

# **MEDIA SUSTAINABILITY INDEX**

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**2008**

**The Development  
of Sustainable  
Independent Media  
in Europe and Eurasia**



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## MEDIA SUSTAINABILITY INDEX 2008

The Development of Sustainable Independent Media in Europe and Eurasia

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IREX

2121 K Street, NW, Suite 700

Washington, DC 20037

E-mail: [msi@irex.org](mailto:msi@irex.org)

Phone: (202) 628-8188

Fax: (202) 628-8189

[www.irex.org](http://www.irex.org)

**Project manager:** Leon Morse

**IREX Project and Editorial Support:** Blake Saville, Drusilla Menaker, Mark Whitehouse

**Copyeditors:** Carolyn Feola de Rugamas, Carolyn.Ink; Kelly Kramer, WORDtoWORD Editorial Services

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**SOUTHEAST  
EUROPE**

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*The numerous fiscal pressures that the government exerted on the media in 2006 produced negative results in 2007. Media who until recently viewed the government of Prime Minister Berisha quite unfavorably were forced to reverse their editorial policies.*



ALBANIA

The attempts of political powers to dominate the media have not faded; in fact, they have become more sophisticated. In addition, the influence of different economic lobbies, linked to oligarchs in the political circles, has become increasingly visible. In an environment rich in political pressure and poor in institutions that might promote separation of powers, freedom of the media in Albania remains under threat.

The numerous fiscal pressures that the government exerted on the media in 2006 produced negative results in 2007. Media who until recently viewed the government of Prime Minister Berisha quite unfavorably were forced to reverse their editorial policies. This development and others, such as government institutions refusing access to information and the slow approval by Parliament of a series of freedom of expression and digital broadcast licensing laws, have notably influenced the media situation in Albania.

Continuing political rivalry exacerbated the deteriorating media situation in Albania in 2007. Local government elections, which once again were regarded as not meeting international standards, resulted in the ruling Democratic Party losing Tirana and all the main cities in the country but preserving a slight advantage in rural areas. President Alfred Moisiu's term drew to a close and Parliament took up the task of electing his successor. The opposition wanted this post, the highest of the state, to be held by a consensual candidate in light of Berisha's control of all other state institutions. However, by cooperating with his former political enemy, Fatos Nano, Berisha was able to engineer the election of Bamir Topi from his party as president.

A few months after obtaining the presidency, Topi dismissed the chief prosecuting attorney, which his predecessor had opposed. This action has intensified the fear that the prosecuting authority will be misused by the government against members of the opposition and other critics in media and civil society.

Transparency International again ranked Albania as one of the most corrupt in the world. The hopes of many that Berisha would fight corruption have turned into disappointment. Small-scale corruption has become massive. Projects of the previous Socialist government, which were denounced as corrupt by the then-opposition, were continued by the opposition once in power. Corruption and incompetence precipitated an energy crisis that causes blackouts ranging from four hours a day in Tirana to 17 hours in remote areas. New cases of government corruption are denounced in the media on a continual basis.

This year's MSI study returned a score of 2.21, slightly lower than last year's 2.41. Four out of the five objectives suffered drops; only Objective 3 did not change. All objectives fell relatively close to the overall average, except for Objective 4, Business Management, that came in at 1.71. Albania's overall average was last among Southeast Europe countries.

# ALBANIA AT A GLANCE

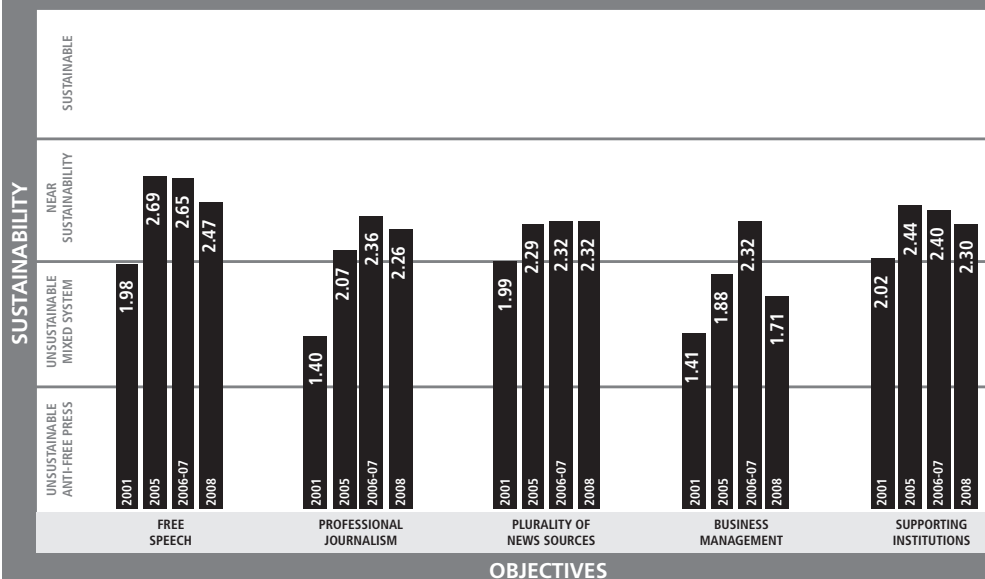
## GENERAL

- > **Population:** 3,600,523 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Tirana
- > **Ethnic groups (% of population):** Albanian 95%, Greek 3%, other 2% (Vlach, Roma, Serb, Macedonian, Bulgarian) (1989 est., *CIA World Factbook*)
- > **Religions (% of population):** Muslim 70%, Albanian Orthodox 20%, Roman Catholic 10% (*CIA World Factbook*)
- > **Languages (% of population):** Albanian (official - derived from Tosk dialect), Greek, Vlach, Romani, Slavic dialects (*CIA World Factbook*)
- > **GNI (2006-Atlas):** \$9.273 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$5,840 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 98.7% (male 99.2%, female 98.3%) (2001 census, *CIA World Factbook*)
- > **President or top authority:** President of the Republic Bamir Topi (since July 24, 2007)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 200 total; Radio: 46 local and 4 national; Television stations: 68 local and 3 national (Source: Albanian Media Institute)
- > **Newspaper circulation statistics:** Total yearly circulation is about 30 million; individual circulation statistics for newspapers not available
- > **Broadcast ratings:** N/A
- > **News agencies:** Albanian News Agency (state-owned), ALNA (private).
- > **Annual advertising revenue in media sector:** 15 million
- > **Internet usage:** 471,200 (2006 est., *CIA World Factbook*)

## MEDIA SUSTAINABILITY INDEX: ALBANIA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Albania Objective Score: 2.47

This objective's average score showed a slight decrease compared to last year. Indicator scores varied quite a bit, with only four of the nine being scored near the average. Indicators 4, 8, and 9, crimes against journalists, media access to international news sources, and free entry into the journalism profession, all scored more than a half point higher than the average. However, panelists gave scores more than a half point lower than the average to Indicators 2 and 5, broadcast licensing and preferential legal treatment for state media.

Many speakers on the panel stated that there is a lack of political will to implement existing laws and also to improve legislation that supports freedom of expression and access to information. One of the panelists, lawyer Genti Ibrahim, said that his expectations one year ago on the improvement of media legislation have faded as long as the ruling majority has not yet approved a series of bills. This leads him to think that the hindrance is not just a technical one, but political will is absent altogether. "It is no coincidence that, similar to previous governments, the bills 'On Press,' regulating digital broadcasting and amending the Penal and Civil Codes regarding defamation continue to rot for some years now in the drawers of the Parliament," he said.

Meanwhile, panelists said that even with regard to the implementation of existing laws, there is a series of problems that hinder freedom of expression and access to information. According to marketing analyst Thanos Goga, sources of access to information for journalists not only have not increased this year, but they are at lower levels than before. Other panelists felt freedom of speech in Albania continues to be harmed in two ways: by obstructing it and by misusing it. "Public offices continue to be inaccessible," said panelist Ilir Yzeiri, journalist and professor of journalism in the University of Elbasan. Sharing his own experience as a journalist for the investigative anti-corruption program called "Hapur," financed by USAID, Yzeiri expressed his concern regarding the fact that journalists with cameras often find it extremely difficult or even impossible to enter the ministries.

Meanwhile, other participants in the panel stated that unlike the promises made for a more transparent and open governing vis-à-vis the media and the public, it is clear that government offices are increasingly shut to the journalists. A bitter feeling spread among the general public when the Council of Ministers refused to grant the general prosecutor's demand to possess, for investigation purposes of a corruption charge against one of its ministers, the minutes of a government

meeting. If the government refuses to hand over documents to the institution of the prosecutor, journalist's cannot expect much to come of their requests, asked the panelists.

Abuse of freedom of speech also appeared in the shape of indifference toward media. There were many cases when media denounced corruption but public institutions, whose job is to react, remained silent. This relates to the weakness that has long characterized Albanian society and its democracy, still in its infancy. This is particularly true in relation to the lack of independence of government institutions such as the judiciary. This renders freedom of speech a mere vanity, panelists said.

Licensing of the media continues to be shaped by a pronounced political clientelism, another symptom of politics and its power to control and use media. Gent Ibrahim is also member of the National Council of Radio and Television (KKRT), an institution whose task is to license media and oversee the implementation of broadcast-related laws. According to Ibrahim, the election of KKRT members continues to be a significantly political process. "When there is harmony between the decisions of KKRT and the government interests, the police or the tax police also obey these decisions; when this harmony is not existent, KKRT decisions are not implemented," he said.

Musa Ulqini, member of the opposition and member of the parliamentary media commission, referred to a KKRT decision to license a local station, TV Ora. "The licensing of TV Ora was a scandalous example of political pressure for establishing a

## LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.



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television station in [the government's] own favor, at a time when a license was denied to more [compelling applicants]," he said.

"Having a media business, you do not encounter any discrimination or disadvantage as compared to other businesses," said Bashkim Hoxha, long the owner of Teuta TV, one of the most successful local stations. However, Hoxha further clarified that a considerable number of media do not pay taxes as the law requires. Hoxha recalled a notorious conflict that emerged in 2006-2007 between the government and the media company DigitAlb. At the time the government accused DigitAlb, whose media were rather critical of the government, of tax evasion amounting to approximately €13 million. Public opinion was that this was an overblown figure. Political opposition, segments of civil society, and some media accused the government of attempting to exert fiscal pressure to silence a critical media outlet. Doubts increased in view of the fact that the charge on evasion was aimed only against DigitAlb, while other media close to the government, did not experience such interference despite the real possibility that they also did not fully pay their taxes. The issue has remained unresolved.

To Gent Ibrahim, the selective interventions by the government have been rather obvious and this affected his score. Other panelists shared this view, saying that it was not sufficient for media as a business not to be discriminated against compared to other businesses, which are much more profitable than media business. Incentives, such as tax breaks, are needed to help ensure media can play their necessary role in a tough economic environment.

There have been no cases of journalists murdered in Albania. However, different forms of pressures against them have been present. In the early years of post-communist transition the then-democratic government tried to "discipline" free speech by exerting, at times, severe violence on journalists. Several journalists were imprisoned, while the newsroom of an independent newspaper was torched. This violence on journalists and the media had very heavy political consequences on the ruling majority at the time and on President Sali Berisha, who inspired this hard line. It seems this was a lesson he learnt. Currently, back to power as prime minister, Berisha has tried to build up a facade that lends the impression of correct relations between government and journalists. However, beyond the facade, relations are not that rosy.

Many levels of society do not favorably view journalists and media outlets that are critical of the government. There have also been cases when relatives of journalists that oppose the government have been fired only for this reason. In a poor country like Albania, unemployment of relatives is a powerful pressure tool to convince journalists to change their attitude.

In society at-large, many people still think that a journalist that criticizes is not a symbol of free speech, but rather an enemy of the party, enemy of the government, and enemy of the people as was the case under communism.

Again this year, panelists stressed that Albanian Public Television (TVSH) continues to favor the government, although politicians' need to control the content is not the same due to the emergence of numerous private stations. Even though TVSH no longer has the monopoly of television industry like it used to, it still remains a government stronghold that no politician is willing to give up. Once again, with the change of power in 2005, a change of all management of TVSH followed. "Since the management of the public media continues to be appointed by politicians, this public media has no way of being independent, hence it cannot be public," said Genc Ymeraj, journalist and ex-director of TVSH, currently working at "News 24" commercial television. However, to Lutfi Dervishi, director of news in the public television, political pressure derives more from the small parties. "I receive most of the calls from small actors in politics, who try to occupy a few more seconds in the news editions," he said.

To lawyer Genti Ibrahim, it is an unjustifiable privilege for TVSH to hold two national frequencies (one of which it has not used for years) while some rather developed commercial stations like "Vizion+" still only have a local license. Musa Ulqini interpreted this situation in a different manner. According to him, by leaving two national licenses to TVSH, the law does not intend to favor public television, but the public itself, so that the public broadcaster can establish a digital platform, where children of poor families, who cannot afford to subscribe to private platforms, can also watch movies.

Until recently public television enjoyed the most extensive coverage in the country, but currently it is experiencing problems. "To me the public television does not have any public, as in my city it is not received at all said," Shkëlqim Bylykbashi, owner of a television station in the south of the country.

The issue of libel and defamation remains unsolved. A statement by Prime Minister Berisha that his administration would not sue any journalists for libel is not a satisfactory solution, according to the panelists. This is not only because such a promise is temporary, but also it does not foster the harmonization of the work of journalists with the demands of the professional ethics. Presently in Albania there is a situation diametrically opposed to few years ago, when many journalists were taken to court for political reasons, disguised under the charge of libel and defamation. Nowadays the opposite is true. No reporter is taken to court, even though he or she truly insults or defames a politician. To many panelists, this kind of "freedom," which does not respect

human dignity and does not stem from the law, is not a freedom. Actions can become right only when justice is made through the law.

However, this is where the challenges begin. Albanian law on defamation and libel is not up to international standards. For several years attempts to amend the Civil Code and decriminalize libel and defamation by removing it from the Penal Code have been underway. However, these amendments have not been passed by the Parliament yet. Panelists attribute this to a lack of political will and it still affects their scores negatively. Even though no journalist has been taken to court, this is not a consequence of improvement of the skills of journalists, but rather the mercy of the government.

In general, all panelists felt that laws on access to information are satisfactory. However, panelists pointed to two problems in practice. For one, journalists often suffice themselves only with a press conference and rarely exploit their legal right to access more in-depth public information. "The lack of attendance of journalists [at] the energy tender by the Electric Corporation was not positive at all, especially when thinking that it is exactly these reporters that make accusations of abuses with energy tenders," said Bashkim Hoxha. The other problem is related to an increasing tendency of the public administration to remain shut to the media. "While I was working for the investigative program Hapur, we experienced difficulties in gathering information at many of the ministries and with many employees who begged us not to request any information, as they feared loss of their jobs," said Ilir Yzeiri.

The government does not restrict the use of international media sources in any way. However, access is limited by a couple of factors. For one, media outside of Tirana may have limited Internet access or other technical limitations that prevent them from getting news from these sources. The other factor is cost. In particular, media outside Tirana cannot afford to pay for the use of such sources. Similarly, the government does not restrict the ability of journalists to enter and practice the profession.

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Albania Objective Score: 2.26

Professional journalism remained more or less the same, with just a slight drop according to the panelists' scores. Most of the indicators scored within a half-point of the average. However, Indicator 3, self-censorship, scored about three-quarters of a point less than the average, while Indicator 6, balance of news and entertainment, scored almost three-quarters of a point more.

Panelists concluded that the emergence of an increasingly high number of quality journalists has not had the desired impact on the quality of news reports. According to the panelists, the weak link in the media is no longer the journalist, but the editor, who should demand compliance with the basic principles of journalism on a daily basis. It is not because of a lack of knowledge that it is very rare to find an article based at least on two sources, said Andi Tela, editor-in-chief of daily *Panorama*. "Many journalists write their news from their desk and only a few of them go on field to be in touch with the news," said Bashkim Hoxha. For other panelists, the problem stems from the overload journalists face, sometimes amounting to two or three articles per day. "Such an intensity of work forces journalists to be more superficial," said Iris Luarasi, professor in the journalism branch of the University of Tirana.

The more conflict in politics, the stronger the tendencies are to misuse newspapers and television stations as weapons against rival parties. Bitter political struggles also awaken internal struggles of media and journalists from rival political camps. The result is reporting by some outlets that is completely devoid of balance and does not reflect ethical standards.

A Code of Ethics has existed for some time in Albania. Only a few journalists with a high level of professional integrity follow this code. Many others ignore the code, and publish stories that defame outright officials or even fellow journalists with whom they disagree. Recently, the Council of Ethics was also established, but to date there is not one case when the Council of Ethics has addressed a problem regarding the violation of ethical standards by journalists. The panelists' opinion was that this problem is still unsolved.

## JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

The overwhelming majority of panelists admitted that media and journalists are subjected to self-censorship for different reasons. While years ago the cause of self-censorship was mainly politics, economy has increasingly become a factor nowadays. "It is more the business interests and the interests of media owners that impose self-censorship," said Aleksandër Çipa, journalist and president of the Union of Albanian Journalists. For example, the overwhelming majority of newspapers and broadcasters did not report on the protests over, or themselves come out against, high mobile telephone fees because the mobile telephone companies are among the most powerful buyers of advertising in the country.

However, panelists said the pressure of politics remains a source of self-censorship. Many media tried to avoid reporting on the scandal related to the construction of the Rrëshen-Kalimash road. The main cause for this was not the pressure from Bechtel, the investment firm. Rather, this was part of a severe political debate, which put the government in the center of corruption charges.

Self-censorship is related directly to whether Albanian journalists will or will not cover key issues. To the panelists it was evident that media and journalists address many issues important to the public. However, it was emphasized that it often happens that self-censorship hinders the fulfillment of this mission. Using the terms ironically, one of the speakers said, "It is precisely due to self-censorship that in some cases media and journalists cover up, instead of *discovering* the key problems." This is not only done by some stations in the favor of government, but also to the benefit of the political opposition. Recently, "News 24," a local station in Tirana, did not report at all on protests by tens of thousands of people held in Tirana because it was not in line with the interests of the Socialist Party, the biggest opposition party.

Albania is the poorest country in the Balkans and Europe and the salaries of journalists in general remain low, although they are not among the lowest compared to the rest of the population. "The salaries of journalists are above the average level of salaries in the society," said Bashkim Hoxha. Many others shared the same thought, including Musa Ulqini, who said that "compared to police, health personnel, or teachers, the salaries in the community of journalists are more satisfactory." Panelists assessed as positive a policy that forces private businesses (including media), to determine a minimum salary for employees. As a consequence, one cannot find a reporter in Tirana whose salary is lower than €300 per month.

However, the speakers noted one cause for concern: salaries remain significantly lower in smaller cities. One of the

panelists humorously formulated the "law" of the salary level, saying, "The salary of Albanian journalists diminishes in proportion to the distance from the capital." Aleksandër Cipa, president of the Union of Albanian Journalists, said, "The level of salaries of local journalists is so scandalous that it cannot even reach the average level of salary as defined by government standards. It is 60 percent of the community of journalists in the country that receives these kind of salaries." Panelists also decried journalists receiving their salaries with several months' delay.

Although panelists admitted that better salaries would deter corruption and promote adherence to ethics, panelists could not help but note that salary is not everything. "Even some journalists or editors-in-chief, who receive very high salaries, are not immune to different kinds of corruption," said Genci Ymeraj. Meanwhile, for Andi Tela, "you could pay a reporter even €10,000 per month and he or she will regardless sell himself or herself and accept to write commissioned articles, if this runs in his or her blood." However, it was admitted in general that the lower the salary, the greater the willingness to use the profession for corruption purposes.

The strong tendency of journalists to leave the profession as soon as they have a chance is also related to the relatively low salaries. There are a significant number of journalists who turn into spokespersons, or even members of parliament, as soon as there is a rotation of political power.

Another problem related to salary is that about 90 percent of Albanian journalists work without contracts, therefore owners easily pressure them to engage in self-censorship. Being in a situation where there is not yet a strong union for the protection of their rights, Albanian journalists have had only two options: to conform with the owners demands and abandon their professional integrity or to lose their job.

All panelists shared the opinion that entertainment programs do not eclipse news programs. In general the program framework of television stations is well-structured, preserving the right ratio of news, information, and entertainment. There are also stations that are devoted entirely to news, such as News 24, Nesër TV, Top News, and Ora TV. Other stations regularly use a news ticker at the bottom of the screen.

With regard to technical equipment and production values, there is a visible difference between Tirana-based stations and local stations. In Tirana today it is possible to find the most advanced techniques of digital broadcasting, mainly thanks to the investment by Top Channel and DigitAlb. These two companies installed the first digital terrestrial and

satellite platforms a few years ago. DigitAlb later enhanced its services through television broadcasting to mobile telephones, as well as with the introduction in the digital platform of two high-definition programs. Other television stations, like Vizion + or Klan also use rather modern premises and technology.

However, the situation appears to be completely different in the television stations of other cities. Even media in somewhat bigger cities and located in an area where business is more intensive, such as Durrësi or Shkodra, find it difficult to compete with the media in the capital when it comes to technology. Media in even more remote towns, in isolated and poor areas like Tropoja or Dibra, are in situations of technical poverty. "Many local televisions have made no investment for years and their poor situation regarding premises and technology is not even monitored by the National Council of Radio and Television, which, after granting the license, is interested only in collecting the taxes," said Shkelqim Bylykbashi.

Regarding the diversity of programming, panelists noted that in both print and electronic media all kinds of programs are present: besides political news you will also find business, culture, and sports. One of the panelists said, "In spite of the priorities that politics still enjoys over economy, or sports and culture, we are at a stage when the lack of news on the economy, sports, or culture is perceived as a unforgivable shortcoming of the station or newspaper."

In the past few years investigative journalism has been more present in the media. The television program *Hapur*, financed by USAID, has aired hundreds of stories investigated by Albanian reporters throughout the country. The program helped to involve even local journalists and media outlets in the investigative reporting on corruption and trafficking. It was broadcast by nearly 20 television stations in the districts and also by public television in Tirana. In spite of the difficulties and obstructions faced (in some cases *Hapur* reporters received threats and some stations, public television included, has declined to broadcast some segments) the program has had positive impact on the public and even on the law enforcement. There have been several cases where prosecutors in the districts were motivated by *Hapur* reports to open investigations. For example, after *Hapur* reported on monopoly rates in the mobile phone industry, the Parliament opened an investigation. Unfortunately, funding for the program ceased and no media outlets in Albania have found the funding to continue it. Another show, *Fix Fare*, has been aired by Top Channel for five years. Despite a big audience, it does not engage in investigating corruption at the highest levels of government, rather it is content on ridiculing low-level corruption.

