-a-commercial-official-gazette> - Change Management Center

- In 2022, PEOG had a total revenue of 96,281,245 denars and expenditure of 78,936,661 denars.

The data shows that the PE Official Gazette from 2022 to 2025 has a total growth in revenues of 10% (graph no. 1) compared to the total growth in expenditures, which increased by 22% over the same period (graph no. 2).

Chart 1. REVENUES OF PE OFFICIAL GAZETTE 2022-2025

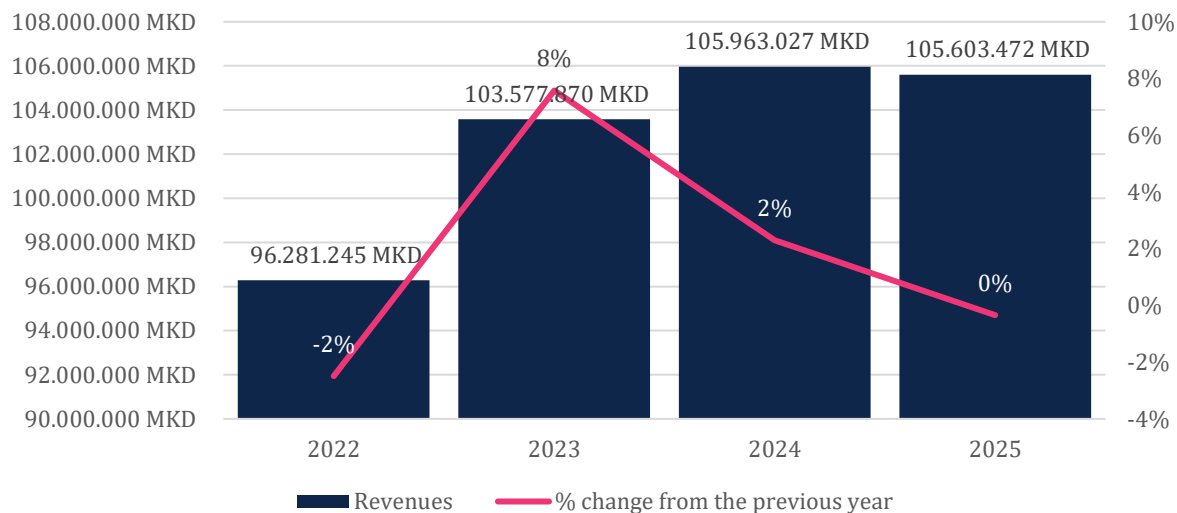
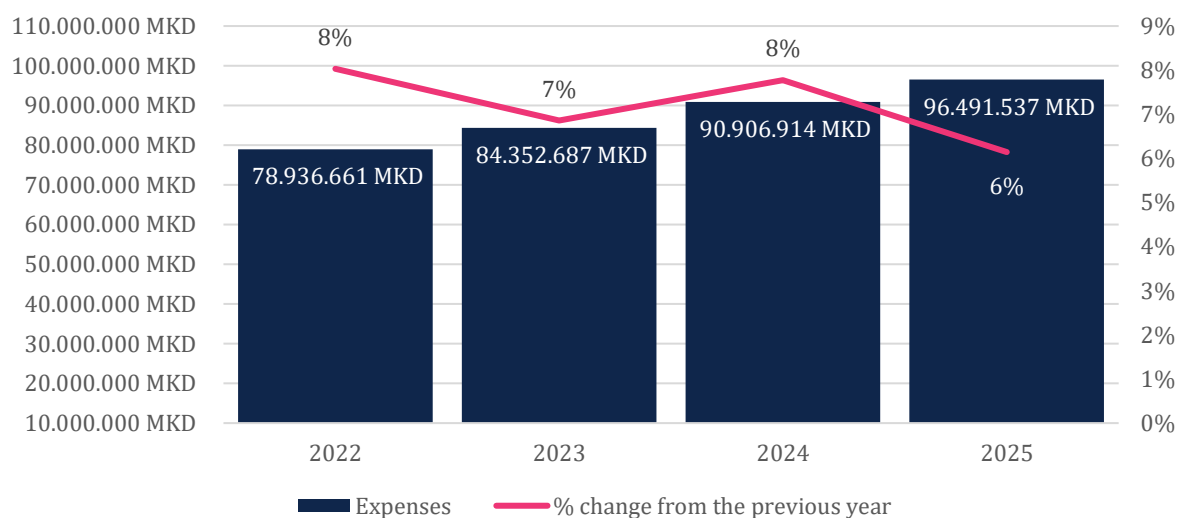