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Albania Objective Score: 2.32

This is the only objective that did not suffer a decrease compared to a year ago, however, it did not improve, either. Panelists gave a very good rating to Indicator 2, citizen access to news. However, Indicators 3 and 4, public media reflect the views of the political spectrum and operations of news agencies, scored well below the average.

Panelists noted that the range of problems related to sources of information is the same. One of the most debated problems concerned several contradictory developments in the press industry. On one hand, there is an increase in the number of newspapers, and, on the other hand, there is a decrease in their total circulation. So, although today there are about 30 daily newspapers, their total daily circulation does not exceed 70,000 copies. To panelist Ilir Yzeiri, journalist and professor of journalism at the University of Elbasan, one of the causes for this situation is that newspapers are produced only in the capital and are distributed only in the main cities, but do not reach the villages and the remote areas. "We have an Albania that is habitable only in the capital, where there are newspapers and Internet. On the other hand, there is another Albania, increasingly not fit to live, where newspapers do not travel and even if there is any Internet café, the prices are too high for the citizens" said Yzeiri.

Currently, the national press is showing symptoms reminiscent of the times immediately after transition, when many

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

thought the failure of local print media was imminent. The increasing competition with electronic media hurts the circulation of newspapers. However, to the panelists, the main cause is poverty of businesses and poverty of people. The economic situation, which is still far from thriving, does not allow businesses to place enough advertisements in the printed press, at the same time that poverty is having its toll among newspaper buyers. Currently, the largest newspapers in the country hardly exceed a daily circulation of 15,000 copies. The fact that the two largest newspapers have the lowest price compared to other dailies was attributed to the poverty of buyers. "Many people with a monthly income of about €200 tend to buy a newspaper that costs 20 cents rather than another that costs 50," said Genc Ymeraj.

In fact, cover price remains one of the most debated issues among newspaper publishers. Even the slightest fluctuation in price is immediately reflected on the sold copies. Some publishers complain that a price below 20 cents is below the production cost. For this reason, they have demanded the drafting of a law that sets a floor price for newspapers. However, this is opposed by other publishers, who stress that such a measure not only counters freedom of the market, but will lead to fewer buyers, rendering the financial situation of the press even more difficult.

While to some panelists it is an alarming fact that in a country of about three million inhabitants only about 70,000 newspapers are sold per day, to other panelists the development of electronic media compensates as a way of informing people. Musa Ulqini appeared to be the most optimistic one regarding the plurality of sources of information, saying "I believe that in Albania, with its three million inhabitants, where one third of the population lives in the capital, and half of the population lives near the capital, where we have about 120 television and radio stations, the diversity of information sources is at its maximum".

Apart from technical and financial obstacles, there is no law in Albania to hinder access of citizens to local and international media. However, in spite of the expansion of the Internet, Albania remains the most backward country in the region and in Europe regarding Internet speed. This is rather worrying to Gent Ibrahim. According to him this might threaten freedom of information, because while information in newspapers and televisions can be controlled in many ways by politics and business, "Internet grants people a range of information that is difficult to control."

With regard to public media, which in Albania is represented by Albanian Public Radio and Television, the panelists said that in spite of an enrichment of programming at this station in the last year, government influence on its editorial policy is still visible. The panelists discussed why every time

governments change they continue to insist on controlling TVSH, at a time when commercial media are currently the main opinion makers. Bashkim Hoxha noted, "Public television continues to be considered as government media and not public media." However, to Musa Ulqini there is another cause, related to elections, which makes every government put TVSH under its control, and it is the fact that "public television is the only one whose signal is able to cover the northeastern part of Albania. In this area, due to the mountainous terrain and the low development of business, private media are not encouraged to invest."

There are no longer private news agencies in Albania. Attempts made in earlier years failed for different reasons. However, the public news agency, ATSH, does not seem to be any more successful. The panel noted that newspapers and stations rely increasingly less on news produced by this news agency. Apparently, the low quality of news produced by this agency makes Albanian media prefer to investigate and produce their own news. "Establishing a private or public news agency means that the news you produce is so good that other media want to buy it; this does not happen here," said Lutfi Dervishi. In fact, a strange relation seems to be in place between ATSH and private media. Instead of the news agency feeding news to the media, it seems that private media are the ones that feed news to the agency. Meanwhile, almost all newspapers and stations use as sources of information the news provided by internationally renowned agencies, such as Reuters or the Associated Press.

In general all media outlets produce their own news using in-house reporters. Newspapers, radio, and televisions concentrated in Tirana have the financial ability to employ far more reporters to cover wider areas. Local media is focused more on local news and some reporters employed there serve also as reporters for the biggest stations located in Tirana. National media in Tirana use local media as a source of local news and vice versa. Radio stations are mostly occupied with the music and other entertainment programming but both in Tirana and in rural areas they also provide brief news broadcasts during the day.

Regarding the transparency of media ownership, it can be said that while it is clear who the owners are, there is no clarity and transparency regarding the sources of financing. The fact that a year ago, the prime minister publicly charged some private media of being "daggers of the mafia" left a bitter feeling among the public. This rather grave charge remains unsupported to this day.

From the legal viewpoint there are no hindrances to developing private media for minorities. "The law allows for one or more individuals to open a local television in the Greek language or those for other minorities," said Musa

Ulqini. If this does not happen, it is only due to financial weakness of minorities. Meanwhile, the panel stressed that the public broadcaster has respected all conventions regarding sources of information for minorities. Currently the public radio and television broadcast programs in Greek and Macedonian where these minorities are present.

## OBJECTIVE 4: BUSINESS MANAGEMENT

### Albania Objective Score: 1.71

Panelists expressed concern that the economic and financial situation facing media is significantly undermining its independence and sustainability. The score decreased significantly, from 2.32 to 1.71 this year. All indicators fared rather poorly and scored near the average, although Indicator 7, audience and circulation measurement, received a score more than three-quarters of a point less than the average.

Almost all panelists shared the opinion that media and press distribution companies do not yet operate as efficient and professional businesses. With the exception of a few big television stations, such as Top Channel, TV Klan, or Vizion +, all other media cannot survive with advertising revenue or sales if they are not subsidized by parent companies or other interests that control them.

A large number of television stations in cities other than Tirana are in extremely difficult financial positions due to the anemia of businesses in those areas, making them unable to sufficiently support media with advertising revenue. Many of these media survive only thanks to the maximum reduction of costs, which translates into very backward technology, reduced staff, limited programs, and low salaries for journalists.

The present situation is similar to local newspapers, which disappeared in the transition years. Currently in Albania all newspapers and magazines are published only in the capital Tirana. Many people fear that this could happen even with electronic media, especially television stations. The concentration of the media only in the capital would have negative consequences. This would increase the potential for media control and manipulation by the central government. Capital-based media could not provide in detail the range of issues and information that citizens in other cities need. This is a particular problem during decentralization reforms: local media are needed to inform citizens on the governing process of these increasingly powerful local governments.

The panel discussion addressed in greater detail the press problem. There are currently about 22 daily newspapers in the country, but the number of sold copies is very low.

With the exception of a handful of newspapers that sell up to 15,000 copies per day, there are many newspapers that do not sell even 1,000. It is precisely the subsidies from the owners that keep them on the market. "Many newspapers are like a patient in the intensive care unit and would die immediately if you unplug all the 'equipment' and 'injections,'" said Genci Ymeraj.

The existence of many newspapers and the still-small advertising market (which is even smaller for newspapers, since most of the advertising pie is absorbed by television), leads to newspapers having significantly lower revenue compared to the cost of their production. Prices of advertisements are also very low. "If the price of an advertisement in a country like the Czech Republic can be €8,000, in Albania you can publish an ad in a newspaper even with €200," said Lutfi Dervishi.

The only successfully managed part of the press industry seems to be the printing houses. The same cannot be said about the press distribution companies, which, similar to newspapers, suffer the consequences of small advertising revenue. Supported by the owners of some newspapers, these companies distribute the press only in the cities and do not reach rural areas, where a sizable part of the population still lives. Nobody has ever calculated whether the expansion of the market to include the villages would bring enough revenue as to justify such a move. The problem remains caught in a vicious circle: newspapers do not go to the villages because there is no money to do so and newspapers lack money because they do not go to the villages.

Several local private advertising agencies exist, but there are no international advertising companies present in Albania.

## INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Several television stations, radio stations, and newspapers, prefer to manage their own advertising activity. The main problem for the media in the country is not how the advertising industry is managed. Clearly, with the passing years, the quality of management of advertising has improved a lot. Unfortunately the advertising market in Albania remains very poor, and the biggest stations in Tirana collect most of the available advertising. Working with advertising agencies, these stations receive advertising from the big companies in the country, like the mobile telephone providers or Coca-Cola. The advertisements of local businesses usually end up with local stations. Even though advertising remains the main source of revenue for all media, given that the fees charged are rather low this revenue is insufficient to make stations profitable, particularly local ones.

With regard to government subsidies to the media, legally they do not exist. However, to many participants in the panel informal subsidies exist. "Many of the notifications on tenders or privatizations are made by public entities based on political preferences," said Bashkim Hoxha. According to Andi Tela, "the pages of newspapers close to the government are filled with notifications of public institutions, while they are absent in other newspapers."

However, panelists did not assess as positive the government's policy to stop the placement of public advertising in private media. Instead of averting media dependence on the government, according to the panelists this measure further weakens the financial position of the media, increasing their chances to fall under the influence of other financial supporters. To Ilir Yzeiri, the cut-off of public advertising to media does not make sense and it is even harmful at a time when even after applying this policy the media have not changed, being still divided for and against the government.

Little, if any, market research is undertaken in Albania. Advertising decisions are not fully determined by the size or demographics of the audience, rather the political and other factors play a strong role in the distribution of advertisements among media outlets. Therefore, the media is not interested in scrutinizing the preferences of its own audience. Only the biggest television stations like Top Channel or Vision + have financial means for that. It was reported that these stations did some focus group research in the past, but none recently.

In recent years some private television stations or media companies have occasionally carried out audience measurement studies. However, since a media outlet commissioned these studies, rival media mistrust the results. According to Iris Luarasi, the main problem is that these studies allow for the potential of subjectivity. Luarasi indicated that it would be completely different if the study were carried out with joint financing of several media or by a

prestigious institution specializing in these studies. However, similar institutions do not exist yet in Albania, while the chances for competing media to cooperate on financing such a study are rather slim.

As a result of the lack of trustworthy research, many newspapers with a very small circulation or televisions with rather limited audiences sell themselves as important media. This misleads the advertising business. However, in general, many media owners are not interested in knowing the real dimensions of the media they own. "Asking a newspaper owner what is the circulation of his newspaper might sound as an impolite request and is equally unwelcome as asking a not-so-young woman about her age," one of the panelists stated wryly.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Albania Objective Score: 2.30

This objective experienced a slight decrease compared to a year ago. The drop might have been more significant, but panelists stated that they were prompted to temper their scores in view of the activity that the Union of Albanian Journalists (UGSH) has been carrying out. Nonetheless, scores on the performance of trade and professional associations were the lowest in the objective, and in particular Indicator 1, on trade association, scored a point lower than the average. On the high side, Indicators 6 and 7, access to printing facilities and apolitical channels of distribution, fared much better.

UGSH was established three years ago with the support of USAID. "Until now all organizations or media associations have only remained in letter. Only the Union appears as an active organization, which travels outside Tirana, organizes meetings with journalists and is registering them, and carries out press conferences on media problems. Finally, after 17 years we are noticing an embryo of an organization of journalists, which indicates that it is likely to grow," said Lutfi Dervishi. In addition, UGSH, for the first time, has helped develop and implement a strategy to enable the signing of labor contracts for journalists. The first step of this strategy was the signing of an agreement between the Union of Journalists and the Ministry of Labor. The Union has since helped journalists from several important stations, like Top Channel, to obtain contracts.

As it has been in past years, the associations of publishers and media owners have been active in protecting the interests of owners. They have lobbied the Parliament and government regarding media legislation, such as with the law on digital

broadcasting. However, their activity remains very limited and they do not have the strength to impose their opinions to the government in a more generalized manner to address the broad range of problems facing media in Albania.

Civil society and NGOs support media and freedom of expression. The Albanian Helsinki Committee is a particularly active NGO, having reacted swiftly and successfully every time there have been cases of violation of journalists' rights or freedom of speech. Many other NGOs have been involved by offering expertise to help improve media legislation.

There are numerous possibilities for training journalists in Albania. Currently there are three journalism faculties in three cities. There is also the Albanian Media Institute in Tirana, which carries out numerous trainings. However, the panelists noted that the willingness of journalists to be part of these trainings has decreased. According to one of the panelists, this is because the culture of lifelong training is not part of the mindset of media publishers or owners yet. In some of the more advanced media significant resources are invested on technology, but very little is spent on journalism training.

Panelists in general highly rated the role of printing houses and distributors, noting that they are commercial, apolitical, and not restricting the printed media in any way. Broadcasters own their own transmitters, however, the government has been known to shut down those belonging to critical media that they charge operate in violation of the terms of that station's license.

## List of Panel Participants

**Fatos Baxhaku**, freelance analyst and journalist, Tirana

**Andi Tela**, editor-in-chief, *Panorama* Newspaper, Tirana

**Luftim Vani**, station owner, Mati TV, Mati

**Lutfi Dervishi**, freelance journalist, Tirana

**Iris Luarasi**, owner, Radio Ime; professor of journalism, University of Tirana, Tirana

**Musa Ulqini**, member, Parliamentary Commission on Mass Media, Tirana

**Gent Ibrahim**, lawyer, Tirana

**Bashkim Hoxha**, owner, Teuta TV, Durres

**Genc Ymeraj**, editor, News 24 TV Station, Tirana

**Shkelqim Bylykbashi**, owner, TV 4 Station, Lushnja

**Thanas Goga**, marketing analyst, Tirana

**Ilir Yzeiri**, professor and freelance journalist, Tirana

## Moderator and Author:

**Andrea Stefani**, senior media advisor, IREX/Albania, Tirana

**Assistant: Sokol Lilo**, assistant, IREX/Albania, Tirana

### SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

#### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.



*As in previous years, the MSI panelists agreed that the media sector is still a largely underdeveloped market, characterized primarily by fragmentation along ethnic lines and a large number of outlets continuing to compete in a limited market. Other most commonly cited problems are vulnerability to political pressure and lack of mechanisms to prevent violations of ethical standards and declines in the quality of journalism.*



## BOSNIA & HERZEGOVINA

During 2007 the politics of Bosnia and Herzegovina (B&H) were marked by hostility toward the requirements for signing the Stabilization and Association Agreement (SAA) with the European Union (EU). Nationalist rhetoric, dominant in the postwar period, continued to pervade the political agenda. After months of negotiations these antagonisms ultimately thwarted B&H efforts to come to agreement on reforms required by the European Union, the most important of which was police reform. As a result, the signing of the SAA was postponed.

Despite some incremental movement on individual reforms, the ideology of irreconcilable differences among different ethnic groups were reproduced and reinforced in the media. Several cases are particularly illustrative as they indicate the tendencies of the political structures to engage the media in promoting their political agendas.

One of the most dramatic examples was the January 2007 boycott of public broadcaster BHT1 by the Government of Republika Srpska (RS). Officials refused to speak to BHT1 journalists in retaliation for what they considered the broadcaster's poor treatment of RS authorities. While the boycott was supported by various public and private entities in the RS, others saw it as extreme, unfounded and illegal, because RS officials had not attempted legitimate methods of protesting editorial policy, such as filing grievances to the Communications Regulatory Agency (CRA). The whole affair ended after the director general of BHRT and an RS government representative signed an agreement on 30 January and declared that, "BHT1 will inform citizens in all of B&H objectively, timely, and impartially."<sup>1</sup>

As in previous years, the MSI panelists agreed that the media sector is still a largely underdeveloped market, characterized primarily by fragmentation along ethnic lines and a large number of outlets continuing to compete in a limited market. Other most commonly cited problems are vulnerability to political pressure and lack of mechanisms to prevent violations of ethical standards and declines in the quality of journalism. The low socio-economic status of journalists was pointed out as the most prominent problem that can lead to low quality of journalism, self-censorship and corruption among journalists.

The overall score for B&H declined noticeably, from 2.90 last year to 2.64 this year. Objectives 1 and 3, free speech and plurality of news sources, essentially held firm to their previous scores and Objective 1 is now the leading scorer, with a 3.04. The other three objectives decreased significantly, however, accounting for the drop in overall score. Professional journalism showed the weakest performance, as Objective 2 fell from 2.65 last year to 2.25 this year.

<sup>1</sup> D. A., "Zvaničnici Vlade RS davaće izjave za BHRT," *Nezavisne Novine*, January 31, 2007, article available at: <http://www.nezavisne.com/vijesti.php?meni=3&vijest=5172> (accessed January 9, 2008)

# BOSNIA & HERZEGOVINA AT A GLANCE

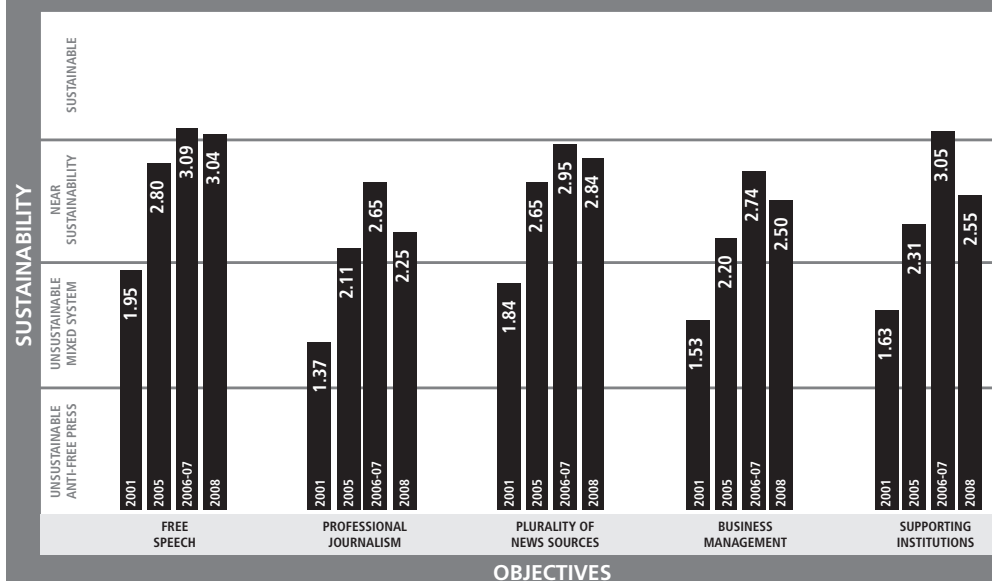
## GENERAL

- > **Population:** 4,552,198 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Sarajevo
- > **Ethnic groups (% of population):** Bosniak 48%, Serb 37.1%, Croat 14.3%, other 0.6% (2000 est., *CIA World Factbook*)
- > **Religions (% of population):** Muslim 40%, Orthodox 31%, Roman Catholic 15%, other 14% (*CIA World Factbook*)
- > **Languages (% of population):** Bosnian, Croatian, Serbian
- > **GNI (2006-Atlas):** \$11.65 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** N/A (World Bank Development Indicators, 2007)
- > **Literacy rate:** 96.7% (male 99 %, female 94.4%) (2000 est., *CIA World Factbook*)
- > **President or top authority:** Presidents Zeljko Komsic, Nebojsa Radmanovic, Haris Silajdzic (since October 1, 2006) (presidents rotate every eight months)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 7 daily newspapers, 46 weekly and monthly newspapers; Radio: 145; Television stations: 43
- > **Newspaper circulation statistics:** N/A
- > **Broadcast ratings:** highest-rated television outlets: Pink BiH (12.5%), Federal TV (11.8%), BHT (7%) (*Mareco Index Bosnia, 2006*)
- > **News agencies:** Government agencies include FENA (B&H) and SRNA (Republika Srpska). ONASA is the most important private news agency.
- > **Annual advertising revenue in media sector:** N/A
- > **Internet usage:** 950,000 (2006 est., *CIA World Factbook*)

## MEDIA SUSTAINABILITY INDEX: BOSNIA & HERZEGOVINA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Bosnia & Herzegovina Objective Score: 3.04

Objective 1 received the highest score from this year's MSI panelists, with a number of strong indicators. In particular, Indicators 8 and 9, media access to international news sources and free entry into the journalism profession, received nearly perfect marks. However, a few indicators still show weaknesses. In particular, Indicators 4 and 5, crimes against journalists and preferential legal treatment for public broadcasters, scored about three-quarters of a point less than the average.

The panel discussion participants mostly asserted that the Constitution of Bosnia and Herzegovina's guarantee of free speech is comparable to those in western democratic countries. They agreed that, on paper, the constitutional basis ensuring freedom of speech is satisfactory, but several panelists indicated that legal mechanisms are not adequately used in practice. Media legislation is generally inhibited by insufficient judicial protection and public indifference to freedom of speech. Exercise of free speech is also lessened because information published in B&H media is rarely treated as a significant means of critique, almost never initiating criminal investigation against public officials and rarely sparking public condemnation. As one journalist put it, "Journalists are free to the extent that no one cares what they are saying and writing."<sup>2</sup>

Media fragmentation was also mentioned as one of the primary reasons for the professional community's lack of initiative on expanding the boundaries of free speech. As Boro Kontić, director of Mediacentar Sarajevo, said, "The biggest problem may lie with the media themselves, which in our country and in the general divisions...don't want to support freedom because it's hard for someone to speak from a position that's not acceptable...to the majority, so this is a problem of the media, not a problem of the legislative framework."

Nevertheless, one of the participants, Borka Rudić, secretary general of the BH Journalists Association, emphasized that from 2006 to 2007 there were several attacks on free speech and that the Free Media Help Line received many complaints from journalists. (This is a service within the BH Journalists Association, which offers legal advice to journalists and places pressure on relevant institutions.) The service reported receiving 43 complaints from May 2006 to May 2007 related to journalists' rights and freedom of speech

<sup>2</sup> Čubro, Mirza, "Freedom of Speech," *Nezavisne Novine*, October 25, 2008, article available at: <http://www.nezavisne.com/vijesti.php?meni=18&vijest=1568> (as of January 9, 2008)

violations. "Journalists were seeking protection and support in the following cases: physical attacks and death threats, illegal questioning by the police, attempts to reveal their sources, confiscation of television equipment, withholding of information, boycott of journalists and PBS employees, irregular salaries."<sup>3</sup> According to Rudić, the situation became much more complex after the elections in October 2006; pressure on journalists increased considerably in the months after the establishment of the newly elected government of the Republika Srpska.

While the panelists considered criminal acts committed against journalists to be rare, they could point to several cases of open pressure and verbal attacks on journalists. They also said that subtler, yet just as severe, pressures on journalists still exist and should be met by decisive action from society as a whole.

Ljiljana Zurovac, executive director of the Press Council, cited several examples of the RS prime minister reacting inappropriately to the media: "[RS Prime Minister Milorad] Dodik has uttered so many threats this past year... They are not harmless threats; they are specific threats and pressure, which have silenced the media [including] entire newsrooms... In practice in the past year we have been the 'dark country...' In the end we will avoid writing about things where we can place ourselves in a situation of being threatened."

Borka Rudić and Boro Kontić called the previously mentioned RS Government boycott of BHT1 as a blatant case of media pressure, characterizing it as a testing ground for amplifying divisions in the media along entity and ethnic lines rather than employing legally prescribed procedures to resolve disputes over media content. The response—or lack of it—from the professional community and the general public to cases of media pressuring was crucial in such cases. Borka Rudić said that the police and other social actors sometimes react satisfactorily to cases of media pressuring, but that society very often remains silent. "[T]here are many cases when police forces support pressure on journalists, arresting them and taking their material from them," he said.

The physical attack by a police officer on journalist Sanjin Bećiragić in November 2007 was mentioned as an example of positive community and official reaction to media pressuring. The incident was publicly condemned and the officer was relieved of his duties until the conclusion of disciplinary actions.

One of the extreme cases mentioned was a threat made in October 2007 to a journalist from the public broadcaster FTV, who was told that, "he and his editor deserve a bullet in the forehead." This was especially serious given the

<sup>3</sup> Free Media Help Line press release, May 3, 2007, available at <http://www.bhnovinari.ba/linija/en/?ID=47> (accessed January 9, 2008)

statement was made by Vitomir Popović, B&H Ombudsman on Human Rights, who alleged that media criticism of his work contributed to his electoral defeat. Borka Rudić pointed out that death threats are criminal acts and should, at the very least, be publicly condemned. But in this case, only the Helsinki Committee for Human Rights reacted, along with a few other NGOs, illustrating society's continuing acceptance of media intimidation.

While crimes against journalists might be rare, self-censorship is less so, especially if negative reactions from influential political or criminal circles are anticipated. Also, as Amir Zukić, editor-in-chief of RTVSA, indicated, even legitimate public criticism of journalists by national leaders can be interpreted as "a call for lynching" in a country so sharply divided among ethnic and nationalistic lines. The professional community's lack of capacity and solidarity in confronting this kind of pressure was perceived as the most prominent problem.

However, B&H journalists did express their protest over physical threats made by Prime Minister of the Republika Srpska Milorad Dodik to Bakir Hadžomerović, editor of the Federal television magazine *60 Minuta*. In a press release they stated that "the announcement that 'you are going to knock down Hadžomerović if he ever appears in Banja Luka,' which you publicly stated first in a meeting in Laktaši and later repeated in the Croatian television program 'Nedeljom u 2' [On Sunday at 2 pm], represents the most severe demonstration of force and an attack on the physical integrity of the journalist Bakir Hadžomerović."<sup>4</sup>

The Communications Regulatory Agency (CRA) is the state agency that licenses and regulates broadcasters and the field of telecommunications generally. According to the panelists, this independent state body has been performing these tasks in a fair manner and with growing integrity. Dunja Mijatović, director of CRA's broadcasting division, emphasized that CRA decisions have survived several court challenges (there were approximately 60 lawsuits over the past five years), clearly demonstrating that licensing is indeed apolitical and fair. CRA performance was assessed as positive, especially compared to the experience of other countries in the region.

In contrast to broadcasters, the print media sector is self-regulated in accordance with Press Code prescriptions. The Press Council, a voluntary self-regulatory body, promotes the implementation of the Code and enhancement of professional standards in B&H print media.

There is no difference between the media and other companies regarding taxation patterns. The Law on VAT prescribes a uniform tax rate of 17 percent. Taxation was in

<sup>4</sup> The full press release is available at: <http://www.bhnovinari.ba/en/?ID=150>

## LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

the past challenged by the Press Council and associations of newspaper publishers, which stressed that the media should be exempted from the general taxation pattern due to their role in providing information in democratic society. This argument is still present among journalists, who clam that VAT taxation of media demonstrates the state's disregard for the role of journalism in democracies. However, Senad Zaimović, general manager of the marketing agency Fabrika, considers it an improvement in comparison to the previous taxation scheme: "We had this problem before, this problem was reflected on the press... The entry tax was so high... VAT has brought stability. This is our experience both in terms of advertising and in working with electronic and print media."

Participants did not indicate any relevant cases of preferential treatment of public media over private media.

Aspiring politicians and other ambitious public figures who wish to control their portrayals in the media often affect editorial policy in various ways. Editorial independence of public broadcasters is thrown into question because the members of public broadcasters' governing boards are appointed by state parliaments,<sup>5</sup> which raises the specter of political interference in editorial decision-making, especially in stories concerning politicians.

<sup>5</sup> The highest body of the Public Broadcasting System is the Board, comprising 12 members, (four members from each public broadcaster: BHRT, RTF BiH and RTRS). The House of Representatives of the BiH Parliament selects and appoints members of the Governing Board of PBS, from a short list of candidates, submitted by the Communications Regulatory Agency; Source used: T. Jusić, "The Media in Civil Society" in *Democracy Assessment in BiH*. Fond otvoreno društvo BiH, 2006

Amir Zukić stressed that editorial independence is especially compromised because of the governing board's questionable authority: "They tie the hands of the director general and program director... The governing board has to have a say in everything." In April 2007, soon after accusing the RS Prime Minister of interfering in the editorial policy of BHT1 in an interview, Zukić was released from his position as program editor. He interpreted his dismissal as evidence that his claims were true and that governing board members were not apolitical, but rather profoundly influenced by the political establishment.<sup>6</sup>

The panelists indicated that the CRA should be a corrective mechanism in the process of transforming PBS by assessing the competence of public broadcasters' editorial boards. This, however, does not solve the problem, because candidates with the potential to bring positive change to public broadcasters are discouraged by the politically charged atmosphere and decline to apply for seats on governing boards.

The CRA's Dunja Mijatović stressed that public broadcasters will not be completely impartial as long as the B&H parliament appoints members of the BHRT governing board on the basis of political, rather than professional, affiliations. The same goes for possible political pressure on CRA officials, which, according to Mijatović, is present and well known.

As Borka Rudić pointed out, journalists' resistance to political interference is negligible, since editors and journalists almost never resign, thereby initiating public debate regarding the pressure they are exposed to.

Since 2002, libel and defamation in Bosnia and Herzegovina have been fully decriminalized. According to defamation legislation, the burden of proof lies on the offended party, which must prove the existence of falsity and malice. Since the panelists' overall score for libel and defamation issues was not the maximum one, this indicates that the implementation of defamation legislation can be improved.

The Law on Freedom of Access to Information, which came into force in 2000, is supposed to oblige authorities to provide information of public interest to any citizen, including journalists. However, there have been considerable difficulties implementing the law. As previous MSI reports detailed, the law does not prescribe fines for violations of the right to access public information. Public debate on the implementation of the law, held in November 2007 at Mediacentar Sarajevo, suggests that access to relevant public information is often denied, especially by public

<sup>6</sup> Interview with Amir Zukić, START magazine, April 16, 2007, available at: <http://www.startbih.info/Default.asp?broj=218&ID=153> (accessed January 6, 2008)

firms and educational institutions. In particular, contracts on privatization processes are held in secrecy. The panelists also indicated that prolonging deadlines for providing information is a common way of bypassing legally defined procedures.

The right to follow international news is not restricted in any way. Also, there are no restrictions on becoming a journalist as no licensing is required. The panelists agreed that entering the journalism profession is free and without governmental pressure.

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Bosnia & Herzegovina Objective Score: 2.25

This was generally perceived as an objective that requires much improvement. Quality of journalism and compliance with accepted ethical standards have been compromised in the past several years. Compared to MSI scores from previous years, the score this year is somewhat lower, especially when it comes to journalist salaries and quality of media programming. Only a few television shows, all produced by public television stations, were mentioned in a positive light (*Global*, BHT1; *Globus*, TVSA; and *Paralele*, FTV), in contrast to most of the media content that was evaluated as being of rather low quality. Most of the indicators scored more or less equally, although panelists gave a score of more than a half point below the average for Indicator 5, pay levels for journalists. Indicator 6, news and entertainment balance in media, was the leading indicator, with a score more than a half point higher than the average.

#### JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

##### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

The panelists often cited the incompetence of young journalists and the lack of time and resources for professional development. Professional standards in journalism are extensively neglected, despite a relatively large number of journalism faculties and short-term educational programs. This suggests that educational programs have serious limitations and do not produce journalists who are able to perform their tasks to professional standards. The dynamics of media operation and the work overload often do not allow journalists to take a serious investigative approach to their tasks. For the same reason, journalists who are appreciated within the professional and broader community generally do not engage in training programs for young professionals. TVSA's Amir Zukić, for example, stated that, "Most of the good old staff are employed with good salaries... There is no one to teach these children. They do not teach them at the university, and when they come to a media outlet for internship, it's not possible to put someone in charge of working with them."

The balance between entertainment and informational programming is evaluated more positively. However, private broadcasters are skewing more toward entertainment, increasingly leaving informational content on the margins.

The panelists said that ethical standards are violated on a daily basis. An especially common practice, they said, is the selective use of sources without presenting opposing views. Reporting is often not only badly sourced, but, according to Boro Kontić, also takes the form of personal communication between journalists and their favored sources, without needed information and clarification to help the general public comprehend the issue in question.

Self-censorship, as discussed above, is evident in the differing forms of pressure on journalists. A 2007 study on "Labor Relations and Media" showed that 18 percent of respondents considered that stories on labor relations within the media sector actually demand a certain censorship, or self-censorship, while 40 percent argued that there are occasional cases of censorship or self-censorship.<sup>7</sup> Poor socio-economic status leads to migration of some journalists into other, more profitable sectors, and presumably increases the likelihood of self-censorship.

The research results show that labor rights in media outlets are frequently violated, which is partly due to complexities of postwar transition and privatization, coupled with state building efforts. For example, 43 percent of respondents reported violations related to salary payments.<sup>8</sup> The problem

<sup>7</sup> Hodžić, Sanela. *Labor Relations and Media*, p. 17, available at <http://www.media.ba/mediacentar/documents/Labour%5Fand%5FMedia%5Freport%5FBiH%2Epdf> (accessed January 9, 2008)

<sup>8</sup> *Ibid.*, p. 8

with salaries included low wages, irregular payment, and minimum salaries reported to the state to reduce benefit payments for employers. Frequently violated rights also include the length of the workday and overall working conditions, while other violations occur less frequently. The research results also suggest that the practices of censorship and self-censorship are governed not only by political connections and interests but also by the commercial interests of media owners and advertisers.

Additionally, panelists indicated that resources for replacing outdated equipment are insufficient and need to be increased. Most panelists voiced concerns over the slow process of digitalization at public broadcasters. Although some steps towards digitalization have been undertaken, they are limited to a few commercial media, while in other segments the media generally linger behind professional standards in democratic western countries. This is particularly the case with commercial television and radio stations that have small market shares. An example that was mentioned related to problems with the video link from BHRT to the Eurovision Song Contest, which occurred because of the incompatibility of BHRT's equipment. Smaller commercial broadcasters are in a better position because they can invest continuously in developing their technical capacities, while the terrestrial broadcasting systems at state public media require considerable resources for maintenance, impeding digitalization.

Although digitalization of the broadcasting sector in B&H is one of the preconditions for meeting European standards, it is not recognized as a priority by governments and political parties. The strategy for transitioning from analog to digital broadcasting is still not developed (it is planned to be completed by the end of 2008 or the beginning of 2009) and action plans are still not defined, which leaves B&H far behind other European countries.

### **OBJECTIVE 3: PLURALITY OF NEWS SOURCES**

#### **Bosnia & Herzegovina Objective Score: 2.84**

The score in this objective experienced a minor decrease compared to last year: 2.95 to 2.84. All indicators received scores close to the objective average, with Indicator 2, citizen access to news, the highest and Indicator 6, transparency of media ownership, the lowest.

Overall, Bosnia and Herzegovina is characterized by an excessive number of media outlets. There are more than 180 broadcasters in the B&H media market—145 radio stations and 43 television stations. This number is considered excessive for such a small market with a relatively low average income.

There are three national public broadcasters (state-wide BHRT and entity-wide RTVFBiH and RTRS), several local public broadcasters and many commercial broadcasters (the major ones are OBN, Pink BH, and Mreža Plus, which is a network of television stations).

However, this large number of outlets does not mean that the market is pluralistic in terms of offering diverse voices and opinions. Media owners are not immune to ethnic and political polarization in the country, and many outlets are still clearly oriented towards certain political parties.<sup>9</sup>

Panelists indicated that the poor socio-economic status of the vast majority of B&H citizens prevents them from using many media resources. This, combined with the habits and prevailing culture of media consumers, makes television the most available and preferred information source.

Only a relatively small portion of the population has Internet access. However, the Internet penetration rate is continually increasing. According to CRA data, there were 237,660 Internet subscribers in 2006, although the number of actual users was estimated at 950,000. CRA assessed the Internet penetration rate in 2006 at 24.5 percent.<sup>10</sup>

The participants said that public media do not completely fulfill their role of presenting diverse political viewpoints, due in part to political pressure on public media, which has been discussed above. In addition, the existence of a huge number of broadcasters without any apparent commercial viability raises the question of their financial resources. According to Senada Ćumurović, editor-in-chief of BH Radio 1, the fact that a large number of outlets survives in a small market leads to the conclusion that undisclosed financial sources over and above advertising income must be present, presumably from the political and private sectors.

Even when outlets are financially sustainable and independent, media often promote certain political options. However, it was repeatedly mentioned by a few panelists that the editorial independence of the entity-wide public broadcaster of the Republika Srpska, RTRS, declined last year. Amir Zukić, for instance, stated that "RTRS was full of investigative stories... 'tearing apart' the SDS [political party] during their four-year rule, but with the arrival of [RS Prime Minister] Dodik to power, that edge became completely

blunt... Moreover, we have complete siding of the RTRS with Dodik's state-creating project."

BHRT's role in serving public interests is also compromised because, according to the panelists, members of the governing board who have excessive influence on editorial and programming policy are appointed by the state parliament. This is problematic considering that the state parliament operates along ethnic lines while professional criteria in decision-making are negligent. In other words, reflecting political views is limited to what is compatible with the political and financial interests of media owners or state institutions. However, there are no restrictions in terms of access to domestic or international media, so alternative opinions can be obtained from other media sources. All independent broadcast media produce their own news programs, but they are often marginalized in favor of other media content.

There are two major entity-based public news agencies: FENA (B&H) and SRNA (Republika Srpska). Independent news agencies also operate in B&H, gathering and distributing news. ONASA is the major one. Independent news agency services were scored highly by the panelists.

Data on court registration of every company and media outlet are accessible in principle. But in practice, transparency of media ownership is not absolute, since public insight is limited to whatever has been registered. Actual ownership and financial arrangements might differ significantly from what is declared publicly. The CRA's Dunja Mijatovi stressed that "[w]ho the real owners are, we as an agency can't and needn't know. This is also a matter for the tax administration and

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

<sup>9</sup> As indicated in: HCHR Report on the Status of Human Rights in FBiH, Analysis for the period January - December 2006, available at <http://www.bh-hchr.org/Reports/reportHR2006.htm#top> (as of January 5, 2008)

<sup>10</sup> "User" is defined as an individual aged 16 to 74 who uses the Internet during the year; data from Annual Survey of Holders of CRA Licenses for Provision of Internet Services in Bosnia and Herzegovina in 2006, pp. 3-4, available at <http://www.cra.ba/en/depts/observ/msword/ISP%20Izvjestaj%202006%20ENG.doc> (accessed January 9, 2008)



financial police. What is a relevant document and what should be accepted is the court registration because it's transparent."

Panelists noted the tendency towards increasing the number, strength, and share of several media conglomerates. Two conglomerates control the biggest national dailies, *Dnevni Avaz* and *Oslobodenje*. The print media were the most cited for ethical violations. Preferences towards certain political agendas were especially evident in election campaign coverage.

Representing the interests of minorities does not appear to be a priority in Bosnia and Herzegovina; there is little programming targeted to minority groups. According to Dunja Mijatović, there were no cases of complaints that ethnic minorities were not represented in the media. The presence of the languages of the three dominant ethnic groups in B&H in the public media is the most contested issue. "If we have complaints, they mostly refer to the absence of media that use the Croatian, Serbian, or Bosnian languages," said Dunja Mijatović.

#### OBJECTIVE 4: BUSINESS MANAGEMENT

### Bosnia & Herzegovina Objective Score: 2.50

The score for this objective fell noticeably from 2.74 last year to 2.50 this year; all indicators received scores very close to the objective average. Panelists cited a highly competitive market that includes encroachment from neighboring countries as a key reason for this. Mehmed Halilović, B&H assistant ombudsman on media, stated that the media market is still insecure and that the independent media's struggle to survive is ongoing: "Independent media are barely surviving in the market. The market is fragmented and under a lot of political influence, and it doesn't guarantee a secure future to all media."

Among television broadcasters, public broadcasters previously held the leading position in the market. Their market share has declined significantly over the past years. While three public media operators suffered a significant audience decrease during the past several years (23.7 percent in 2006), the share of foreign (neighboring) television channels increased (33.3 percent in 2006) and the share of local and regional stations decreased in comparison to 2004 (40.3 percent in 2006).<sup>11</sup>

<sup>11</sup> Remaining shares in 2006: satellite TV channels 2.7 percent. Source used: Report MIB – BiH Gallup International "Mjerenje gledanosti TV stanica 2002 - 2006" [Measurement of Ratings of TV stations 2002-2006]

#### INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

##### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

The increase in market share of commercial networks is related primarily to the flourishing of the three major commercial networks in B&H, while smaller commercial broadcasters face many challenges to their survival in the limited B&H market. There are also several smaller municipal broadcasters, which are not privatized and are still receiving financial support from the government.

The most important source of revenue for all three public broadcasters is the broadcast license fee (6 KM, approximately 3 EUR per month). The second important source of revenue for public outlets—and the leading source for commercial outlets—is advertising. According to Miklos Haraszti,<sup>12</sup> the public broadcasting service's budget derives 85 percent of its funds from license fees and 15 percent from advertisement revenues. It is estimated that the rate of collection is much lower than what public broadcasters require. According to the available data, the percentage of collected license fees is around 65 percent, while an estimated 85 percent collection rate would secure their financial sustainability.<sup>13</sup> Public broadcasters attracted 43 percent of advertising revenues, while the three strongest private broadcasters drew 32 percent.<sup>14</sup>

The largest share of advertising revenues was received by several highly positioned networks: PBS, Mreža Plus, Pink BH, and OBN, while other local television stations faced difficulties in attracting advertising revenues.

According to the CRA, the revenues of B&H television broadcasters in the 2004 financial year totaled around KM

<sup>12</sup> Ibid.

<sup>13</sup> See: BHRT "Public Radio and Television Service of Bosnia and Herzegovina Business Report for 2006," March 2007, p. 1

<sup>14</sup> Communications Regulatory Agency, 2005, p. 73 (Assessment for 2005 based on data for the first half of the year)

102 million (approximately €52 million), and remained at the same level in 2005.<sup>15</sup> As estimated by a panelist from last year, 2006 revenue was seven to eight percent higher than in 2005. However, the same panelist, Senad Zaimović stated this time that the B&H media market is actually stagnating: "I can say that our market is stagnating and won't grow next year... while Serbia had 35 percent growth this year."

When it comes to support of advertising agencies and related industries to the advertising market, Zaimović pointed out that the market is uncertain because of inconsistent advertisement offers made by different media outlets. He said that, either out of ignorance or poor finances, media outlets are often forced to lower advertising rates. This of course makes the process of planning, analyzing, and purchasing by marketing agencies very difficult to implement. Media outlets competing for better positioning in the market are lowering their rates. Zaimović indicated that offers for advertisers for 2008 have not yet been made in Bosnia and Herzegovina, unlike other countries in the region. Commercial stations are waiting for public media outlets to make their offers so that they can list lower rates.

It can be presumed that the panelists' ratings of independence and reliability of broadcasting ratings and circulation figures are somewhat low because print media circulation statistics have not yet been released.

Panel participants indicated that advertising revenue is the primary revenue source for commercial media and that key media outlets have advertising revenue balanced with their market potential. Senad Zaimović interpreted low revenue from advertisements as a reason for low production quality of broadcasters in B&H. This leaves room for foreign media, which are stronger in terms of production quality, to gain a considerable share in the B&H market.

Panel participants agreed that independent media do not receive government subsidies, but they mentioned that there are some positive developments when it comes to financing of television programs by cantonal governments. While in previous years the criteria for selecting broadcasters for this kind of cooperation were unknown, last year several cantonal governments published tenders for production of certain programs inviting all broadcasters to participate. One example was a tender for producing a television show for the deaf.

Introducing electronic measurements in market analysis was mentioned as an important step towards strengthening the media market, placing B&H ahead of other southeast European countries. However, as indicated by the panelists, market research is used only by a small portion of television

<sup>15</sup> Communications Regulatory Agency, 2005, p. 73 (Assessment for 2005 based on data for the first half of the year)

stations, including PBS and two commercial stations (Pink and NTV Hayat), while other broadcasters mostly fail to make use of available market data as a basis for adjusting their programming to the needs of the audience. Kenan Čerimagić, news editor of NTV Hayat, stressed that his outlet is using market analysis, but he also questioned its validity since systematic factors, such as occupational habits or habits related to housework, are not considered. However, he does believe that adequacy of investments in certain programs can be evaluated to some extent on the basis of program ratings.

Alenko Zornija, a journalist at the Internet portal Pincom.info, pointed out that precise registration of website visits and visits to specific website content are not used by advertisers in their full capacity.

The panelists listed several agencies for analysis of program ratings (MARECO, Global Network with its subsidiary in B&H, GFK, and an agency for measuring newspaper circulation), which could be useful in media operation. Zoran Pejičić, editor at RTRS, expressed his belief that pressure on media by advertising agencies can be an intermediary for economic lobbies. However, the marketing general manager Senad Zaimović stated that he has no knowledge of such cases: "I don't know of a single case of an agency conditioning advertising on any kind of program-related concession. The agency channel is very suitable for putting pressure on editorial policy and, as far as I know, there are such cases in Croatia, but there are none here, at least not with these professional agencies. Of course, a difference should be made between conditioning and lobbying; lobbying is a legitimate process."