Chart 2. EXPENDITURES OF PE OFFICIAL GAZETTE 2022-2025



From 2022 to 2025, the company achieved a total profit (remaining assets) of 60,737,815 denars, or an average of 15,184,454 denars annually. It can be noted that in 2025 the company had a lower profit than the average, namely 9,111,935 denars.

When comparing the trend of revenues and expenses for the period 2022 – 2025, it can be seen that revenues have an average growth of 2%, however for the same period expenses have an average growth of 7%. Expenses also have a total growth of 22% from 2022 to 2025 in contrast to the smaller total increase in revenues of 10% for the same period. Such a disproportionate increase in expenses compared to revenues will lead to a loss in the future operations of the company. The trend of future revenues and expenses of PEOG will be projected until 2030 in the following text.

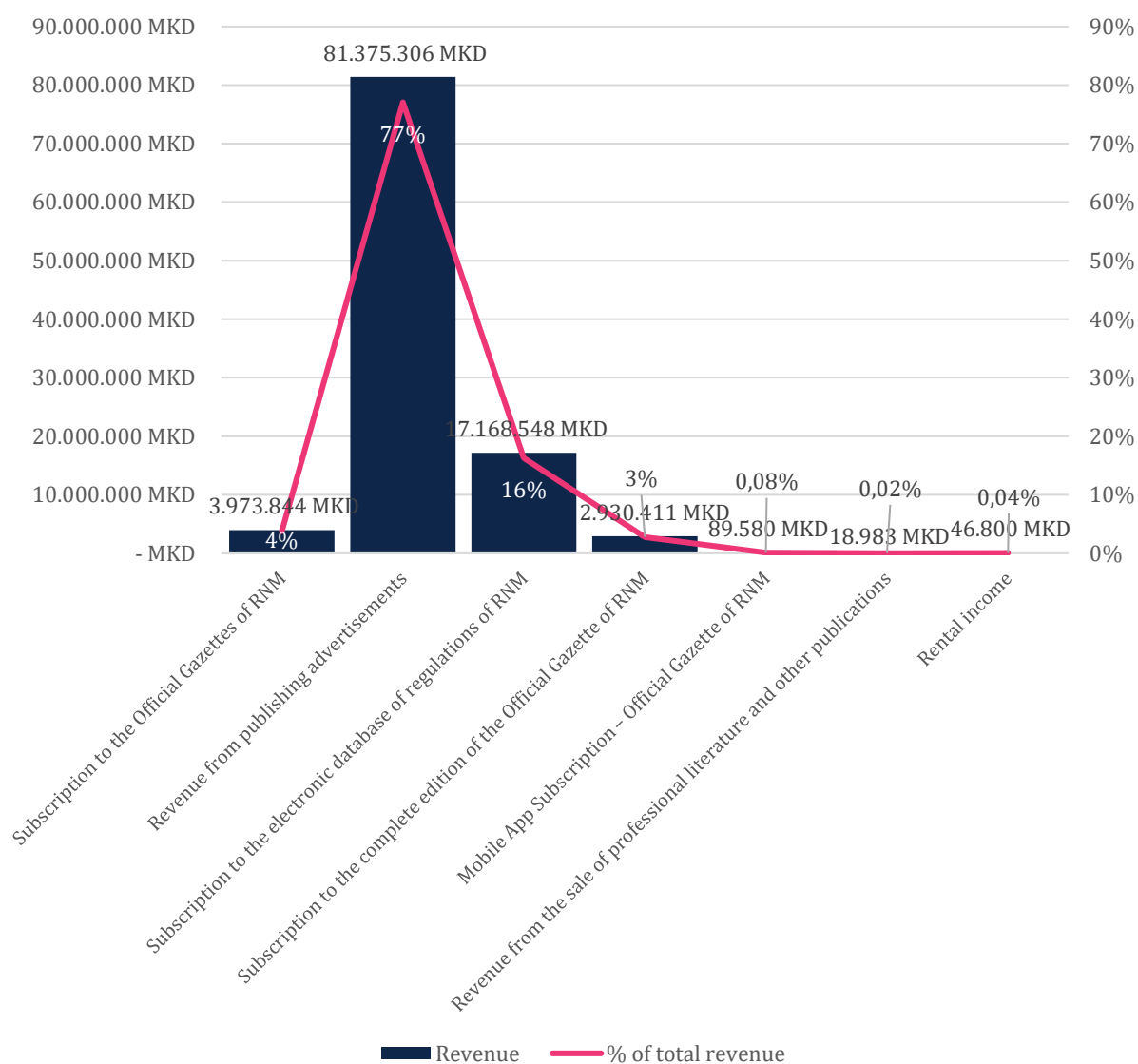
DETAILED OVERVIEW OF THE 2025 BUDGET

The budget, i.e. the total revenue of the PE Official Gazette for 2025, amounts to 105,603,472 denars. Revenues are generated through 10 items, which are:

- Subscription to the RNM regulations register.
- Revenue from advertising.
- Subscription to the electronic database of RNM regulations.
- Subscription to the integral edition of the Official Gazette of the Republic of Macedonia.
- Subscription to the mobile application - Official Gazette of the Republic of Macedonia.
- Revenue from sales of professional literature and other publications.
- Proceeds from the sale of property.
- Other operating income.
- Income from training.
- Rental income.

Of those 10 services, only 7 PEs generated revenue in 2025.

Chart 3. DETAILED OVERVIEW OF REVENUES FOR 2025



The main income that the PE Official Gazette generates is from publishing advertisements, which amounts to 77% of total income, i.e. 81,375,306 denars.

The second highest source of funding is a subscription to the electronic database of regulations of the RSM, which amounts to 16% or 17,168,548 denars of the total income of the company.

The third highest income is from subscriptions to the Official Gazettes of the Republic of Macedonia, which amounts to 4% of total income or 3,973,844 denars. This budget item refers to the printed edition of the Official Gazette.

Furthermore, 3% or 2,930,411 denars of the revenues arise from subscription to the integral edition of the Official Gazette of the Republic of Macedonia. This budget item refers to the electronic edition of the Official Gazette.

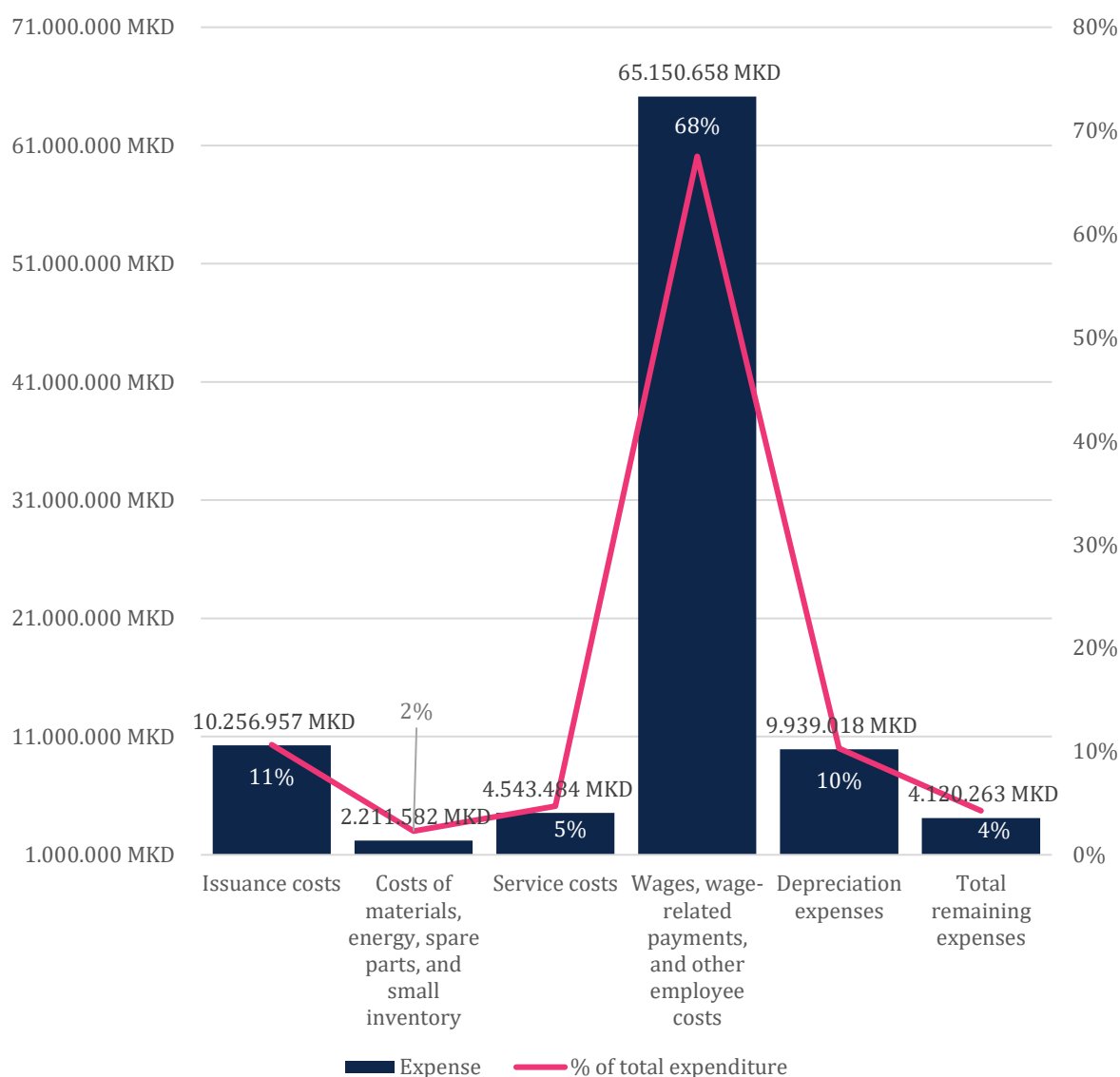
The remaining revenues, which amount to 0.15% or 155,363 denars, relate to subscriptions to the mobile application - Official Gazette of the Republic of Macedonia, sales of professional literature and other publications, and rent.

The revenues that are significant for this analysis are those related to the payment of the subscription to the Official Gazette, which are composed of the budget items "Subscription to official gazettes in the RSM (printed edition)", "Subscription to the integral edition of the Official Gazette (electronic edition)" and "Subscription to the mobile application of the Official Gazette of the RSM", they total 6,993,835 denars or 7% of the total budget of the PEOG.

The expenditures of the PE Official Gazette amount to 96,491,537 denars in 2025. They are divided into 6 main categories which are then divided into subcategories, the main categories are:

- Publishing costs.
- Costs for materials, energy, spare parts and small inventory.
- Service costs.
- Salaries, compensation of salaries and other employee expenses.
- Depreciation expenses.
- Total other expenses.

Chart 4. DETAILED OVERVIEW OF EXPENDITURES FOR 2025



As can be seen in Chart 4, the largest expense of PEOG is salaries, compensation of salaries and other employee costs, they amount to 68% or 65,150,658 denars of total expenses. Furthermore, publishing costs, but more specifically the costs of printing official gazettes amount to 11% or 10,255,496 denars and depreciation costs amount to 10% or 9,939,018 denars. The remaining 11%, which amount to 10,875,329 denars, are expenses from the categories of costs for materials, energy, spare parts and small inventory, costs for services and total other expenses.

A more detailed review of the main expenses of the company, salaries, salary allowances and other employee expenses, shows that of the total expense of 65,150,658 denars, the largest part, i.e. 87% or 56,680,446 denars, is for salaries and salary allowances. The remaining expenses, which amount to 13%, are composed of the item of expenses for annual leave, which is 3% or 2,036,578 denars, jubilee award which is 4% or 2,615,369 denars and New Year's compensation which is 4% of the item or 3,624,311 denars.