While there is a code for advertisers, which came into force in January 2007, two panelists indicated that the code is not precise when it comes to print media and billboard advertising. Due to the regulatory void, a clear distinction in the print media between commercial and regular content is often missing.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Bosnia & Herzegovina Objective Score: 2.55

Panelists agree that some supporting institutions do not function adequately, that professional associations are fragmented and inefficient, and that institutions fail to give substantial support to independent media. According to Senada Čumurović, editor of BH Radio 1, "Supporting institutions directly support certain media and there are certain media they don't support." Frustration over this situation accounts for the large drop in score, from 3.05 last year to 2.55 this year. All indicators scored along the same

## SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

lines as the objective average, with only Indicator 3, NGO support for the media, being somewhat behind the others.

Opportunities for professional training of journalists, as well as educational programs in general, are often regarded as unsatisfactory. However, panelists mentioned several training programs that allowed journalists to develop their professional skills further. One of them is the Sarajevo-based Media Plan High College of Journalism (HCJ), which provides specialized studies in press, radio, television and web journalism for students from southeast Europe. The school was founded in 1998 within the framework of Media Plan Institute, an organization for communication projects and media development in B&H and southeast Europe. Since December 2005, HCJ has operated within the framework of Media Initiatives, a NGO in Sarajevo. The panelists also pointed out training programs organized by Mediacentar Sarajevo, namely training for media managers and short training programs for journalists in investigative journalism. Mediacentar also started a regional project called the Online Journalism Resource Center,<sup>16</sup> in cooperation with Belgrade Media Center and the Investigative Journalism Center from Zagreb.

Panelists indicated that the education system overproduces journalists, which does not match the real needs of the market in terms of both quality and quantity. Journalism is taught at five faculties in Bosnia and Herzegovina—two in Banja Luka and one each in Sarajevo, Tuzla, and Mostar. In practice, the media market in B&H does not require the large number of journalists that are produced by the current educational system. The panelists did not think highly of the system and they expressed highly unfavorable opinions on the general knowledge and professional competence of the

<sup>16</sup> Information available at <http://www.netnovinar.org/netnovinar/compiled/p437.htm> (as of January 6, 2008)

graduated journalists. Professional criteria in employment policies of media outlets have declined in the past years, compromising quality of journalism in the country.

Panelists indicated that media outlets and editors should enhance professional criteria and develop better mechanisms for professional development of young journalists. Options for giving journalists practical experience do exist but are limited, and can offer opportunities to few young journalists.

The Association of Electronic Media and the Association of Newspaper and Magazine Publishers have been operating for several years and promoting the interests of their member broadcasters and print media publishers, but the overall score for operation of associations suggests that their services should be enhanced.

The right to organize independent unions in B&H is defined by labor laws in all three jurisdictions (Federation of Bosnia and Herzegovina, Republika Srpska and Brčko District) and is also guaranteed by the entity constitutions. Currently, there are three trade unions in B&H, one for each state jurisdiction. An additional level of trade union organizing in B&H is a confederation of these three trade unions that operates at the state level and is made up of branch unions of graphic, publishing, and media employees.<sup>17</sup> At present, trade unions have a poor image and are often considered only as formal organizations that do not achieve substantial results in promoting the labor rights of journalists.

It is assumed that most journalists in B&H are members of one of the four journalist associations.<sup>18</sup> According to membership data issued by the associations, 1,758 journalists are members of these organizations.<sup>19</sup> These associations' initiatives are separate and independent, and their potential strength is diminished by the fragmentation of journalists along ethnic and regional lines. The B&H journalist association encompasses three separate organizations—the Independent Union of Professional Journalists from Sarajevo, the Association of Journalists from Mostar, and the Independent Association of RS Journalists in Banja Luka—but this did not mean complete unification in promoting journalists' interests. For example, a common stand of the union regarding relations between the RS Government and PBS was not published.

NGOs active in promoting free speech did not vigorously press their mission over the political pressure on journalists that characterized the past year. One that did play an active role

<sup>17</sup> See information published on the official site of the Trade Union of FBiH, at <http://www.sindikاتبih.ba/sssbih.asp> (as of August 10, 2007)

<sup>18</sup> See information on the official site of the BH Novinari association, <http://www.bhnovinari.ba/?ID=29> (as of January 6, 2008)

<sup>19</sup> Ibid.

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was the Helsinki Committee for Human Rights. Other relevant organizations in this area are Transparency International B&H, Mediacentar Sarajevo, Centers for Civic Initiatives, and Open Society Fund B&H among others.

Sources of newsprint and printing facilities were not evaluated as politically influenced, but rather as underdeveloped. Journalist Alenko Zornija said, “I don’t think that providers of supporting services, such as printing plants and distribution companies, impose political restrictions, but this industry in itself is relatively underdeveloped, which in my opinion is a problem.”

## List of Panel participants:

**Dunja Mijatović**, director of the broadcasting division, Communications Regulatory Agency, Sarajevo

**Boro Kantić**, director, Mediacentar Sarajevo, Sarajevo

**Borka Rudić**, secretary general, BH Journalists Association, Sarajevo

**Zoran Pejičić**, editor, Radio Television of Republika Srpska, Banja Luka

**Ljiljana Zurovac**, executive director, BH Press Council, Sarajevo

**Amir Zukić**, editor-in-chief, Municipality Public Broadcaster RTVSA, Sarajevo

**Kenan Ćerimagić**, news editor, Independent Television Hayat, Sarajevo

**Senad Zaimović**, general manager, Marketing Agency Fabrika, Sarajevo

**Nevenko Erić**, editor, News Agency SRNA, Bijeljina

*The opinions of the following research participants, who did not take part in the panel discussion, were used in preparing this report:*

**Alenko Zornija**, journalist, Web Portal Pincom.info B&H, Mostar

**Mehmed Halilović**, assistant ombudsman on media, Sarajevo

**Senada Ćumurović**, editor-in-chief, Public Service Broadcaster BH Radio 1, Sarajevo

**Leila Bičakčić**, director, Center for Investigative Reporting, Sarajevo

## Moderator and Author

**Amer Džihana**, research coordinator, Mediacentar Sarajevo, Sarajevo

*Disclaimer: The views and opinions presented in the chapter on Bosnia & Herzegovina are those of the panel participants and do not necessarily reflect the views and opinions of Mediacentar Sarajevo.*

The Bosnia and Herzegovina study was coordinated by, and conducted in partnership with, MediaCentar Sarajevo.

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*Despite the slight drop in the overall MSI value, the score of 2.71 places Bulgaria solidly in the top tier of countries moving towards a sustainable and professional media sector. In general, the drop reflected a lack of forward progress as opposed to reversals.*



BULGARIA

Bulgaria's EU membership, which commenced in 2007, brought hopes to the media sector. Many in the media believed that EU membership would bring stronger efforts to harmonize legislation and resume licensing of new broadcast outlets; more active self-regulation and adherence to ethical standards; and more foreign investment in the media. But at the end of the year, panelists agreed that such positive change was missing, adding to the generally critical judgment they made on key aspects of media development.

Objective 3, plurality of news sources, achieved the highest score as in years past. Additionally, Objective 5, supporting institutions, remained near sustainability despite a slight decrease from the previous year. The key reason cited by panelists is the waning activity of professional associations and free speech advocates.

The business management aspects of the media sector, Objective 4, ranked third. The generally favorable economic environment inevitably benefits the independent media. Outlets generate more advertising revenue, manage to keep up with the development of technology, and are in a position to offer quality productions to their audiences. However, there were no substantial improvements in the management that could multiply the benefits of an improving economy.

MSI panelists continued to view professional journalism, Objective 3, critically as they have in past years. The overall objective score of 2.49 reflects the lack of significant change. Most significantly, panelists noted that progress is still dependent on political and economic currents and not necessarily on the sector working to improve itself. Further, self-censorship remains a serious problem.

Objective 1, free speech, is the lowest scoring objective this year. Panelists' disapproval stemmed primarily from the practical halt of licensing of new outlets. Regulatory blunders, lack of strategy, and the clouded status of digital broadcasting all added up to a licensing standstill. Panelists were pessimistic about a quick resolution of the situation and the objective score is highly indicative of the dependency of the process on political and governmental forces.

Despite the slight drop in the overall MSI value, the score of 2.71 places Bulgaria solidly in the top tier of countries moving towards a sustainable and professional media sector. In general, the drop reflected a lack of forward progress as opposed to reversals. However, several aspects of the media sector have remained at consistently high levels, showing maturity and invulnerability to fluctuations in the political, economic, and social environment in the country. This holds true to the greatest extent for apolitical and unrestricted channels for media distribution, the virtually unlimited access of the media to international sources of information, free entry into the journalism profession, and private and apolitical sources of newsprint and printing facilities.

# BULGARIA AT A GLANCE

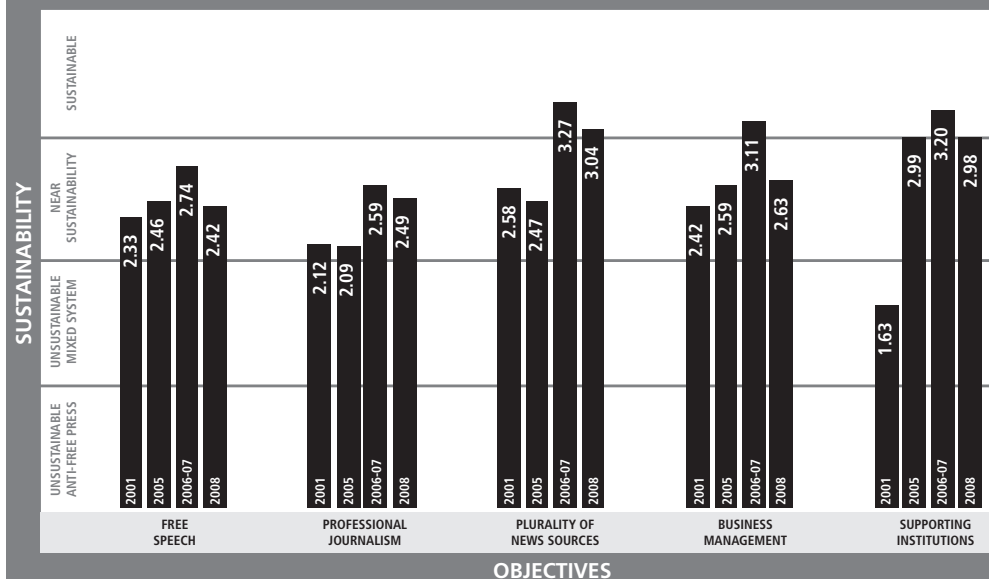
## GENERAL

- > **Population:** 7,322,858 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Sofia
- > **Ethnic groups (% of population):** Bulgarian 83.9%, Turk 9.4%, Roma 4.7%, other 2% (including Macedonian, Armenian, Tatar, Circassian) (2001 census, *CIA World Factbook*)
- > **Religions (% of population):** Bulgarian Orthodox 82.6%, Muslim 12.2%, other Christian 1.2%, other 4% (2001 census, *CIA World Factbook*)
- > **Languages (% of population):** Bulgarian 84.5%, Turkish 9.6%, Roma 4.1%, other and unspecified 1.8% (2001 census, *CIA World Factbook*)
- > **GNI (2006-Atlas):** \$30.73 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$10,140 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 98.2% (male 98.7%, female 97.7%) (2001 census, *CIA World Factbook*)
- > **President or top authority:** President Georgi Parvanov (since January 22, 2002)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 446 newspapers; Radio: 95; Television stations: 102 (*National Statistics Website*)
- > **Newspaper circulation statistics:** Total circulation: 325,733
- > **Broadcast ratings:** Top three: bTV, NOVA, BNT Channel
- > **News agencies:** Bulgarian Telegraph Agency (state-owned), Sofia News Agency, BGNES, Focus Information Agency, BulPhoto
- > **Annual advertising revenue in media sector:** \$386 million
- > **Internet usage:** 1,870,000 (2006 est., *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: BULGARIA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREE SPEECH

### Bulgaria Objective Score: 2.42

Objective 1 experienced a moderate decrease compared to the previous year, when it scored 2.74. Panelists gave high ratings, more than a point higher than the average, to Indicators 8 and 9, media access to international news sources and free entry into the journalism profession; Indicator 1, legal and social underpinnings of free speech, also received a strong score. However, Indicators 2 and 4, broadcast licensing and crimes against journalists, received scores more than a half point lower than the objective average.

Although Bulgaria has basic legislative and social guarantees necessary for a free and independent media, their implementation is not efficient enough to ensure the sustainability and irreversibility of positive trends in media sector. "As a whole, Bulgaria meets the international standards as regards the legal guarantees for the freedom of speech and media independence," said Petko Georgiev, executive director of BTC ProMedia. Yassen Boyadzhiev of Info Radio noted however, "A mixture of political and economic interests is posing obstacles to the proper implementation of the laws. There are not enough effective legal measures against instances of violating the freedom of speech. Bulgarian society does not fully appreciate the freedom of speech as a fundamental right. The public is over-tolerant of encroachments on free speech."

Bulgaria has legislation and rules by which the media exist and operate, but it turns out the regulatory framework fails to keep abreast of the rapid development of the media and to address the changing circumstances in the media sphere. This mostly holds true for the lack of an up-to-date strategy for the media sector. The strategy adopted a few years ago by the Bulgarian Parliament fails to address the key issues related to the licensing of new media outlets. This applies to both digital broadcasting and the framework for the development of regional broadcast outlets. Analog broadcast licensing is lagging behind seriously, while digital broadcasting is still largely uncertain. As Ivo Draganov, a media regulation expert, stated, "The Radio and TV Act is obsolete and the provisions in it are too general. Licensing was blocked for six years for political reasons. They messed up announcing the new National TV director general before the bid was over. It was a staged competition with the winner decided well in advance."

The licensing process came under substantial criticism for being politicized. The existing appeal procedure for unsuccessful bidders is capable of postponing the award of licenses almost indefinitely. Georgiev noted the political

control over the process, "...both the Council for Electronic Media and the Communications Regulation Commission are controlled by the government and, to a lesser extent, the president." Krassimir Dimitrov of Mixx Radio in Bourgas added, "The licensing procedures are overcomplicated, lengthy, and pointless. There are many ways to influence their implementation. Licensing is not unbiased and competitive. The procedure of electing members of the licensing bodies allows the awarding of licenses to be politicized; some members are appointed by the government. The process is not transparent—election criteria are vague and "flexible."

At the same time, new broadcasters are emerging through consolidation of ownership. With the acquisition of an outlet, the new owner takes possession of its license, and the radio station or television channel gets renamed and reformatted. This process represents a way to get around the dormant licensing process and get new media up and running. In the process of consolidation in radio, the big national networks acquire local stations, which brings increased advertising revenue and the advantage of a slick popular format against the remaining local competitors. With this consolidation, some of the developed regional media cease to exist and the rest are being weakened and lose their competitive edge. As Dimitar Lipovanski of the Association of Bulgarian Broadcasters (ABBRO) noted, "The consolidation of the market is practically obliterating regional and local outlets. The state has no clear view of whether it wants local media or not. The EU promotes regions and decentralization. But local media here are economic weaklings, and those that

## LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.



have been around long enough are fed up. Whenever a big player is buying, they readily sell.”

Small media outlets are additionally burdened by transmission fees and their other liabilities to the state. Their revenues are impacted to the extent that they cannot afford to improve their programming and technical equipment. As Dimitrov argued, “Compared to other industries, broadcasters are burdened by excessive fees, which are incommensurate with the market reality. There are different market conditions for different types of media; print media don’t pay fees and don’t require licenses.”

Other than the broadcast licensing process, however, entry to the market as a business is as open as it is for other businesses. Media outlets in Bulgaria have no tax advantages over any other business.

Georgiev noted that violence and threats against journalists remains a problem: “Another alarming fact is the growing violence against people in the media by organized crime groups and individuals, and by those in power. The public is little responsive to such incidents, the professional community is reacting but that’s not enough.” The public does not see crimes against journalists as acts of violating free speech. They are considered a rather personal and private matter. The low indicator rating reflects in part the lack of public outcry to such occurrences.

While there are no legal advantages given to public media in terms of general operations, panelists still gave a relatively low rating to Indicator 5. This is mostly attributed to the fact that public media are legally allowed to have two sources of revenue: a state budget subsidy and advertising. This puts private outlets to a disadvantage, as their only source of revenue is advertising

The panelists noted progress as regards the legal treatment of libel. It is a civil code issue and there have been no libel lawsuits over the past year. Additionally, Internet service suppliers are no longer held liable for the content created using their services. These developments, the panelists noted, provide hope for journalists engaging in investigative and business reporting.

Panelists identified problematic issues related to accessing public information. An Access to Public Information Act exists and journalists and public officials have increased awareness of the act, but obtaining public information is still far from problem-free. The requirement for those seeking information to justify their inquiries encumbers the process. Panelists felt that the situation in this area was worsening. As Yuliana Toncheva, a former member of the Council for Electronic Media noted, “The changes to the Access to

Public Information Act are a setback.” Georgiev seconded her comments, “Access to public information is increasingly problematic. Although the regulations are in place, the practice is increasingly negative. There are more and more institutions failing to comply with the law. The lack of serious penalties and public response aggravates the problem.”

On a different note, unconditional sustainability has been achieved in terms of the unrestricted access of media outlets to international sources of news and information, as well as the free and unimpeded entry into the journalism profession. While the former is an undoubted accomplishment in the development of Bulgarian media, the latter involves subtle nuances worth considering according to some panelists. The ease of entry into the journalism profession in effect opens the door to people with inadequate experience and background required for fair and unbiased coverage of events. This reality also contributes to the excessive fluidity of the workforce and increases the need for continuous training.

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Bulgaria Objective Score: 2.49

The 2007 scores on Professional Journalism show little change from the previous year. Progress was noted in the level of technical outfitting of the media—an aspect that has been strong traditionally in Bulgaria; as such, Indicator 7 received a score roughly a point higher than the overall average. Also scoring well was Indicator 4, journalists cover key events. One of the low scoring indicators showed improvement this year: Indicator 3, self-censorship. Pay levels for journalists, Indicator 5, also received a low score.

#### JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

##### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Fair, objective, and well-sourced coverage of events was not a quality the panelists could attribute without qualification to the media in Bulgaria. On this, panelists decried the quality of the workforce in journalism as new reporters with inadequate experience enter the profession due to the outflow of qualified reporters to other higher paying jobs. The panelists felt much of this weakness in this indicator was from unintentionally one-sided reporting or failure to provide context by new and inexperienced reporters. Follow-up on issues is also weak. As Konstantin Markov, a media expert noted, "Quite typical of our media, something gets unveiled, looked at, and investigated, and eventually resolved. Nothing happens next—no attempts at a follow-up, no context."

Panelists did express concern over self-regulation in the media sector. The majority of outlets have subscribed to the Code of Ethics, but for a certain number of publications (such as those in the Monitor Press Group and the sensationalist tabloids), not signing the code is a conscious choice. Even those outlets, however, must see a point in ethical self-regulation, since they have turned to the Ethics Council for arbitration. With separate councils for print and broadcast media, the councils are impeded by the rising trend of joint coverage or investigations carried out by a print and a broadcast outlet. As Petya Mironova from the Ethics Council for print noted, "The practice of joint journalistic investigations is spreading. There's such an agreement between Nova TV and the *Novinar* daily. One story gets aired in the morning and gets printed word-for-word the next day. Neither bothers to cross-check and source it, and in case of a complaint it's a complete mess as to which Ethics Council should be dealing with it."

Outlets' penchant for different topics is dictated by the ownership's business priorities or political affiliation. Journalistic self-censorship is officially disguised as editorial policy. The concept implies a clear distinction between priority topics and issues that are consciously overlooked. The narrowing down of priority topics by editors limits a reporters' ability to carry out in-depth coverage and investigations. This is mostly the case in regional media, which are more exposed to pressure by advertisers or local powers. Regardless of the slightly higher score, this indicator remains among the most underachieving aspects, substantially undermining the country's media professionalism and, consequently, public trust in the media.

Daily news coverage is still comprehensive, according to panelists. The media cover key events and issues without giving advantage to some or suppressing others. Concerning the entertainment and news ratio in the programs of media outlets, panelists noted that the two types of programming are clearly signposted, and even though entertainment is clearly on the rise, it is not at the expense of news and

information. The scores reflect the recent upsurge of entertainment programming rather than any negative effect on the news and information presented. As Dilyana Kirkovska of the Monitoring Directorate of the Council for Electronic Media noted, "Quality entertainment does not eclipse news. But entertainment in general is given a lot more time. When entertainment is coming in large quantities, the news and information get sidelined."

Pay levels continue to lag in the media, contribute to turnover, and are an incentive for corruption. In addition to pay level discrepancies between media and other professions where an experienced journalist can make a larger salary, there is also a clear disproportion between pay levels for journalists in the national and regional media as well as between public and commercial outlets. These conditions continue to contribute to the workforce outflow into other industries. However, panelists admitted that even sufficiently high pay levels fail to guarantee resistance to attempts at corrupting journalists.

Facilities for gathering, production, and distribution of news are consistently within sustainability range and observations of this situation in 2007 reinforce this. There are no major obstacles to the media to update their equipment and raise the technical quality of the product they offer to the audience.

Panelists remarked that niche reporting had maintained its level of development over the year. Specialized coverage in different beats, especially investigative reporting, is well developed in the large national media outlets. However, it still fails to become a far-reaching characteristic of the whole media environment. Small and/or regional outlets are particularly handicapped by a limited workforce with insufficient experience that can be developed into beat reporters. Lipovanski of ABBRO, speaking of regional media, noted, "Beat reporting is a rarity and money is the reason."

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Bulgaria Objective Score: 3.04

The plurality of the media environment has been evolving steadily over the last several years. In 2007, this objective remained the most notable achievement in the country's media development. Regardless of the minor decrease from the prior MSI survey, the major indicators are scoring high enough to suggest sufficient sustainability and independence from direct economic and political influence. Most citizens can access a wide range of news and information throughout Bulgaria. Print, broadcast, and on-line media are readily accessible and largely affordable to most. Domestic and

international sources are available. And citizens have choices between sources within Bulgaria itself, allowing them to see different perspectives.

There remains one troublesome component of this objective, however. Transparency of media ownership continues to lag behind; panelists rated Indicator 6 more than a point lower than the average as a result. It is consistently the major deficit of the Bulgarian media environment, and together with the ever-intensive media consolidation, it questions the ability of outlets to maintain their independence from the economic interests behind them. The big media groups (such as Balkan News Corporation, which owns a number of television channels and radio stations; German WAZ, dominating the market of daily newspapers; and Economedia, with its big portfolio of business and other niche newspapers and magazines) are purely media conglomerates with no other non-media related businesses. They are focused on their media projects and related activities (printing, distribution, consulting). Nonetheless, the solidifying conglomerates are putting enormous competitive pressure on the small independent outlets.