Given that the total expenditure of the PE Official Gazette amounts to 96,491,537 denars in 2025, while the revenues amount to 105,603,472 denars, it can be concluded that earnings of 9,111,935 denars were generated.

FINANCIAL IMPLICATIONS OF POTENTIAL ABOLISHMENT OF THE SUBSCRIPTION TO THE OFFICIAL GAZETTE

The revenues generated by the PE Official Gazette in 2025 amounted to 105,603,472 denars. Of these, 7% or 6,993,835 denars arise from charging for access to the Official Gazette.

In 2024, 9,541,048 denars or 9% of the total revenue was generated from subscriptions to the official gazette.

In 2023, the revenue from subscriptions to the official gazette was 9,961,284 denars or 10% of the total revenue for the same year.

In 2022, similar to the other years listed, the income generated from subscriptions to the Official Gazette amounted to 11,193,686 denars or 12% of the total income for the year.

It is necessary to emphasize that the costs arising from the printing of the Official Gazette are significantly higher than the revenues generated from the sale of the Official Gazette. Specifically, in 2025, 11% or 10,255,496 denars of the expenses of the PEOG arise from the printing of official gazettes, but the income generated from the sale of the printed edition of the Official Gazette is only 4% or 3,973,844 denars of the total income generated. With the regular printing of the Official Gazette, PEOG creates a loss of funds of 6,281,652 denars.

When comparing the costs arising from the two types of editions of the Official Gazette, the electronic edition creates a cost of 2,190,000 denars or 2% of the total expenditure of the PEOG. As opposed to the cost arising from the regular printed edition of the Official Gazette which creates a cost of 10,255,496 denars or 11% of the total annual expenditure. It can be seen that the electronic edition of the Official Gazette is financially much more favorable.

It can be clearly seen that the services offered by the PEOG are being used less and less. Specifically, the number of users has decreased by 38% from 2022 to 2025. The share of the Official Gazette subscription in the total revenue of the PEOG has decreased by 5%, more precisely from 12% in 2022 to 7% in 2025. That is, the revenue arising from the payment for the Official Gazette has decreased by 38% or 4,199,851 denars in just four years.

If we look at the average loss according to the estimate²In Chart No. 5, based on the company's revenue data for the years 2022 – 2025, a forecast of the change in the company's revenue for the period 2026 – 2030 is shown.