Panelists saw this as troubling. As Yassen Boyadzhiev argued, "Problems with the transparency of media ownership are intensifying compared to last year, given the obscuring in licensing and the consolidation of ownership." However, Petko Georgiev of Broadcast Training Center cautioned against overstating the problems with transparency, "The issue of ownership transparency is overrated in Bulgaria. The national radio and TV are the most transparent outlets in terms of ownership, but that doesn't make them the least

vulnerable to political influence. Transformation of ownership is not the only way to uphold business interests. Ministers, and the government in whole, have no problems pushing their own agendas in the private media."

Panelists were critical also of the ability of the state and public media to reflect the diversity of opinions in society and serve the public interest. Bulgarian National Radio (BNR), Bulgarian National Television (BNT), and the Bulgarian News Agency have had their public status for a relatively short time. Their budgets are determined largely by the subsidy allotted in the state budget. The funding is not earmarked and can be used for improving the competitive ability of public media over commercial outlets. Public outlets' news and public affairs and educational programs are objective and comprehensive, but their general managers are appointed by regulatory bodies, which elect members based on political quotas.

Panelists did note that money remains an issue for accessing media, though less so than in the past. This mostly applies to using cable and digital television programs and household Internet service. Subscription fees for the new television services are not affordable for the whole population, especially in small and rural communities. Given that the services require new technical equipment, their availability is largely dependent on people's income. Boyadzhiev reiterated this point, "Media diversity is still inadequate in many regions. Access to a variety of media and news sources (let alone the Internet) is very unevenly spread." However, as Dimitrov of Mixx Radio noted, "Minority groups are probably number one in terms of access to satellite content."

The low purchasing ability of the population also affects the sales of daily newspapers and high-quality print magazines. Readership surveys note decreasing sales of newspapers and magazines. Part of the audience is making up for the decrease with viewing the online versions of the publications, while others are turning to radio and television and cheaper publications. Citizens have unrestricted access to international media. Language limitations and costs for satellite are the only reason that the full advantage of the unrestricted access is still not achieved.

Independent news agencies gather and distribute quality news for the print and broadcast media. No limits are imposed on using the agencies other than the subscription fees, which are sometimes unaffordable for small regional outlets and account for the still-inadequate access to these agencies.

Panelists also noted that private media produce their own news programs and even cable providers are required by their license to produce their own programming. However, this is a financial burden for cable companies and often the quality of programming is compromised. Generally

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

speaking, no obstacles block the production and distribution of in-house programming. As Ivo Draganov noted, "Almost every outlet has own programming; there are no problems here. Even the much-debated SKAT TV is entirely showing its own programs. The channel is known for its propensity for giving an emphatically nationalistic account of the Bulgarian transition. At the same time, two young reporters are making some of the most courageous investigations into corruption and wrongdoing."

Conditions are quite favorable for the existence and distribution of minority media, including minority-language outlets. Each minority group (including Roma, Armenian, and Turkish) has its publications in their own language. However, their reach is quite limited, not because of special restrictions imposed, but because of the cultural and social integration of minorities. National public media, such as BNT and BNR, as well as commercial television and radio cover minority issues and their views, religion, and cultural activities in the Bulgarian language for a wider audience. As journalist Violeta Draganova said, "The commercial outlets are often beating the public media on their own ground. The public media do not always live up to their purpose. The only example of minority-language information is the BNT Turkish language news."

## OBJECTIVE 4: BUSINESS MANAGEMENT

### Bulgaria Objective Score: 2.63

In the process of shaping the Bulgarian media environment, media outlets continue to develop their business and management standards and clearly see them as a prerequisite for editorial independence. However, this objective has suffered a drop from last year as panelists raised questions about reliable broadcast ratings and the use of market research by media. Indicator 7 in particular scored more than a point below the overall average. However, Indicator 5, government subsidies for private media, continued to be strong and scored a point higher than the average.

Panelists noted the most significant decrease in the objectivity and reliability of broadcast ratings and circulation figures. In this aspect, Bulgaria seems to demonstrate a consistent problem: the perceived unreliability of the data. Until a year ago, there was only one peplemeter system for television, the ownership of which was alleged to have conflicting interests in the advertising and media markets. Now Bulgaria has introduced an alternative peplemeter system, managed by GFK, but it still fails to match the original, which continues to be favored by a significant number of advertising agencies and outlets.

The more important issue is that reliable figures on radio audiences are essentially non-existent despite the rapid development of the radio market and the active restructuring in anticipation of new licensing. There are many regional and small outlets that are practically excluded from the surveys, and work with no awareness of their market standings and potential.

Circulation and sales figures for the press are not provided by the existing (but *de facto* inactive) Audit Bureau of Circulation (ABC). After the ABC was conceived and set up, it never actually received circulation figures on a regular basis by most publications. Hence, the public and advertising agencies have no reliable information regarding the circulation of publications. This contributes to a media environment developing in the dark, without clear indicators to help outlets position themselves more precisely and make the best of the audiences they attract.

In general though, panelists indicated that many media are well run and do generate profits. Additionally, an adequate number of commercially driven printing facilities and distribution networks exist and effectively secure media production and distribution free of partisan considerations.

Private media generate their revenue from advertising mostly. They receive no government subsidies. Panelists from regional media claim their problem is the lack of accurate and objective information about their audience, which leads to regional media being ignored by nationwide advertising agencies and media shops. Hence, their major advertisers are limited to local businesses, which often work based on political influence or common interest with media owners.

## INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

The rapid development of the advertising market and growing size of advertising budgets fail to cover the whole media landscape. The big outlets remain most favored, as they are linked to the advertising agencies allocating the budgets. The big media groups, especially those combining radio and television, close the circle of distribution of advertising and small niche and regional outlets are often sidelined. Local advertising markets are underdeveloped significantly and the resources they offer regional outlets is inadequate. Krassimir Dimitrov felt that “Advertising agencies are not after the best coverage, but after discounts and friendly media.” Tsveta Nenova of Arena Media noted, “It’s hard for small outlets to make a living. Big media work with advertising agencies; agencies do no business with the local outlets. They prefer networks and transmission points.” Dimitar Lipovanski of ABBRO echoed this point, “On the regional level, media don’t work with agencies. It’s increasingly rare for a Sofia-based agency to buy local media.”

Petko Georgiev pointed out, “The problem...is the lack of transparency in the advertising market, which is heavily manipulated in favor of a few leading national outlets. Ratings are quite questionable—the big advertising money goes in the same closed circle of advertising agencies, rating agencies, and outlets. The Internet media are still relatively independent in terms of attracting advertisers, but this is rapidly changing.”

Advertising agencies are well run and professional. They are a mixed bunch of affiliates of some of the leading international agencies and local companies. There is an alleged connection, which is hard to prove, between media outlets and advertising agencies controlled behind-the-scenes by the same persons or entities. Hence, it is believed that some outlets are favored at the expense of others when it comes to receiving advertising budgets.

No change is visible on the indicator of the share of advertising revenue in the total income of outlets. Print media count on revenue primarily from advertising as well as from subscriptions and sales. The situation is expected to evolve with the growth of free newspapers as advertising becomes more important. Ivo Draganov, a media expert, noted some other sources of revenue: “Outlets are generating profits, but their most cashable asset is influence—on the local and national levels alike. Revenue is generated mostly from advertising, but there’s sponsorship, hidden PR, and publicity, which create dependencies. The advertising market is thriving, but the criteria for selection of outlets are still not clear enough.”

Panelists noted that market research is mostly employed by the big national-coverage stations and largely ignored by small or niche outlets which need comprehensive data

for more precise targeting of their audience. The most straightforward evidence is the current state of affairs on the radio market, which is now teeming with similar formats as a result of the recent transformation of ownership. Although research is slowly evolving, the volume of the audience still takes priority over finer segmentation.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Bulgaria Objective Score: 2.98

The institutions supporting independent media in Bulgaria have consistently advanced towards sustainability during the course of MSI studies dating back to 2001. In 2007, however, there was a slight reversal, reflected by the drop in ratings to 2.98. The objective manifests sufficient sustainability and independence of political and economic currents, but to a lesser extent compared to the previous year’s survey. Particular weaknesses evidenced by panelists’ scores include professional associations (Indicator 2), supporting NGOs (Indicator 3), and academic journalism programs (Indicator 4); these all received scores more than a half point below the average. On the other hand, scores for Indicators 6 and 7, access to printing facilities and newsprint and apolitical distribution networks, remained strong, receiving scores in excess of half a point of the average score.

Trade associations continued to receive relatively high marks. Reflecting their effective advocacy work. As Georgiev noted, “ABBRO is evermore shaping as a lobbyist structure—which, by the way, is great for its members.” ABBRO, which represents the private broadcast media in the country, is working actively and professionally with Parliament, the government, and the regulatory bodies to protect and promote the business interests of its members. The Union of Newspaper Publishers (UNP), representing the major print publications, is also developing as a strong voice for the industry and as an important player in the field of media self-regulation. Both organizations are professionally managed and are financially sustained by their members. ABBRO and UNP regularly initiate and participate in public service campaigns in partnership with NGO’s and public institutions.

In contrast to the effectiveness and maturity of trade associations, the professional associations protecting journalists’ rights are far from this level of performance and assistance. Panelists felt this was the weakest component of supporting institutions. This reflects the still-inadequate activities of the Union of Bulgarian Journalists (UBJ). Despite the entry of younger reporters into the organization, a large part of the UBJ membership is senior or retired journalists with little input and influence over the shaping of policies

or professional trends. However, Petya Mironova, of the Ethics Council noted some positive trends: “In all fairness, the professional qualification of journalists is taken seriously over the last couple of years. Maybe the establishment of the National Council for Journalism Ethics served as an incentive for UBJ. The Investigative Journalists’ Club was restored, along with the International Journalists’ Club. And legal protection has always been a priority; the UBJ has always provided legal support to its members.”

NGOs supporting free speech and independent media are clearly showing less involvement and activity than in previous years. The support and advocacy organizations brought together in the Bulgarian Media Coalition are less active and less successful in trying to modernize media legislation and represent the community and individuals involved in the development of the media sector. Backpedaling can be explained partly with the maturity of the media sector in Bulgaria. Media and free speech are arguably regulated and self-regulated enough with a Code of Ethics and the two ethics councils in place. Petko Georgiev added, “We have a very bad situation and it’s getting worse. The Bulgarian Media Coalition broke apart in scandal, and no one wants to take responsibility.... But there’s not one serious media NGO out there.”

Panelists criticized degree programs in journalism, noting they are failing to meet the requirements of a modern media market, especially with regard to practical experience. As journalist Violeta Draganova added, “Academic journalism education lacks quality, especially in advanced journalism degrees. Opportunities to study abroad are also limited.” Panelists said the curricula are outdated and the training received is not sufficient to produce skilled media staff.

## SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

The deficits of academic journalism education are partially compensated by the availability of short-term training programs. However, fewer short-term programs are offered than in past years, in part due to declining donor support. Panelists noted the discontinuation of subsidized, free training is a deterrent to media owners and managers investing in upgrading the skills of their staff.

Finally, as in the past, Bulgarian media enjoy essentially unlimited and unpoliticized access to printing facilities, newsprint, and distribution networks. Broadcast media own their transmitters and this is not a source of political pressure.

## List of Panel Participants

**Assya Kavrakova**, chairperson, Broadcast Media Ethics Commission, Sofia

**Petya Mironova**, chairperson, Broadcast Media Ethics Commission, Sofia

**Violeta Draganova**, Roma mainstream freelance journalist, Sofia

**Konstantine Markov**, Association of Bulgarian Broadcasters, Sofia

**Dimitar Lipovanski**, director, Arena Media Russe, Russe

**Tzveta Nenova**, head, Russe Media Festival, Russe

**Krassimir Dimitrov**, manager, Glarus Radio Burgas, Burgas

**Petko Georgiev**, executive director, BTC ProMedia Foundation, Sofia

**Juliana Toncheva**, media expert and former spokesperson, The Council for Electronic Media, Sofia

**Ivo Draganov**, TV documentarian, National Academy of Film and Theatrical Arts, New Bulgarian University, Sofia

**Jassen Boyadjiev**, director, Info Radio, Sofia

**Dilyana Kirkovska**, Council for Electronic Media, Monitoring Directorate, Sofia

## Moderator and Author

**Rumyana Bachvarova**, consultant, Market Links Research and Consulting, Sofia

The Bulgaria study was coordinated by, and conducted in partnership with, BTC ProMedia Foundation, Sofia.

*The past year was marked by a long and fierce political campaign surrounding the parliamentary elections in November. However, this proved that implementing higher democratic values and practices has its difficulties. The pains of transition have carried over into most of Croatia's social sectors, including the media.*



CROATIA

Goran Sebelic/CROPIX

Croatia is becoming a stable democracy with a relatively prosperous economy as a result of significant governmental developments in recent years. The parliamentary elections in 1999 and especially the formal start of the EU accession process in 2005 marked the line between a society recovering from war and an authoritarian regime and a new Croatia opening to the promises and challenges of a Euro-Atlantic future.

The past year was marked by a long and fierce political campaign surrounding the parliamentary elections in November. However, this proved that implementing higher democratic values and practices has its difficulties. The pains of transition have carried over into most of Croatia's social sectors, including the media.

Just days before the MSI survey began, several events took place that brought the media scene in Croatia to a boiling point. A well-known investigative journalist was arrested and kept in prison overnight for publishing "top-secret documents." A convicted kidnapper and alleged organized-crime boss sent a letter to a publisher outlining the network of organized-crime figures, politicians, the judiciary, and the media. One of the top drug bosses in Croatia was shot by a contract killer during his weekend leave. He died in the arms of his fiancée, an important news editor at Croatian Public Television (HTV). A well-known crime reporter wrote a revealing article on the assassination and received a clear message the next day from the criminal underground: his own obituary was published in a daily paper. A notorious local tycoon accused of rape threw a bag of fresh cow bones at the court entrance, shouting at journalists, "This is for you, blood-thirsty jackals."

The year 2007 presented MSI panelists with many additional issues to consider. In January, the Ministry of Culture tried again to open and close in just one day a "public" debate on amendments to the Law on the Electronic Media. In April, the Council for Electronic Media declined to renew a key expert's term, proposing to replace him on the council with someone having a strong political background. Divisions inside the Croatian Journalists' Association (CJA) seriously endangered its position as a strong advocate for the profession. Many saw changes in the news department at HTV as a reminder of 1990s-era Croatia. In early December, an editor at a weekly business paper resigned because she no longer wished to publish paid promotional materials under the guise of articles written by the paper's staff.

Given these circumstances, Croatia's final score for 2008 is noticeably lower than the past few years. Modest gains in Objectives 2 and 3 (professional journalism and plurality of news) were offset by a small decline in Objective 1 (free speech) and drops of about half a point in Objectives 4 and 5 (business management and supporting institutions). Although setbacks and shortcomings are almost inevitable in a media market emerging from an authoritarian government, panelists expected higher standards both in legislation and professional practice. Panelists expressed that they cannot cope with market rules and trends that favor unscrupulous and blatantly commercial media over serious, responsible journalism.



# CROATIA AT A GLANCE

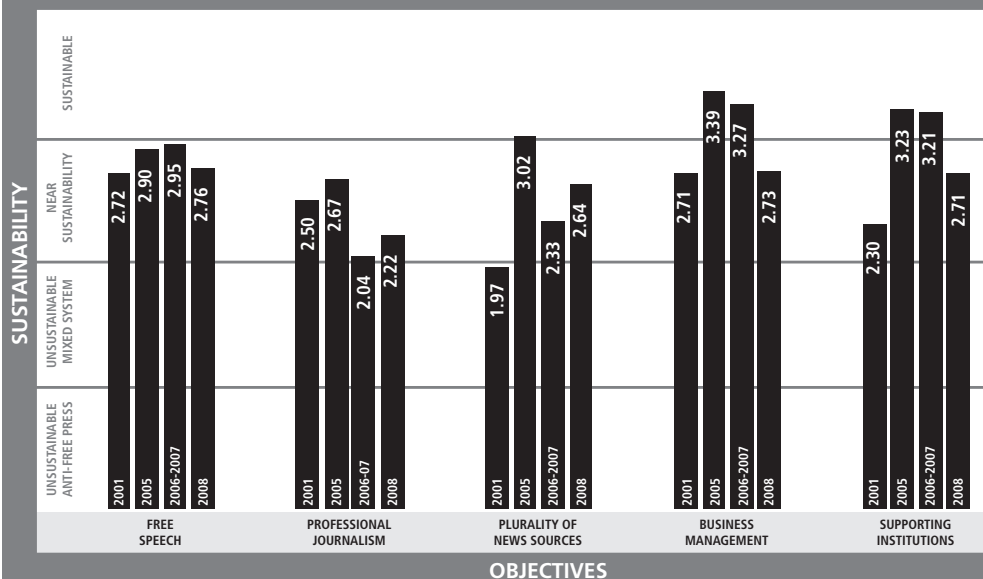
## GENERAL

- > **Population:** 4,493,312 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Zagreb
- > **Ethnic groups (% of population):** Croat 89.6%, Serb 4.5%, other 5.9% (including Bosniak, Hungarian, Slovene, Czech, and Roma) (2001 census, *CIA World Factbook*)
- > **Religions (% of population):** Roman Catholic 87.8%, Orthodox 4.4%, other Christian 0.4%, Muslim 1.3%, other and unspecified 0.9%, none 5.2% (2001 census, *CIA World Factbook*)
- > **Languages (% of population):** Croatian 96.1%, Serbian 1%, other and undesignated 2.9% (including Italian, Hungarian, Czech, Slovak, and German) (2001 census, *CIA World Factbook*)
- > **GNI (2006-Atlas):** \$41.40 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$13,680 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 98.1% (male 99.3 %, female 97.1%) (2001 census., *CIA World Factbook*)
- > **President or top authority:** President Stjepan "Stipe" Mesic (since February 18, 2000)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** 14 daily newspapers, 46 weekly newspapers, 19 television stations, 143 radio stations
- > **Newspaper circulation statistics:** The total circulation of daily newspapers is estimated at 550,000 copies a day.
- > **Broadcast ratings:** highest rated television outlets: HRT 1 (public television), RTL Croatia (private commercial television), HRT 2 (public television), Nova TV (private commercial television)
- > **News agencies:** HINA, IKA, STINA
- > **Annual advertising revenue in media sector:** Approximately \$900 million (estimated 60% of advertising income goes to broadcasters, 40% to print)
- > **Internet usage:** 1,576,000 (2006 est., *CIA World Factbook*)

## MEDIA SUSTAINABILITY INDEX: CROATIA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Croatia Objective Score: 2.76

Panelists rated Objective 1 slightly lower than last year, partly as an expression of frustration over the lack of continued progress and partly due to a number of events that exposed some cracks in the media regulatory environment. Indicator 5, covering preferential treatment of public media, significantly held back performance in this objective, scoring more than a full point lower than the average. Indicator 2, regarding broadcast licensing, and Indicator 6, on libel laws, scored a little more than a half point below the average. On the positive side, Indicators 8 and 9 received scores close to a 4, reflecting the panelists' view that both media access to international news sources and entry into the journalism profession are secure in their current freedom.

Panelists concluded that the legal framework that protects freedom of speech in Croatia is well-elaborated and, in general terms, follows recognized international standards. Media and media-related legislation include the Constitution of the Republic of Croatia, the Media Law, the Electronic Media Law, the Croatian Public Radio and Television Law, the Penal Law, and the Freedom of Access to Information Law, plus numerous sub-laws. One general objection, defined by panelists Tena Perišin and Ivan Čičak, is that there are obviously over-regulated areas (for example, defining in detail the minimum area in square meters foreseen for the working spaces per each employee), while some open but undefined issues remain that are potentially subject to arbitrary decisions.

"The Electronic Media Law stipulates exact details, such as the exact percentage of news and original production in the daily schedule of each broadcaster or allowed advertising time per hour, but there is no efficient monitoring in place. Without it, these provisions are just empty words," Čičak said.

"Each time I turned to the Law on HTV for specific answers on specific problems, I couldn't find them," said Perišin, assistant to the news director at HTV. "There are so many technical details and general provisions, but just too many grey zones where concrete stipulations should be."

Panelist Emil Havkić, an attorney at law and a media law specialist, said that media-related legislation is very well-defined but that laws often have some obvious flaws in implementation. Havkić recommended implementing additional provisions on safeguarding privacy, which has become an important issue given the blatantly commercial media that control a significant market share. Havkić said, and other panelists agreed, that public opinion on media

freedom and civil society are generally mature enough to prevent potential misuse of privacy provisions by the government or others.

Still, panelist Neven Šantić made an important objection to the current media legislation. "I just can't consider [the law] good and just as long as a journalist or his editor could be fined for printing or broadcasting statements made by the politicians or public figures with no alterations," he said. "This opens just too big a window for the courts to make arbitrary decisions on it, although there haven't been any recent cases of this type."

The government in other ways still shows a lack of understanding on the importance of media's role in a democracy and an unwillingness to work cooperatively with media professionals. In January 2007, the Ministry of Culture (which is responsible for media legislation) revisited amendments to the Electronic Media Law by, among other things, adding the position of manager to the Council for Electronic Media who would be appointed by the government. Most media professionals considered this proposed change unacceptable and a step backward from the common standards already achieved. As in the past, the ministry tried to open and close in just one day a "public" debate on the amendments to rush them through. Only after an immediate reaction from the CJA and other NGOs did the ministry organize a proper public debate, which resulted in substantial changes to the first draft: the manager position was no longer government-appointed and had reduced responsibilities.

### LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

#### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

*“The Electronic Media Law stipulates exact details, such as the exact percentage of news and original production in the daily schedule of each broadcaster or allowed advertising time per hour, but there is no efficient monitoring in place. Without it, these provisions are just empty words,” Čičak said.*

Licensing of the broadcast media has always been a lively topic for MSI panelists, and was again this year. Most of the panelists felt that the main shortcoming with the Council for Electronic Media, the body that allocates frequencies and licenses to broadcast, is no longer its political affiliation (as it was in 1990s), but rather incompetence and alleged corruption. Panelists pointed to an April 2007 decision by the council to not renew the term of one of its key experts. Renewal is normally common, but the council chose to replace him with someone having almost no media experience but strong political ties. Regarding the council's decision-making process on licensing, the panelists said that the main problem is not a lack of transparency (bids for frequencies are public, as is voting), but rather the undefined criteria that give advantages to some bidders. Lack of criteria facilitates arbitrary decisions and applications that exaggerate financial means and professional experience, undercutting post-award enforcement of terms.

Most of the panelists agreed that the damage done in the 1990s, when the council issued licenses almost exclusively to government cronies, is almost irreparable. Most of the quality frequencies were allocated at that time, and given that no one has withdrawn a frequency, the broadcast scene (especially when it comes to radio) is cemented; also, due to the lack of new frequencies, quality competition is prevented from entering the market.