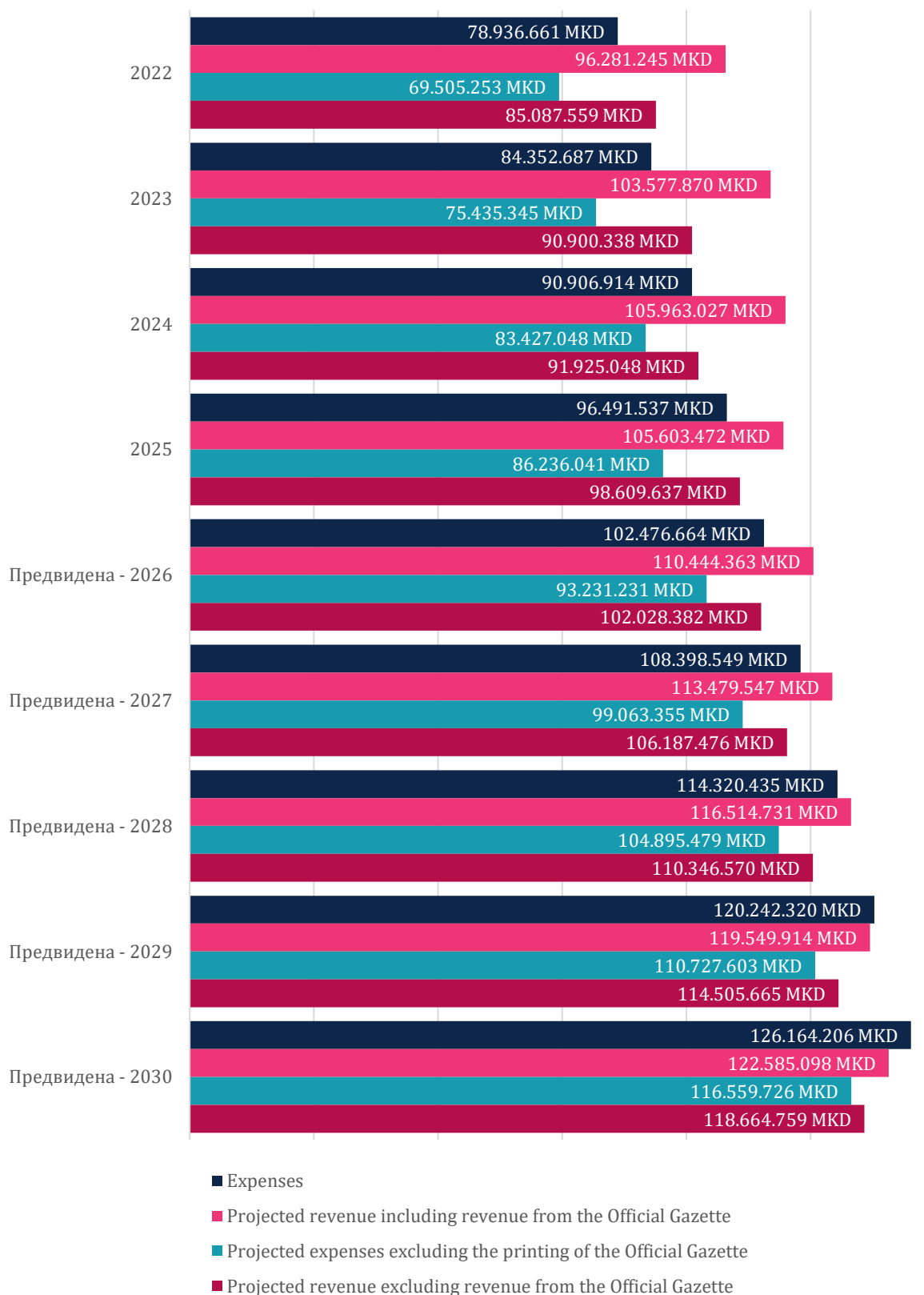
The PEOG for the period 2022 - 2025 would have a difference of 12% on average lower revenue if there were a subscription to the official gazette, but in 2025 the difference would be only 7%, which is significantly lower than the difference in previous years, which was 14% on average.

²The formula used for the FORECAST and FORECAST.LINEAR estimates is $a + bx$, where: $a = \bar{y} - b\bar{x}$

$b = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sum (x - \bar{x})^2}$ and where x and y are sample means AVERAGE (known x - years) and AVERAGE (known y - income or expenses).

For the period 2026 - 2030, in the event of non-payment of the official gazette, there will be an average decrease in revenues of 6% or 6,168,160 denars, but by 2030 the difference between payment and non-payment is predicted to decrease to only 3,920,339 denars or 3%.

Chart 5. PROJECTED REVENUES VS. EXPENDITURES



A concrete example can be taken as the company's budget for 2025. This will allow us to see in comparison what it would look like if services related to the Official Gazette were not charged.

In 2025, PEOG had total revenue of 105,603,472 denars and total expenditure of 96,491,537 denars.

The expenses for printing the Official Gazette amount to 10,255,496 denars. If this expense is deducted when abolishing the printed edition of the Official Gazette, **the expenses for 2025 of the PEOG are reduced to 86,236,041 denars.**

Revenues from subscriptions to the Official Gazette total 6,993,835 denars. If we deduct this revenue, **the remaining total revenue is 98,609,637 denars.**

In 2025, the total expenditures of the PEOG would amount to 86,236,041 denars, which if subtracted from the revenue generated without charging the Official Gazette, **would leave a revenue of 19,367,431 denars.**

With this type of reorganization of the services offered by PEOG, the company would generate revenue 113% higher than that generated in 2025 while simultaneously abolishing the subscription for the Official Gazette.

This indicates that if the regular printed edition and the subscription to the electronic Official Gazette were to be abolished, PEOG would not be at a loss, but would have a significant increase in the generated income. By abolishing the regular printed edition of the Official Gazette, PEOG could fully cover the potential losses that would result from the abolition of the subscription to the electronic Official Gazette and would increase its income by an estimated 113%.

However, the PEOG may offer the printed edition of the Official Gazette on a one-off basis as opposed to regular printing of paper copies, where the price of the service will be higher in order to cover the costs involved in printing the paper edition. This will protect the environment by reducing unnecessary printing, while at the same time the financial burden for the PEOG would be significantly reduced.

CONCLUSIONS AND RECOMMENDATIONS

The financial analysis of the PE Official Gazette for the period 2022 – 2025 shows that revenues from charging for the Official Gazette are in constant decline, i.e. decreased by 38% in just four years. This indicates that charging for this service is less and less justified not only from the perspective of protecting citizens' rights, but also financially. At the same time, the analysis concludes that the cost resulting from producing a printed edition of the Official Gazette creates a large cost that cannot be covered by selling the printed edition.

Additionally, the analysis shows that according to the trend of income and expenditure³ PEOG will face a loss until 2029 regardless of the official gazette fee. Without including the official gazette revenue, the company would have a higher level of expenses compared to income, i.e. it would be in loss since 2026, that is only a difference of 2 years. However, in the same table it can be seen that if the printing of the Official Gazette were abolished, PEOG would realize significantly higher profits even after abolishing the subscription for the electronic edition of the Official Gazette. According to the projection, the institution would remain profitable after 2030.

If access to the Official Gazette is free, the financial effect on the company in 2025 would see a decrease in revenue by 6,993,835 denars or only 4,525,650.00 denars if only institutions paid a subscription, the company would still achieve positive net earnings. In the case of abolishing the printed edition of the Official Gazette and offering the printed edition of the Official Gazette on a single order, revenue would increase by 10,255,496 denars. In the medium-term perspective, a greater risk is the trend of growth in expenses (average 7% per year), which is significantly faster than the growth in revenue (average 2% per year), regardless of the issue of collecting the official gazette.

SOLUTION I

The most favorable solution to compensate for the potential loss after the introduction of a free electronic edition of the Official Gazette will be achieved by abolishing the regular printed edition of the Official Gazette and offering the printed edition on a single order. This solution not only covers the loss from the abolition of the subscription for the electronic edition of the Official Gazette, the solution additionally generates profit for PEOG.

Benefits:

- ✓ Providing free access to the electronic edition of the Official Gazette for all citizens, which is their constitutional right.
- ✓ PEOG will potentially make a profit of 19,367,431 denars.
- ✓ Access to the printed edition of the Official Gazette upon single order

SOLUTION II

The second solution concerns the state compensating the difference from the loss that PEOG could potentially face. According to the responses received from the request for free access to public information, in 2025 there were a total of 743 subscribed users, of which 431 or 58% are public institutions at the central and local level. This means that of the total income for subscription to the Official Gazette in 2025, 58% or 4,056,424 denars were paid by a state institution. This would

³Chart no. 5, Pg. 7

mean, taking into account only the charging of services for institutions, that in 2025 the company would have generated a total income of 6,174,524 denars. If this solution is taken into account, projected until 2030, PEOG would not face a loss and would remain profitable with an average decrease in income of 21% for the period 2026 – 2030.

The recommended solution is to abolish the regular printed edition of the Official Gazette and replace it with a printed edition on a single order, which would mean a reduction in the expenses of the PEOG by 11%. These saved funds could fully cover the revenues that could potentially be lost with free access to the electronic edition of the Official Gazette. Such an approach would ensure progress in the protection of the ecological environment, the long-term financial sustainability of the enterprise and free access to legal acts for all citizens of the Republic of North Macedonia.

DISCLAIMER

This text was prepared within the framework of the project "Fostering Good Governance and Public Administration Reform – Phase Three", which is implemented by the Center for Change Management (CCM) and is supported by the National Endowment for Democracy (NED). The content of this text is the sole responsibility of CCM and can in no way be considered to reflect the views of NED. Read more about the project at the following link: <https://cup.org.mk/proekti/fostering-good-governance-and-public-administration-reform-third-phase>



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