Panelists could not agree on the council's practice of renewing licenses almost by default. Some thought that, given that no available quality frequencies are available, the practice prevents the development of the market and encourages license holders to openly breach license terms and conditions. As Perišin mentioned, “Who cares anymore to compare the original application of, say, national television channel RTL, which included obligations to produce a high percentage of educational and cultural content, with its current schedule, completely oriented toward commercial productions? Is that a breach of the contract that eventually could and should result with the license's withdrawal?”

Other panelists said that the practice of withdrawing licenses could potentially lead to arbitrary decisions. In addition, these panelists said, given that licenses are issued for five to seven years, making a proper business plan (or involving a serious investor in a project that requires at least four to five years of capitalization) would be almost impossible to do without some kind of guarantee of the license's renewal.

Panelists agreed that the tax structure and market entry rules for the media are fair, competitive, and comparable with other industries. After years of lobbying by CJA and Association of Publishers, the government in 2007 finally implemented tax breaks for the print media (lower value-added tax [VAT] on newspapers compared with other products), which should contribute to better overall financial performances in the industry.

Although the government should be praised for this decision, its timing raised some concerns. Panelist Zdenko Duka, CJA president, said, “The tax break to the print media is a good decision, by all means. But what worries me is that it happened only weeks before the general elections. It was almost like sending a subtle political statement to the media on whom to side with.”

Panelist Ante Gavranović, founder of the Association of Publishers, added that daily and weekly papers are probably the only large-scale products in Croatia that have not changed their prices since 2001. Preferential VAT status is, therefore, “well-earned,” he said, and could be of the utmost importance in keeping some of the publishers on the market.

There are no restrictions or special procedures in starting a print media business, compared with any other industry.

The broadcast media sector is more complicated. Market entry in broadcasting is defined primarily by the number of available frequencies, not by the investors ready to take a risk with a new market entry. Taking into consideration that only a small number of less attractive local radio and television frequencies are available after the last big frequency allocation process in 2003, few (arguably no) important new market entries have been made.

However, Croatia should become fully digital by 2012, and the switch to a digital frequency spectrum will dramatically improve the broadcast market and open almost unlimited new resources. Because the transition is less than five years from now, panelists expressed their concern that the council and other responsible institutions are not doing enough to prepare themselves, the broadcast market, advertisers, consumers, and the media legal framework for the forthcoming digital revolution.

Physical attacks on journalists in Croatia are very rare, but panelists are concerned with the increasing number of harassment cases. Although the public is very sensitive to harassment of the media, the prevailing opinion of the panel was that the police and judiciary should be more active both in protecting journalists and prosecuting offenders.

“My feeling is that the judiciary does not prevent the harassment of journalists. Even more, by being passive, it could be said that they are actually encouraging such attacks,” said panelist Anja Picelj-Kosak, referring to the two most recent cases (“obituary” and “cow bones,” described in the Introduction).

Čičak also mentioned the difference between working in a big, national media company, where journalists have a sense of security and protection, and working in a small local media company, where journalists—and their families—are far more exposed to different types of subtle or open harassment.

There has been a dilemma among MSI panels for years over Indicator 5, public media receiving preferential legal treatment. Does the fact that HTV collects subscription fees (in addition to its high share of the advertising market) mean that HTV has a preferential status over the other broadcasters? Or, is subscription vital for financing educational and other noncommercial programming and advertising revenue additionally safeguards editorial independence, as Perišin said? The panelists could not agree on this point.

They did agree, however, that interference in the editorial policy at HTV still exists and is even more visible after the recent changes in key editorial positions. The problem is not one of a defined and systematic interference, but rather about having “loyal” editors and journalists in key positions. Furthermore, while laws are quite clear on delineating editorial independence at public broadcasters, many powerful politicians still wield extra-legal influence and willfully ignore these laws in spirit and practice. Interference in the editorial policy is much more tangible in the local broadcast and print media, where municipalities still have ownership shares and do not hesitate to use them to leverage different forms of interference and pressure.

In practice, libel is regulated by the civil code, and the offended party must prove falsity or malice. Still, as Šantić mentioned above, journalists or editors are sometimes held responsible and could be fined for publishing direct quotes made by public figures.

An additional problem is the huge backlog of libel cases and the transferring of some to nearby local courts, a practice that panelist Denis Kuljiš said is a further insult. “Now it is not

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As shown by the December 2007 resignation of the minister of internal affairs (photos published on the Internet showed him and war-crimes suspect Mladen Markac, who was on parole but not allowed to leave his house, taking part in a Christmas boar-hunting trip), the expectation is that public officials will be held to higher standards. However, recent examples at both the national and local level have shown that the highest-positioned officials are still in a class of their own. The prime minister, for example, has never made good on his promise to make public the invoices for his collection of very expensive wristwatches, in order to prove that they were personal purchases and not gifts from “business partners.”

Regarding access of information, panelists agreed that no regulations restrict access per se, but they warned that public officials (especially at the local level) are still discriminatory in providing information. “It is not a problem to find one’s own sources from the government, but the real problems occur at the local level, where the officials talk only to ‘their’ media,” Šantić said.

Duka said that government and public officials simply do not comply with their legal obligation to provide an answer upon written request. “There are no sanctions for the public officials if they don’t answer within the defined time frame, so some of the officials are simply ignoring [the law],” he said.

Access to local and international news, including the Internet, is completely open and absolutely unrestricted, both for journalists and the general public. The high cover price of international newspapers is a definite factor preventing higher sales. However, ever more affordable rates for online services, and a relatively high percentage of households using broadband Internet connections, have decisively contributed to a massive and efficient flow of international news.

*There is no such thing as an “average salary” for journalists in Croatia, the panel concluded. Salaries and other benefits are as little as \$600 or as much as \$15,000 a month. But a higher salary is no guarantee that the earner is above corruption. As mentioned earlier, even some higher-paid journalists tend to be corrupt in some ways—by accepting paid travel packages, for example.*

Croatia has never required any kind of licensing for journalists. Accreditations in general depend on publishers/ editors, and there have been almost no cases in which accreditations were denied or withdrawn by the government or other public institutions.

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Croatia Objective Score: 2.22

Objective 2 showed a minor increase over the score of 2.04 it received last year. The leading indicator, regarding modern facilities and equipment, scored significantly higher—more than a full point—than the overall average. However, the indicator about self-censorship scored nearly a full point lower. Pay levels for journalism and corruption also were a concern for panelists, and they scored Indicator 5 about half a point lower than the average. All other indicators fell relatively close to the final average.

The issue of fair and objective reporting has raised controversies among the panelists, and did so again this year. Kuljiš declared himself to be a “great admirer of Croatian journalism,” stating, “Have there been any important social or political processes from the ‘90s onward, without the media having a key role in exposing wrongdoings and involving the public by giving needed facts? No, there haven’t been any. We should be proud of it.”

Panelist Davor Glavaš, of the Croatian Radio Network and a professor at Zagreb University’s Study of Journalism, commented, however, that this role is inherent to journalism and that there is no reason to be proud—only satisfied with what the profession in general has achieved.

All panelists agreed that the quality of reporting has been on a downward trend since 2000. The events of 2007 reinforced

this conclusion and showed diminished chances to stop or reverse the trend. Triviality and sensationalism, generated by low-quality commercial media, tend to fill an increasingly greater proportion of the media content. Tabloid journalism does not have much regard for facts, sources, research, accuracy, or decency but has seized a large part of the print and broadcast media market. Some specific features of the Croatian media market also contribute to the trend of triviality—it simply takes offensive headlines for customers to single out one edition among dozens of others on newsstands and kiosks. (Only 3 to 4 percent of circulation is through subscription; 96 to 97 percent of copies are sold at kiosks.)

The downward trend has been supported actively by the high-circulation free papers and has reached mainstream media outlets as well—not (yet) with regard to the core content, but in the changeover to tabloid-like graphic design and layout, the adding of trivial supplements to print dailies and weeklies, and the introduction of commercial, low-quality “showbiz” productions on HTV.

The CJA and Croatian journalists have been well-known for their relatively efficient self-regulation and the high standards defined in their ethics code. More than 90 percent of all active journalists in Croatia are members of the CJA, and a large majority of them do follow basic ethical standards. Panelists felt that recent developments in the industry put this record at risk. According to Kuljiš, “When it comes to ethical standards, I wouldn’t say that journalists are a key problem in their implementation. On the contrary, journalists are recognizing and following these standards as much as they can. The problem is in their editors and owners. They are shaping the media to their interests, and journalists really can’t do much about it.”

## JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Certain groups lean more toward the accepting of different types of gifts in exchange for articles. Sports journalists often travel at the expense of the clubs they are reporting on and simultaneously take per diems from their publishers. Journalists covering the health system are very often guests at expensive presentations of new medicines and drugs, usually at exotic destinations, with all expenses covered. Journalists for car magazines often use cars owned by big car dealers, or buy them at bargain prices.

But gratuities are not the core of the problem. Ethical standards have declined with the new generation of journalists, who do not recognize the higher responsibilities of the profession but take it simply as a tool to promote themselves, or who are used by the publishers in promoting business interests.

Long gone are times when self-censorship was the result of direct political pressure, but self-censorship does exist—simply in a different form. “In March 2007, I gave my students at the Study of Journalism a list of the biggest advertisers in Croatia and asked them to search the archives to find any article in the media from the past six months critical of any of these companies,” said Glavaš. “Guess what? They couldn’t find a single piece.” Panelist Gabriela Galić, president of the Journalists’ Trade Union, added, “Journalists depend on editors, editors depend on owners, owners depend on the biggest advertisers.... My feeling is that our margin of professional independence is ever smaller. Frankly, we have contributed to it as well, being only passive observers of these trends for years.”

Havkić said that self-censorship in the Croatian media is stronger than it used to be. “It is not political self-censorship. It is about a new alliance that has been formed between the editorial and advertising desk in media, which tends to influence content—at times even more so than the authoritarian regime of the ‘90s did,” he said.

Interference of the big advertisers with media content sometimes assumes forms that are ridiculous, although not less dangerous. For example, a member of the immediate family of one of the biggest Croatian tycoons (and one of the largest advertisers) opened for the company a new shopping and business center in the second-biggest city in Croatia. A local daily paper published an article on the ceremony, mentioning marginally that the “godmother” of the new shopping center had “a retro hairdo.” The next day, a message from the company was on the editor’s desk, stating that the company would cease its advertising (a page a day, plus special weekly supplements) in that paper for the next two months.

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In more serious forms, big corporate money has undeniably found a way to discourage investigative reporting of their companies in most of the mainstream papers. The practice of mixing journalism and public-relations pieces has taken many forms as well. As mentioned previously, an editor of a weekly business paper resigned recently because she felt she could no longer in good conscience publish public-relations pieces under the names of the paper’s journalists, as ordered by the chief editor. Panelists felt that if such events happen in a national media company, one could only guess what is going on in local media.

This practice affects not only business media sections, but political content as well. It has taken more subtle forms than the public-relations/reporting mix, but professionals can see it almost on a daily basis. With a consensus achieved among all parliamentary parties on key national issues (EU and NATO membership, for example), a new space for promotion of certain political variances between political parties has opened. And, more often, these jobs are not the journalists’ responsibility. “One of the key spin-doctors recently told me: I don’t waste time with you journalists. I go to your publishers and arrange the type of article I want,” Kuljiš said, somewhat bitterly.

Panelists concluded that journalists cover all key events in the country, but there is an increasing lack of quality investigative and follow-up reporting, searching for background information, etc. Many of the events, including international events and processes, are covered only in a superficial or sensationalistic way. Still, imagining a situation in which all the media would accept a suggestion not to write about any event or scandal seems impossible. As always, it takes only one to publish the story; others would have to follow if they do not want to lose their reputation with their readership/audience. A typical example is the aforementioned demission of the minister of internal affairs following the publication of compromising photos. One Web portal published the photos, so the other media could not ignore the matter even if they had wished to.

*Foreign investors own a large percentage of the print media sector, along with two national television channels. After an initial adjustment period between the foreign entities and Croatian teams, the two sides have had no major disputes. Aside from the trivial content on the foreign-owned television channels, it could be said that the foreign owners have contributed to the transformation of the Croatian media industry from domination by politics and politicians to more market-oriented programming.*

There is no such thing as an “average salary” for journalists in Croatia, the panel concluded. Salaries and other benefits are as little as \$600 or as much as \$15,000 a month. But a higher salary is no guarantee that the earner is above corruption. As mentioned earlier, even some higher-paid journalists tend to be corrupt in some ways—by accepting paid travel packages, for example. Salaries in the private media are generally higher than in public media, with exceptions for the “star” journalists on HTV, to whom individually tailored contracts are offered.

Entertainment programming and related articles have been seizing more and more of the media content. Most of the print media still have a relatively respectable news section. This is true for HTV as well; news programming on HTV is still the most watched among all national channels. The more serious change is the prevalence in the commercial media of low-quality entertainment content, with no respect for accepted professional standards. Most of the “serious” papers do have entertainment pages or supplements, contributing to its somewhat schizophrenic content policy.

Generally, technical facilities are modern and efficient, especially at national print or broadcast media companies. In some cases, these media are equipped with state-of-the-art equipment, but the same cannot be said for some of the small local print or broadcast media.

When remarking on niche reporting, Glavaš reported, “Just by coincidence, I’ve recently found on one newsstand, among all the other dailies, weeklies, and monthlies, two magazines titled *My Carp* and *How to Catch a Carp*. I think this is ultimate proof that the niche market in Croatia is

well-covered.” Sectors such as business are well-covered by specialty outlets and journalists, with multiple print media dedicated to the topic as well as the success of 24-hour business news channel Kapital Network. The Croatian market is sophisticated enough to support such specialty media. However, when it comes to in-depth investigative reporting, panelists expressed frustration with what they called a “new alliance” of advertisers and media outlets. Essentially, there is an agreement to not rock the boat; media prefer to not take the initiative on uncovering crimes and misdeeds perpetrated by the business sector.

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Croatia Objective Score: 2.64

The overall average for Objective 3, 2.64, is an aggregate of diverse indicator scores. Three indicators, covering plurality of news sources, independent news agencies, and private broadcasters producing their own news, scored above a 3. Indicator 2, on barriers to citizens accessing media, scored a perfect 4. However, Indicator 3, on the impartiality of public broadcasters, and Indicator 6, on transparency of ownership, both scored well below 2. On balance, however, the score reflects an improvement over last year’s 2.33.

Panelists agreed that plurality of public and private news sources exists and efficiently contributes to the goal of better-informed citizens. The Croatian media market has more than 950 registered publications, which makes one publication for every 3,000 adult citizens. Croatia has more

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens’ access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

than 3,100 registered journalists, seven national daily papers, more than 150 radio stations, and four national television channels. Almost 40 percent of the population regularly uses the Internet, and nearly 25 percent of households have a broadband connection. Plurality of news sources is by all means secured.

A relatively high cover price of the print media (buying regularly just one daily paper and one weekly paper would consume about 3 percent of the average salary—high by all standards) is compensated somewhat by a higher number of readers per copy. Foreign papers, although available with absolutely no restrictions, are prohibitively expensive, so those interested use the Internet to access them. In general, people in bigger cities have better access to media, but with the further expansion of broadband Internet, satellite, cable, and IPTV, these differences tend to be increasingly smaller. Thanks to the ever-tougher competition, prices for broadband Internet and other similar services have dropped significantly and have become quite affordable.

There are no restrictions when it comes to using foreign news sources, whether provided by print, broadcast, or Internet. The free availability of foreign papers is a particularly Croatian phenomenon: since the early 1970s, they have been brought in mostly thanks to the many foreign tourists, but also to the hundreds of thousands of Croats working in nearby countries.

Another feature particular to the Croatian media scene is that foreign television channels and radio stations (for example, Italian or Austrian) have never been jammed and are tuned in to by a large percentage of the population.

Roughly 40 percent of households subscribe to cable and satellite television services, with penetration notably higher in urban areas. Internet and IPTV service might soon change this proportion more in favor of the rural areas. Given the country's geographic shape, most of the population has access to international terrestrial television stations as well.

Unlike in most of the previous Croatia panels, the MSI 2008 panelists raised serious concerns over the recent, partisan-inspired changes at HTV. "Applying high standards, as we in Croatia should apply, we could say that the recent parliamentary elections [in November 2007] have shown that politics managed to influence HTV again. It was surprisingly easy to achieve this. We were probably too naive in thinking that HTV has become resilient to such attempts. I am afraid it will take the Croatian media scene years to recover from that," Kuljiš said.

Čičak said that HTV and other media are still deliberately superficial, with no desire for quality reporting on crucial

matters. Havkić agreed, saying, "We couldn't say that any segment of the political spectrum or any party's activities remained uncovered, but media still do not use their strength for in-depth reporting or opening a public debate on certain important issues, taking the position of an uninterested and superficial observer."

Infotainment as a global trend has taken hold in Croatia as well. The programming schedule of the two national commercial television channels and the structure of their news programming (with a special features of "citizens-news contributors," which usually results in paparazzi-type video footage below accepted standards of technical quality) is proof of the change. "What happened with the educational and cultural programming on HTV?" Glavaš asked. "Instead of the high-quality and internationally awarded serials and dramas, HTV is now broadcasting miserable, local soap operas in prime time—all in the pretext of fighting for their share of viewers."

Perišin questioned whether the change in programming has affected the validity of broadcasters' licenses. "Where is the Council for the Electronic Media when it comes to comparing terms and references under which some national broadcasters got the national license and their current programming schedule and production?" she asked. "Shouldn't a shocking difference between license terms and current programming be enough for the license withdrawal?"

Croatia has only one national full-profile news agency, HINA, now under public management. The other smaller agencies (Catholic News Agency, IKA, and a smaller, privately owned news agency, STINA) are not capable of offering full service to their clients but contribute to the media market with their own features. Recent changes in HINA's customer policy (offering content on pay-per-use basis) have made the service more affordable, although the prices are still prohibitively high for smaller and local media. Aside from the high prices, there are no restrictions in using foreign news agencies. The larger Croatian media (both print and broadcast) have their own national and international correspondents, news-gathering teams, and niche specialists.

All broadcasters (public and commercial, local and national) are required by the Electronic Media Law to produce and broadcast their own news programs. There are no exceptions to this rule. For example, even radio stations that play only music must have some news programming. The law has resulted in a variety of news programming—at least in quantity.

Amendments to the Electronic Media Law adopted in the summer of 2005 resulted in the creation of the Fund for Pluralization of Media, dispensed under the auspices of the



*A relatively high cover price of the print media (buying regularly just one daily paper and one weekly paper would consume about 3 percent of the average salary—high by all standards) is compensated somewhat by a higher number of readers per copy. Foreign papers, although available with absolutely no restrictions, are prohibitively expensive, so those interested use the Internet to access them.*

Council for Electronic Media. The fund is devoted to supporting news and other types of noncommercial programming on local commercial radio and television stations. The legislation mandates that HTV must reallocate 3 percent of its subscription fees (about \$4.5 million a year) to the fund. Panelists praised the fund and its success in significantly improving the quantity and quality of news production of local broadcasters. However, they did express concern regarding the nontransparent criteria under which the Council for Electronic Media allocates the fund's resources.

Ownership of media outlets is treated in the same way as in any other industry: a registry of owners is available publicly at the Commercial Court, in theory allowing transparency regarding ownership. However, there is a lack of clarity and much speculation regarding whether some named owners are the actual owners or simply decoys.

The ownership status of major Croatian print media outlets is varied, preventing a monopoly. The biggest Croatian publisher, Europa Press Holdings (EPH), is owned by WestAllgemeine Zeitung (WAZ), which has a 49 percent share. *24 Sata* and *Vecernji List*, two of the most circulated daily papers, are owned by the Austrian company Styria. Dailies *Novi List* and *Glas Istre* are majority-owned by their employees. Other important foreign media owners are Sanoma, Kompetenz, and Media Development Loan Fund. The government still owns and heavily subsidizes the daily paper *Vjesnik*, although it has a marginal market share and clear political influence.

Technically speaking, the government (national and local) is still the largest media owner in Croatia, measured by the number of media outlets in which it has a share. This extends to more than 80 radio stations, founded in the 1970s and 1980s when only local government was permitted to hold licenses for radio broadcasting. The government

does not directly finance these media outlets, but it does provide certain tangential support, such as offering newsroom space free of charge or paying for coverage of the local government's activities, which could be avenues for interfering with media management and editorial policies.

There are some notable exceptions, however. A good example is Radio 101, the best-known Croatian radio station, which made immense contributions in the 1990s to both freedom of speech and the general democratization of the country. The station is partially owned by the Zagreb Municipality, which has no restrictions whatsoever on its editorial independence.

Recently, the CJA made recommendations to adopt legislation to exclude local government from owning media within a reasonable time frame (over the next five to seven years). But the recommendations have failed to gain support, mostly due to strong opposition from local radio stations. For them, local governments are still seen more as a means of financial support than as a threat to editorial independence.

Foreign investors own a large percentage of the print media sector, along with two national television channels. After an initial adjustment period between the foreign entities and Croatian teams, the two sides have had no major disputes. Aside from the trivial content on the foreign-owned television channels, it could be said that the foreign owners have contributed to the transformation of the Croatian media industry from domination by politics and politicians to more market-oriented programming. Still, some serious objections have been raised by the Journalists' Trade Union, which is demanding that foreign owners adopt and follow the same protections of employee labor rights as in their countries of origin—which is not always the case.

The panelists did not reach a consensus regarding the minority media. They questioned whether the coverage of minority issues in "mainstream" media means that minority groups still need their own media. If minority issues are treated mostly in the minority media, does that imply that minorities and their specific issues are being separated into a "media ghetto"? Factually speaking, public broadcasters have specialized programming for minorities, with a growing number of these productions aired by local broadcasters, thanks to the financial support from the Fund for Pluralization of Media. At the same time, some minority media have managed to shift from being low-circulated papers with almost zero impact to having a wider social context. A prime example is *La Voce del Popolo*, the Croatian daily of the Italian minority, with a 50-year tradition of journalism and more than 8,000 copies sold each day.

## OBJECTIVE 4: BUSINESS MANAGEMENT

### Croatia Objective Score: 2.73

This objective suffered a loss of nearly half a point from last year. All indicators shared a similar loss with the exception of Indicator 5, government subsidies of media, which gained minimally and tied as the highest indicator in this objective. Sharing the high position is Indicator 3, on advertising agencies. Both were rated a little more than half a point above the average. Others were rated as near the average except for Indicator 7, broadcast ratings and circulation statistics, which the panel rated a full point lower than the average.

In discussing business practices and management of the media, Denis Kuljiš of Article X pointed out, "Media as a well-managed business doesn't necessarily equal editorial independence." "Financial self-sustainability or profit-making definitely helps in securing independent status from, say, government or different lobbies. But it is no guarantee for the ever-more-important internal editorial independence—an editorial policy independent of the media owner," he continued. Panelists concurred that this sentiment affected their scores and played a strong role in their scores being lower than last year. They felt disappointed that media increasingly focus on profit irrespective of higher professional and labor standards. The previously mentioned alliance between media and advertisers seems ever more influential and, taking into account the trend of falling print circulation, ever more entrenched.

Panelists concluded that the growing number of foreign investors interested in Croatia's media, and the presence of some of the most respected international media companies,

#### INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

##### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

*Printing houses and broadcast distribution networks are efficient as business entities, with enough resources to support the unrestricted growth of the media industry. The number and variety of the printing facilities prevent any kind of deliberate obstruction of quality service to media clients.*

prove that the media industry in Croatia is a profit-making venture, with flexible and efficient business management. As the panelists repeated often regarding this objective, the biggest publishing company in southeast Europe, Zagreb-based EPH, was founded in the late 1980s by a group of young local journalists and managed by them to reach the highest production and management standards. Foreign investors usually keep local management in place, recognizing the skill of local managers and profiting from their expertise.

However, shortly after the MSI panel completed its work, EPH faced criticism for transferring a number of employees from the *Slobodna Dalmacija* daily (which EPH bought from the government in 2005 under not entirely transparent conditions) to a newly formed "news agency," but did not extend the employees' contracts. That effectively served as the first step toward reducing the number of staff, which would be a breach of the contract under which EPH bought the paper. EPH attempted to explain that it was merely a mistake made by the legal department, which was late in sending the new contracts. The case is still far from being resolved.

During the 1990s, print distribution in Croatia was monopolized, politically controlled, and used as an additional tool for political pressure, most often in the form of financial extortion of the independent media (by delayed payments for sales at kiosks, for example). Print distribution is still largely controlled by one company, Tisak, which is the only national print distributor. In general terms, and from the publishers' point of view, today Tisak is an efficient company. Still, panelists expressed concern regarding the recent buyout of Tisak by the retail-chain Agrokor, one of the biggest corporations in Croatia (see more under Objective 5). This uncertainty contributed to lower scores in Objective 4 this year.

Printing houses and broadcast distribution networks are efficient as business entities, with enough resources to support the unrestricted growth of the media industry. The number and variety of the printing facilities prevent any kind of deliberate obstruction of quality service to media clients.

The media in Croatia receive income from a multitude of sources. Some of the traditional sources of income have always been in the very low percentages (subscriptions, for example, which are usually between 2 and 4 percent). Sold circulation, as the main source of income, has also experienced substantial changes recently. In the past five to six years, circulation of all print media outlets has dropped significantly. It could be argued that a fair comparison cannot be drawn between the media consumer of today and the heavily politicized audience of the 1990s. But a lower level of interest in political activities is not the only reason behind the drop in circulation. Other factors include a lack of trust in the media content, as a result of publishers siding with certain political or business interests; sensationalistic approaches to news; etc. Circulation has also dropped in other market niches (women's weeklies and sports magazines, for example), which indicates other factors at work.

A possible reason is the decrease in disposable income. Although statistics would show a constant increase in the average salary in Croatia, there has also been an increase in more favorable bank loans, resulting in almost two-thirds of households with a bank loan that often consumes more than half of the family budget. Many Croatians have less money available for expenses other than basic needs. In addition, with the prevalence of other "open" media sources (terrestrial television, satellite television) and other increasingly affordable media (cable television, IPTV, Internet), print media is no longer as important to the consumer as it was five or 10 years ago.

Decreases in sold circulation have been largely compensated for by higher levels of advertising income—in some cases, more so. Although the Croatian print media have not yet met the ratio of advertising-to-circulation revenue of Western countries (75 to 80 percent advertising and 20 to 25 percent circulation), revenue figures are inclining increasingly to advertising. Larger national papers (*24 Sata*, *Vecernji List*, *Jutarnji List*) are earning 60 to 65 percent of their total incomes from advertising revenue. Other papers still depend on circulation—sometimes more than 80 percent—which has a palpable impact on their type of journalism (more sensationalism, "screaming" headlines in order to sell more copies at the kiosk, etc.).

Public media (both radio and television, which combined are known as HRT) have different sources of income as well, which theoretically should support its editorial independence. Aside from the mandatory subscription fee (about \$12 per household per month, which equals about \$150 million a year), HRT manages to retain the lion's share of the advertising market, earning an estimated \$250 million from advertising in 2007.

Some of the panelists said that HRT should have two separate accounting lines—one for subscription income and the other for advertising revenue. "In this way, it would be completely transparent where the subscription money goes," Glavaš said. "I don't care if HTV uses its advertising revenue for financing and buying pure commercial programming. But I would like to see subscription money—my money—spent on programming inherent to HTV: news production; higher-quality drama; documentaries; educational, scientific, and other programming of public interest."

The Croatian media advertisement market contributes more than 1 percent to the gross national product, which is relatively close to the standards of higher-developed countries. Constant growth of the advertising market supports the market position of the print and broadcast media, especially considering the drop in circulation as a general trend. As expected, the market entry of a third mobile-phone operator and a few big chains of superstores have contributed to increased injections of advertising money in the media market. Trends indicate that the fastest-growing area is online advertising, although it is still in relatively low figures compared with the more developed markets. This growth will likely motivate even more publishers to create online editions.

Most of the prominent global advertising agencies have opened branch offices (or have bought local advertising companies) in Croatia. One of the biggest international advertising agencies, McCann Erickson, opened a branch office in Zagreb in 1984, which alone speaks of the degree of sophistication of Croatia's advertising market.

Independent media in Croatia do not receive government subsidies. However, panelists referred to "hidden subsidies," such as public announcements, advertising, and awareness campaigns, that are financed by the government or local authorities and are given more often to "friendly" media outlets than to those who are more openly critical.

With regard to financial self-sustainability and government subsidies, panelists, as in previous years, see the biggest problem in the local media, especially with local radio and television stations. A relatively high percentage of local media are still partially owned by municipalities or are dependent on financial and in-kind support from municipalities. So-called contracts on "regular coverage of local government activities" are quite often a normal and substantial part of local media budgets, with predictable consequences for the quality and impartiality of news productions. As mentioned under Objective 2, local media quite often use office space, communications, or other services for free or at below-market rates from local authorities.

Market researchers and advertising companies use sophisticated tools and methods in their surveys. But market surveys, even when done in the most professional way, still have not been a decisive tool in media business strategic plans. To a large extent, and especially in the local media, strategic plans still largely depend more on the owner's own projections or hunches than systematic market analyses and audience surveys.

Despite many attempts, print figures are still not provided by an independent institution. Most independently and professionally conducted surveys are still too expensive to be affordable for the smaller and local media. Many of the bigger advertising agencies make a serious analysis of circulation figures, but those efforts are not enough to produce a transparent and reliable number of the sold circulations. Kuljiš was very critical on this issue. "We haven't found a tool to convince publishers to give a realistic sold circulation figure," he said. "They are avoiding these figures. They are lying big-time to their own readership; they are lying big-time to the advertising agencies...which sometimes even don't care once they get a nice, detailed package of false information." The other panelists found this objection to be perhaps disparaging, but nonetheless illustrative of reality. Panelists agreed that persistent inaccuracies in research and readership or audience figures, attributable to lack of investment, willful negligence, and malice, compelled them to lower scores compared with previous years, especially as this situation seems to be a permanent fixture resulting from an agreement among media and advertisers.

The panelists concluded that broadcasting figures provided by more independent agencies and including sophisticated methods such as people-meters are more reliable, but still not as precise as they should be.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

Croatia Objective Score: 2.71

Objective 5 suffered a drop in score similar to Objective 4, losing half a point from last year's 3.21. All indicators shared in the loss, with Indicator 7, channels of media distribution, taking a hit of one full point; this indicator has the lowest score this year. While last year all but one of the indicators was rated at 3 or above, this year only Indicator 6, sources of newsprint and printing facilities, came in above 3, but still almost half a point lower than last year.

Croatia has a well-deserved solid reputation for the trade associations that support the media industry. These associations are very active in backing different issues

affecting the media community, even if not always in a unified way. Local radio and television stations, plus some local print media, are organized under the Croatian Association of Local Radio and Print. Local commercial television stations are organized under the National Association of Local TV Stations. Jointly with national television stations (Croatian RTL, Nova TV), local television stations have formed the National Association of Commercial TV Stations. Publishers have their own association, although tense relations between some of publishers diminish its efficiency. All of these trade associations are active in promoting the agenda of media professionals. Far too often, however, the particular interests of these associations overshadow the common interests for which they should be fighting.

The CJA is by far the largest professional media association. Perhaps a unique case among transitional countries, CJA encompasses almost all professional journalists in the country, regardless of their political affiliation and other interests. It has a membership of about 3,100, more than 90 percent of active journalists.

During the authoritarian regime in Croatia in the 1990s, the CJA had an irreplaceable role in defending basic media freedoms. In later stages, the CJA's role was more focused on introducing and implementing advanced professional standards. In the new Croatian political climate, after the elections in December 1999/January 2000, the CJA redefined its agenda from being at least partially a political agent to a strictly professional trade association. Given the substantial changes in the socio-political environment as compared with the 1990s, some panelists said that they think the CJA should disperse its activities into smaller, more efficient task forces and pressure groups. In addition to the CJA, smaller journalists' organizations cover journalists of specialty beats

## SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

*Supporting industries, such as printing plants and distribution networks, are privately owned and have neither limitations nor restrictions on their operations and preferences regarding services to publishers. Printing facilities are private and offer a multitude of options to publishers. There are more privately owned printing facilities than market demand for this service, which creates an advantageous position for publishers.*

or other categories, such as business, sports, ecology, science, freelancers, etc.

The CJA has been working actively on preparing, drafting, and lobbying for legislation and regulations favorable to media, and defining other elements related to the journalism profession (social and health insurance, pension funds, the status of freelancers, problems related to troubled privatizations in the print media, etc.). But despite the positive role the CJA plays, divisions within seriously endanger its position as a strong advocate for the profession. For example, the lack of serious, sharp, and unifying issues that were present in the 1990s has led to a degree of listlessness. It is not pursuing well-defined strategic goals. Competing interests have filtered down to the CJA, such that the most recent election of the CJA president was bitterly fought by diametrically opposed candidates that resulted in a one-vote victory.

Journalists are free to organize themselves in different forms. The Croatian Journalists' Trade Union is a relatively strong institution as well, working closely with the CJA and concerning itself mostly with employment law. The trade union has been actively involved in drafting and implementing labor agreements, especially regarding the newly privatized print media. Currently, labor agreements apply only to major nationwide publishers, but the trade union and the CJA are working on a national collective agreement that would apply to all media outlets. This would be an important achievement in promoting more social and labor security and higher professional standards for journalists and other media-industry employees.

The panelists had a lively debate over Indicator 3, the role of NGOs in promoting free speech. Kuljiš said that he is disappointed by the inactivity of NGOs in Croatia. "Where have they gone?" he asked. "There is no more foreign donor money, so nowadays NGOs are more like para-governmental

than nongovernmental institutions." Other panelists agreed that this sentiment had affected their decision to award lower scores to this indicator this year.

Indeed, many NGOs are partially financed with government funds channeled through the Foundation for the Development of the Civil Society. Other panelists view the current situation as more of a sign of a mature society and civil culture than of an NGO's transforming into subtle tools for promoting the government's interests. "There no longer is such a 'market of crises' as in the '90s that would have immediately engaged NGOs on the public scene in defending free speech," Havkić said. "I don't want to say that there is no need for NGOs to support free speech. But now, when there are situations that require reaction, the CJA reacts, and that should be enough to safeguard free speech."

Martin Mayer, from the Delegation of the European Commission in Croatia, agreed. "What I can see is that when there is a need, NGOs react. But, let's not forget that the CJA is an NGO as well," he said.

The panelists' discussions of studies of journalism, journalist trainings, and workshops did not vary greatly from those in past years. More short-term trainings were held in the mid- and late 1990s, while active foreign donors and media foundations were engaged in Croatia. The CJA and its branch, the International Center for Education of Journalists (based in Zagreb, with a training center in Opatija), are still providing quality trainings for Croatian journalists and journalists from the broader region, but the general opinion is that editors are less willing to give days off to their journalists to attend such workshops. The reluctance is also an indication of the level of burnout among journalists. In addition, too many journalists, even from larger media, work on a contract basis and do not want to risk their position by being absent. Small local media (with only one or two journalists working in the news departments) cannot afford to send journalists to workshops that last more than one day.

Studies of journalism are expanding in number; currently, there are four studies of journalism plus two active and two soon-to-be journalistic academies. But whether they can apply higher educational standards is questionable. The increase in degree studies will result in the inflation of the number of young journalists and will exceed media-market needs. Panelists expressed concerns with the overly traditional curriculum of studies of journalism. "Where can a young or mid-career journalist learn and gain the needed technical skills for online journalism?" Kuljiš asked.

Overall, panelists rated Indicators 4 and 5 lower than last year. The key problem is that just too many of the studies and trainings simply do not meet higher standards of quality.

The drop is the result of expectations that new learning opportunities would result in higher professional standards, instead of being purely profit-oriented. Panelists said that last year's results were partially based on higher expectations, while this year's were based on unfulfilled promises.

Supporting industries, such as printing plants and distribution networks, are privately owned and have neither limitations nor restrictions on their operations and preferences regarding services to publishers. Printing facilities are private and offer a multitude of options to publishers. There are more privately owned printing facilities than market demand for this service, which creates an advantageous position for publishers.

The cover price of papers is still arguably high (notwithstanding Gavranović's assertion that daily papers are probably the only mass product in Croatia that has not changed its prices in the past five to six years). But the reality is that all daily papers are in full color and offer many more supplements at the same price as the black-and-white and no-supplement editions of only a few years ago.

The multitude of private printing facilities is a substantial change from the 1990s, when both printing and distribution were in the hands of the government or government cronies and were used openly to economically exhaust the independent media (for example, printing presses using their monopolistic position to impose unrealistically high prices for their services; or distribution networks delaying payments to publishers for sold copies). As mentioned under Objective 4, print distribution in the 1990s was monopolized by the company Tisak. Today, Tisak retains its national monopoly on the print distribution market but has been functioning as a relatively efficient and well-managed company, devoid of political or other preferences with regard to selling papers. Tisak has points of sale in virtually all Croatian residential areas, including the smallest towns.

Also mentioned under Objective 4, panelists stated concerns over the recent buyout of Tisak by Agrokor, one of the largest Croatian corporations. It is not clear what Agrokor intends to do with the distribution network (aside from turning a profit)—start its own print media, perhaps? Regardless of the new owner's plans, panelists are somewhat worried by the fact that the company with the second-biggest print advertising budget bought the only national print distributor. Could that be an early warning to any print media that would be critical to Agrokor's corporate policy? Could they expect competitive placement in the distribution network should they dare to touch the corporation? "The company's intentions are not clear, but reasons to be concerned remain," Kuljiš concluded. Other channels of media distribution, such as broadcast transmitters, the Internet, and kiosks themselves, are private and free from political meddling.

## List of Panel Participants

**Denis Kuljiš**, president, Article X Croatia, Zagreb

**Emil Havkić**, media lawyer and specialist in media legislation, Zagreb

**Martin Mayer**, media specialist, The Delegation of the European Commission to Croatia, Zagreb

**Neven Šantić**, executive editor, *Novi List*, Rijeka

**Zdenko Duka**, president, The Croatian Journalists' Association, Zagreb

**Anja Picelj-Kosak**, media specialist, Zagreb

**Tena Perišin**, professor of journalism studies, University of Zagreb, Zagreb

**Ante Gavranović**, founder, The Association of Publishers, Zagreb

**Gabriela Galić**, journalist, *Novi List*, president, The Journalists' Trade Union, Rijeka

**Ivan Zvonimir Čičak**, journalist and civil rights activist, Zagreb

## Moderator and Author:

**Davor Glavaš**, project coordinator, Croatian Radio Network, Zagreb

## Assistant:

**Kresimir Dominic**, independent public relations consultant, Zagreb

*Kosovo has enjoyed institutional and legal development to better support media sustainability. However, these institutions, laws, and regulations remain weak and unstable in practice. The overall Kosovo MSI score dropped slightly, from 2.56 last year to 2.27, with lower scores in every objective. This decrease may not be a result of a worsening media sustainability in Kosovo, but a reflection of dissatisfaction on the part of panelists with lack of further development.*



KOSOVO

The past year was filled with significant developments relevant not only for development of the media sector, but also for the future of Kosovo. February saw the tragic killing by international police of two protesters from Albin Kurti's *Vetëvendosje* movement who were demonstrating against negotiations with Serbia and the Ahtisaari package and for a referendum on independence. Negotiations between Kosovo and Serbia, mediated by UN Secretary General Special Envoy Marti Ahtisaari, ended in February 2007. The resulting proposal of conditional independence for Kosovo was accepted by Kosovo Albanian leaders, western countries, and the UN, but opposed by Serbia and Russia.

Expectations were high that Kosovo's status would be resolved by the middle of 2007; however, the UN Security Council failed to approve the Ahtisaari package, due to Russian opposition. The Contact Group for Kosovo proposed another set of 120-day negotiations between Kosovo and Serbia with the mediation of the so-called "troika," representing the United States, EU, and Russia. During the negotiations, there was much debate in Kosovo whether elections, both national and local, should be held, given that the time had legally come.

Elections were held eventually and returned surprising results: for the first time, the war-wing Democratic Party of Kosovo won with 34 percent, and the moderate Democratic League of Kosovo, winner of all previous elections, came in second, with 22 percent of votes. Soon after the elections, negotiations between Kosovo and Serbia ended without any success, leading to the support of Kosovo's leadership by most western countries to declare a coordinated independence, which was made on February 17, 2008.

These developments tested the media's ability to obtain firsthand information and adhere to standards of objective, ethnical reporting. Kosovo has enjoyed institutional and legal development to better support media sustainability. However, these institutions, laws, and regulations remain weak and unstable in practice. The overall Kosovo MSI score dropped slightly, from 2.56 last year to 2.26, with lower scores in every objective. This decrease may not be a result of a worsening situation with regard to media sustainability in Kosovo, but a reflection of dissatisfaction on the part of panelists with lack of further development.

The MSI panel gave its highest rating, 2.40, to Objective 3, plurality of news sources. However, this objective dropped slightly this year after three years at above 2.60. Business management of media outlets was the worst-rated objective by the panel, the score suffering a drop to 1.96 from 2.50 last year. The drop reflects a lack of development in this objective, as panelists perceived some media as unprofessional organizations due to political influence. Although Objective 5, on supporting institutions, was one of the highest-rated objectives by this year's panel, these institutions, with a few exceptions, are still considered to be relatively weak in providing protection for journalists and fighting for a better legal working environment. This objective therefore also suffered a loss of nearly half a point compared to last year, coming in at 2.39.



# KOSOVO AT A GLANCE

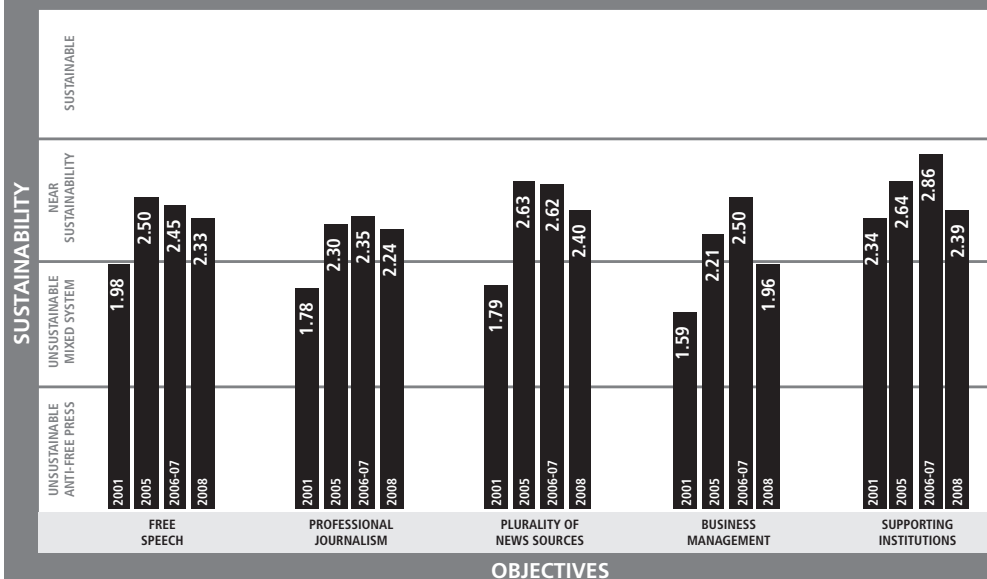
## GENERAL

- > **Population:** 2.1 million (Statistical Office of Kosovo, 2007)
- > **Capital city:** Prishtina
- > **Ethnic groups (% of population):** Kosovar Albanian 92%, Kosovar Serb 5.3%, Other 2.7% (Statistical Office of Kosovo, 2007)
- > **Religions (% of population):** Muslim, Catholicism, Eastern Orthodox
- > **Languages (% of population):** Albanian, Serbian and other (Turkish, Roma, Bosnian, Croatian)
- > **GNI (2006-Atlas):** N/A
- > **GNI per capita (2006-PPP):** N/A
- > **Literacy rate:** 94.2% (UNDP, 2004)
- > **President or top authority:** President Fatmir Sejdiu
- > **Next scheduled elections:** Local (2009), Presidential (2011)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** print: 8 daily; radio: 96; television: 25
- > **Newspaper circulation statistics:** N/A, *Koha ditore* is the leading newspaper (Index Kosovo, 2007)
- > **Broadcast ratings:** RTK 39%, RTV21 30%, KTV 19%; Radio Dukagjini 5%, Radio Kosovo 4%, Radio 21 1% (Index Kosovo, 2007)
- > **News agencies:** KosovaLive, Kosovo Press, Telegrafi, Kosovo Information Center
- > **Annual advertising revenue in media sector:** Approximately \$13.5 million (IREX and advertising agencies estimate, 2007)
- > **Internet usage:** Households with Internet access 28%, People claiming daily use of Internet 18% (Index Kosovo, 2007)

## MEDIA SUSTAINABILITY INDEX: KOSOVO



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Kosovo Objective Score: 2.33

The media had no significant developments with regard to free speech in the past year. According to panelists, this is mainly due to the lack of public interest; past public reaction to events impacting media typically produced no results or were followed by additional sanctions against the media. This lack of development resulted in a minor drop of the score from 2.45 last year to 2.33 now; both are down from a high of 2.50 in 2005. Most indicators fell close to the final average, with only Indicator 4, crimes against journalists, lagging noticeably behind. Indicators 8 and 9, covering media access to foreign news sources and entry into the journalism profession, did score nearly a full point higher each.

Indicator 4, dealing with crimes against journalists, fared the worst in the minds of panelists—not because of actual crimes, but because of the panel’s perspectives on working environment and lack of security. Almost all panelists agreed with Ibrahim Berisha, Professor of Sociology at the University of Prishtina, who said, “Journalists are not safe. One of the obstacles to them being completely free to investigate and practice free speech is the fact that they are unprotected financially and physically, and also from psychological pressure. It is hard for them to take any individual responsibility... there may be more consequences [to them for reporting on sensitive issues] than impact [on the reputations of the people they report on].”

In this respect, Besim Abazi, journalist for Voice of America, said that the procedures for journalist protection if one feels at risk are so complicated that “one may die and be forgotten by the time something is done by the authorities.” He also mentioned that journalists may have been attacked by the police in riots because of their attitude towards the *Vetëvendosje* movement.

Berat Buzhala, editor-in-chief of the daily newspaper *Express*, indicated that the safety of journalists had worsened in the past year, pointing to the fact that media professionals had begun to deal with the issue of Kosovo’s status. Furthermore, several panelists mentioned resistance by editors and pressure from politicians and international players to not undertake investigative journalism, as revealing problems might jeopardize the political equilibrium created for the sake of resolving the final status. However, this is seen as something that could hurt journalism in Kosovo in the longer term. Panelists felt that once organized crime, and the perceived fear of it, becomes institutionalized in journalism, it will be very hard to leave in the past post-independence.

Buzhala summed up the issues, saying, “Journalists feel betrayed, especially by internationals who informally support free speech and investigation of corruption, because as soon as your reporting uncovers corruption, you see that the same internationals do not take any action whatsoever related to the case.”

Legal and social protection of free speech exists formally; however, in practice, problems and restrictions remain. An indirect phenomenon that affects free speech is the government’s practice of canceling its advertisements in critical media outlets. Another problem raised by panelists is that officials in positions of power have in the past threatened journalists as part of their public denunciations of them. “Journalists have now learned the red lines and they don’t cross them,” Buzhala said. “The only times when journalists are courageous enough to talk about particular events with regard to these people is when these people show up in police reports, and their crimes become formal and official.”

Panelists could not recall any cases of assaults on journalists over the past year. However, the International Freedom of Expression Exchange reported one instance: a physical assault against Vesna Bojicic, a Prishtina-based journalist and correspondent for VOA’s Serbian-language service. Panelists asserted that the absence of attacks is not necessarily an indicator of a healthy media.

Buzhala explained that journalists and editors are recognizing that certain topics are off limits and therefore the quality

## LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

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*The past year saw no progress on accessing public information. According to Berisha, all official documents are considered protected unless the issuing ministry decides to release them. Officials are often unwilling to go on the record, especially when they feel it goes against their personal or party's interests.*

and type of information presented to the public is affected. "Express has analyzed the first 1,000 editions of the newspaper, and out of the first 500 editions, 400 carried main stories on non-political issues (corruption, investigative journalism, etc.) and 100 carried main stories on straight politics. In the second 500 editions, the proportion was the other way around," he said.

The case of Albin Kurti, leader of *Vetëvendosje*, also surfaced in the panel discussion. Panelists criticized authorities for suppressing Kurti's ability to practice free speech over the past year. Berisha said that no one has reacted sufficiently, including the media, most likely fearing loss of funds from the international community or risking good relations with the government.

The system of licensing broadcast media in Kosovo still seems chaotic. All panelists agreed that after the initial licensing by KFOR, the international radio and television regulator Temporary Media Commissioner (TMC) simply renewed the same licenses without any criteria and without tendering procedures. TMC, now the local Independent Media Council (IMC), is considered to be non-transparent, discouraging market liberalization and foreign investment in the media, and above all, is responsible for the blockage of new licenses. "Licenses are simply not given to new TV or radio stations. The reasons may be political, related to the involvement of internationals, until now. It could also be due to monopolization and perhaps a lack of professionalism," Berisha said.

Nevertheless, Ardita Zejnullahu, executive director of AMPEK, the electronic media owners' association, expects downsizing in the number of electronic media in 2008, when the IMC will begin a tendering procedure for re-licensing. She said that she feels that this could also positively restructure the Kosovo media market.

Panelists indicated that the public media seem to be privileged with regard to the tax system in Kosovo. The

private media are considered ordinary businesses, whereas the public broadcaster is exempt from value added tax (VAT). The majority of panelists agreed that private media should pay less VAT, as well as enjoy other tax concessions, including a waiver for customs duties for equipment and lower interest rates on loans used for investment. Several panelists also thought that restrictions should be placed on the public media with regard to advertising space. They said that in a small and underdeveloped market such as Kosovo, public media is crowding out the only source of funding for private media.

Panelists reported that the financial and editorial independence of the public broadcaster, RTK, is threatened by political decisions. This was shown this year when the board of the Energy Corporation of Kosovo (KEK), headed by the minister of energy and mining, decided not to allow the public broadcaster RTK to collect its subscription fee (upon which RTK's budget heavily relies) through KEK bills. Although this decision was later reversed, Buzhala said that if Kosovars are committed to having a public service broadcaster, the law should not allow any minister to cut the source of financing. "We also cannot allow an adviser from the prime minister's office to threaten RTK for its reporting, as happened recently," he said.

Defamation and insult are included in the Provisional Criminal Code. Although no amendment was made to the Criminal Code in this respect, the Assembly of Kosovo passed the Civil Law on Defamation and Insult in 2007 (also promulgated by the Special Representative of the UN Secretary General), making defamation and insult a civil issue as well as criminal.

The past year saw no progress with respect to accessing public information and official documents. Berisha said that the problem with the Law on Access to Official Documents is that all documents are considered protected unless a review committee in the respective ministry decides to release them. He said that he felt that it should be the other way around. Generally, officials are not willing to provide comments and interviews, especially when they perceive the matter to go against their personal interests or their party's interests. Some also have preferences for certain media outlets that may show a bias in their party's favor.

According to all panelists, media in Kosovo do not face any problems with access to international news and news sources, and the government does not impose any licensing restrictions or special rights for journalists. However, some of the panelists mentioned that entry into journalism might be too free in terms of lack of quality criteria imposed by the media itself when recruiting journalists, though they quickly agreed that this is not a matter for the government.

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Kosovo Objective Score: 2.24

The panelists agreed that the practice of journalism in Kosovo is less than satisfactory in terms of professionalism. The large number of media that sprung up in the uncontrolled media market after the war in 1999 has created a high demand for journalists. Kosovo has been unable to produce quality journalists in high numbers in a short period of time. However, some panelists also noted that Kosovo has never had as many good journalists as now, and that the good ones are overshadowed by a large number of unethical or poorly trained ones. Objective 2 also saw a slight drop from 2.35 last year to 2.24. All indicators came within one-third of a point of the average, with Indicator 3 (self censorship) the lowest and Indicator 7 (modern facilities and equipment) the highest.

Self-censorship remains a problem for professional journalism in Kosovo, as evidenced by it being rated lowest by the panelists. Self-censorship has grown among majority of media, especially after the violent events of March 2004 when the media, mostly broadcasters, were blamed for sparking inter-ethnic violence. Besim Abazi from Voice of America said, "Now, not only do they censor themselves, but they are completely consumed with trying to be cautious with reporting. This is mostly visible in the case of RTK, because they were the most criticized for poor reporting during the March 17 events."

However, Berat Buzhala from *Express* indicated that recently, censorship has been much more present when writing about organized crime or suspicious individuals than when writing about politics. He confirmed that this will be present in the future as well, which will continue to affect journalism negatively.

When reporting is not fair and objective, panelists observed, it can be traced to both the low level of professionalism among journalists and editors and the outright bias towards political parties or other interests by some media outlets. The current overall environment in Kosovo was described by some panelists as "controlled anarchy." But panelists decried the state of journalism, saying that even in these circumstances and even under dictatorial regimes, journalism should keep up standards of objectivity, fairness, and ethical reporting.

Buzhala said that there exists a pool of journalists (he referred to them as "free atoms") who lack respect for standards of quality journalism. "They wander from one media outlet to another, having no problem that these media are tools of political parties," he said. "These kinds of

*Besim Abazi from Voice of America said, "Now, not only do they censor themselves, but they are completely consumed with trying to be cautious with reporting. This is mostly visible in the case of RTK, because they were the most criticized for poor reporting during the March 17 events."*

journalists put a stain on the name of journalists in general, because there are definitely good, honest, professional, and uncorrupt journalists that are lost in this pool," he said.

The panelists generally agreed that professional and ethical standards of editors and managers are lower than those of journalists. Bytyqi mentioned the case of the prime minister canceling his participation on a local TV show in Prizren, causing the manager to instruct the journalist/host to publicly attack and insult the prime minister on the air in retribution. After the journalist refused to do so, the manager began suspension proceedings against him. In this respect, Abazi said, the large number of media has negatively affected professionalism in journalism, due to the negative impact of unprofessional managers in the work of journalists, as well as the incompetence of managers and their lack of information about journalism as a profession. "We hear a lot about journalist training. We would really like to hear about management and editor training, too," he said.

### JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

#### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

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*Technical facilities and equipment for gathering, producing, and distributing news in the Kosovo media are mainly modern, thanks to investments in equipment and facilities from international donors and aid organizations.*

Despite the reality of the situation painted by the panel, a code of ethics does exist that was promulgated via the Press Council and formally accepted and signed by representatives of nearly all print media outlets. Also, AMPEK has developed a code of ethics for broadcast journalism.

Panelists reported having a sense that the best journalists are not encouraged to continue producing high-quality stories. Berisha mused that the exceptions among media outlets and individual journalists—those producing high-quality work—get bullied, with the intent of pushing those journalists out of business. “We tend to kill the exception: [the pervasive thought is] let’s all stay at the same level,” he said.

Kelmend Hapçiu, director of the news agency KosovaLive, said that the international administration in Kosovo had absorbed most of the young people who could have been good journalists, and this has negatively affected the professionalism of journalism in general. “Good journalists have also become targets for public relations and spokesperson positions in large public or private corporations,” he said.

Some of the panelists said that they felt that certain key events in 2007 were not sufficiently covered by the Kosovo media. For instance, the media were criticized for not giving more space to the visit by U.S. President Bush to Albania, and particularly the president’s remarks on Kosovo’s independence. Some of the panelists specifically blamed the public broadcaster RTK, saying that it does not produce up-to-date information because it has a stable annual income that is not impacted by the quality of information that it provides.

Other panelists placed wider blame, noting that other television stations did not do better in this case or in general provision of up-to-date news and information. Argjentina Grazhdani from East-West Management Institute mentioned the example of the November 2007 elections that, in her opinion, received better coverage on Albanian television stations. Buzhala added that there was not enough debate in the media about the preliminary election results; it was

Albanian television stations doing more calculations than the Kosovo media on the makeup of the future Kosovo government.

Pay levels for journalists are generally insufficient, though panelists said that this is the case for all occupations in Kosovo. Journalists are all paid more or less the same; there is no distinctive criteria differentiating high quality journalists. Some panelists disagreed with the specific situation facing journalists, saying that in most of the media, salaries are around twice as high as the average salary in the public sector.

Nevertheless, concern remains about difference in salaries, given that salaries still vary between public and private broadcasters. Zejnullahu pointed out that private broadcasters have become training centers for RTK because many journalists and other staff have been moving from private television stations to RTK. In addition to the salaries, job security at RTK is perceived to be higher as well. Albana Kusari, media program manager at USAID, said that the media do not do a sufficient job of motivating good journalists to stay in that company.

With regard to corruption in the media, panelists asserted that no salary is high enough to prevent corruption. Panelists agreed, however, that corruption in the media is somewhat low and is not organized or systematic. Buzhala said that the corruption that does exist is typically in the form of vacations, gifts, or employment of family members, rather than as cash payments. Panelists described situations where, if a journalist gets to know certain people in high positions, he or she avoids writing critically about them, but also avoids writing anything overly positive. However, Buzhala did mention cases in which journalists have blackmailed politicians with information that they possessed.

The panel agreed that entertainment programming generally eclipses news and information programming, especially on television stations. Buzhala noted that the radio market in Kosovo is mainly directed towards entertainment. Isak Vorgucic, manager of Serbian-language Radio KIM, explained how many radio stations in his region have mainly entertainment programming and they attract the majority of advertisements with ridiculously low prices. Generally, people can receive newscasts on television or radio at scheduled times. Occasionally, the media is not up to date on reporting recent events; sometimes the reports come out much later in the day or even the day after.

Technical facilities and equipment for gathering, producing, and distributing news in the Kosovo media are mainly modern, thanks to investments in equipment and facilities from international donors and aid organizations. However, last year, panelists noted that some of this equipment was already

nearing the end of its service life; this year's panelists did not report a significant investment in replacement equipment.

As in years past, panelists said that investigative reporting is often of good quality, but niche reporting was generally criticized as requiring more attention. The reporting on the developments surrounding the establishment of independence showed that the media has the ability to be efficient in gathering the information and presenting it efficiently to the public. Grazhdani pointed to the talks in Vienna: Although the process was closed, when the Ahtisaari package was released, it was no surprise for the public because the media had already obtained and written about the information. "The Kosovo media were determined to get information from the Vienna talks and from the Ahtisaari proposal, even before it was fully public, from many different sources," she said.

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Kosovo Objective Score: 2.40

Panelists felt that plurality of news is generally strong in Kosovo, and the panel gave this objective its highest score. Nevertheless, problems remain in providing citizens with objective and reliable news, as well as with reflections of broad social interests, such as coverage of minority problems and minority-language information sources. This year's MSI panel still gave a somewhat lower score than last year—a decrease of .22 points. Indicator 2 (restrictions on foreign news sources) was by far the best-ranked indicator, while Indicator 3 (public media reflecting the views of the political spectrum and interests of society at large) fared the worst, trailing the average by half a point. The rest of the indicators fell very close to the overall average.

According to panelists, citizens can rely on multiple sources of news and information. Such sources include newspapers, television, radio stations, the Internet, or international magazines. Citizens' access to domestic or international media is not legally restricted. However, problems occur in rural areas, where receiving signals from some of the broadcasters is harder.

Panelists also noted insufficient proper distribution of daily newspapers in some areas of Kosovo. "There is a difference between urban and rural areas in having access to these news sources. It is usually hard to get information in rural areas due to a lack of a wider coverage. Only a small fraction of people who live in rural villages have a chance to read the daily newspapers," Buzhala said.

*"There is a difference between urban and rural areas in having access to these news sources. It is usually hard to get information in rural areas due to a lack of a wider coverage. Only a small fraction of people who live in rural villages have a chance to read the daily newspapers," Buzhala said.*

Another problem, emphasized by Vorgucic, is the lack of a Kosovo-wide broadcaster of news and information by and about Kosovar Serbs. He said that the amount of Serbian language programming on RTK is insufficient. Further, a network of Serbian-language radio stations broadcasts news and information, but only once daily. Kosovar Serbs have access to television from Serbia, but this is not specifically covering events affecting their daily lives. There are three Serbian-language print publications produced in Kosovo; one of them, *Gradjanski Glasnik*, is independent.

The panel did not report any changes in the character of RTK. Last year, panelists indicated that RTK takes sufficient steps to represent the political spectrum and obtains differing views on issues, but could do a better job acting as a public service broadcaster by presenting more programs serving youth, women, and educational needs. The panel's general feeling was that RTK's election coverage was not skewed toward any one party.

### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

#### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Most news agencies (except KosovaLive, which is considered independent) are viewed as agents of particular political parties. Its subscribers include daily newspapers and 25 local radio stations that cannot afford to have correspondents cover the whole of Kosovo. However, some media occasionally will not properly cite KosovaLive as the source of the information.

A significant portion of news and information programming aired by commercial broadcasters is produced in house and is not simply a rebroadcast of recorded news feeds from other sources. The consensus is that private broadcasters do provide a slightly different perspective than, for example, RTK news and therefore they increase plurality. Panelists especially noted Koha Vision, which occasionally produces investigative stories.

The majority of panel participants agreed that there is a link between media and political interests that has an impact on programming and content. Panelists pointed to a pervasive feeling detrimental to the media landscape: that if one owns a media outlet, one has political power. However, according to Ibrahim Berisha, a university lecturer, the small size of the market in Kosovo means that it is not difficult to determine the ownership and financing of media outlets. "A good thing about our media is that newspaper management is composed of media personalities and not involved in criminal enterprises, money laundering, etc.," he said.

Generally speaking, the public at large is aware of what biases, if any, media ownership would impart on editorial content.

Although many social issues and interests are covered by the Kosovo media, panelists considered coverage to be overshadowed by political issues and therefore insufficient. Minority representation is even less sufficiently covered. Buzhala indicated that the hesitation of the media to deal with minority issues results in a difference regarding the selection of news. "The anger noticed in newspapers between Albanians and Serbs just after the war has been replaced with a total lack of reporting of these issues. Media should pay more attention to the case of minority issues in order to reflect the reality of how people of Kosovo live," he said.

Mifail Bytyqi from TV Prizren decried discrimination among different religions and nationalities. "All groups should be integrated and receive proper representation. However, it seems that sometimes some of the minorities [in this case Kosovar Serbs] living in Kosovo are influenced by Belgrade politics. The case when a team from a local TV station in Prizren visited an orthodox church in a village exemplifies this. The team was told by church officials that they needed to request permission from Belgrade in order to give a statement," he said.

This point was further addressed by Abazi, who said that due to lack of exchange between communities, there are discrepancies in information. He provided a recent example. "A robbery that happened in a church in Kamenica shows that the media have prejudices, as seen from speculation on who committed that act," he said. "The first mistake occurred when immediately the finger was pointed [by Serb media] at Albanians, while the second mistake showed racism in the [ethnic Albanian] media, when it turned out that the reported thief was a Roma." Initially, the ethnic-Albanian media had downplayed the possible involvement of ethnic Albanians in the crime, he said, but once it was discovered it was a Roma, it made a point of mentioning that fact prominently.

#### OBJECTIVE 4: BUSINESS MANAGEMENT

### Kosovo Objective Score: 1.96

Business management of media outlets received the lowest ranking of any objective by the panel. The score suffered a drop from 2.50 last year to 1.96 this year. Panelists expressed a feeling that there was no development in this objective during the past year, and this colored their scores. All indicators fell very close to the final overall average.

Panelists questioned the level of efficiency and professional management in media organizations. Many emphasized the fact that some media, especially print media, are seen as instruments that serve political masters rather than investors interested in profitability. Panelists also brought into doubt media's independence in a climate of poor investment,

#### INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

##### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

though some panelists attributed the problem to Kosovo's (until very recently) unresolved political status.

Panelists also agreed that the print media market needed investment in supporting industries to be efficient and sustainable. "The problems media face, and especially the print media, are printing houses, distribution, and network coverage," Buzhala said. Kosovo still relies on kiosks for newspaper sales, compared to more developed countries, where the majority of newspapers are prepaid and distributed to homes.

Visar Hoti, manager of local radio and television station RTV Tema in Ferizaj, said that the financial sustainability of media is hurt by inadequate allocation of frequencies. He also complained about the lack of monitoring and enforcement by the IMC that allows the local media in particular to flout copyright laws, giving them a competitive edge in terms of budget and audience that translates into more advertising revenue. But other panelists pointed out the hardships faced by local media (although they indicated this is a problem for private broadcasters generally) in paying license fees. For some broadcasters, the fee amounts to upwards of 70 percent of their annual budgets.

For Kosovar Serbs, a limited audience means that, while there are a few television stations and many radio stations in the Serbian language, most have severe difficulties achieving financial sustainability. There are no local Serb print media—only national—and the vast majority of Serbian-language newspapers come from Serbia, distributed via OSCE van.

In the first years after the war, media received revenue from a multitude of sources, including donors, international aid, and advertising. Commercial media rely on many advertisers for their revenue, including, typically, a few large clients. RTK is financed through its subscription fee as well as advertising revenue. Advertising clients influencing news content is not a common practice.

In discussing the financial sustainability of local media, Bytyqi said, "The budget of local media depends on businesses or corporations that operate in our local environment. The public broadcaster RTK damages us very much with regard to marketing and advertising revenue, since it covers all of Kosovo." Zejnullahu indicated that donors favor national media stationed in Prishtina over local media.

There are several advertising agencies in Kosovo, most of them small. The advertising market is controlled by three or four main agencies—two affiliated with international companies (Zero Pozitive Publicis and Karrota-Ogilvy) and two home-grown companies (CMB productions and B2 PR).

*"The problems media face, and especially the print media, are printing houses, distribution, and network coverage," Buzhala said. Kosovo still relies on kiosks for newspaper sales, compared to more developed countries, where the majority of newspapers are prepaid and distributed to homes.*

Most of these agencies are well respected and they fiercely compete for bigger clients. Almost all of them operate centrally from Prishtina. Despite the quantity of advertising, panelists did not feel that advertisements crowd out news and information content.

Private media in Kosovo do not receive subsidies from the government. However, the panel pointed out the existence of the Minority Media Fund, which is mandated to be financed with five percent of RTK's subscription revenues. The fund was initially subsidized by the government with €50,000 for the first wave of grants, but the fund only functioned for a short period. Vorgucic said that the fund was implemented one time but the amount was very low—less than €5,000—since about a dozen minority media were selected.

Panelists said that the government, RTK, and KEK (which collects RTK subscriptions through its bills) have no interest in implementing the fund, although minority media showed enthusiasm for it at first. Panelists agreed that RTK is not interested in revisiting the matter. The fund never actually received the five percent from RTK subscriptions, and in the meantime, the money has been used for RTK's general operations.

Several agencies in Kosovo provide market research services, including two specializing in media audience research: Index Kosovo and Strategic Puls Research. Media outlets, associations, advertising agencies, GIMEK (the Joint Industry Committee), and advertisers use audience research, though the panel indicated that it is on a fairly limited basis. GIMEK research includes audience figures for television and radio and some readership data on printed press. However, auditing of published circulation figures does not exist at this time.

Panelists disagreed on the usefulness of the research. Zejnullahu said the national media use surveys to inform their strategic planning. Hoti said that the audience and market research is unprofessional, and all results consider Kosovo as



a single market without local market details, reinforcing the centralization of advertising revenue to the detriment of local media. On the other hand, Grazhdani said that the national media finance their own audience research through GIMEK, but it is not feasible for financial reasons to transfer the practice to the local level, mainly due to the large number of local media.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Kosovo Objective Score: 2.39

Although this objective was one of the highest rated objectives by this year's panel, similar to other objectives, it fell—from 2.86 last year to 2.39. Panelists praised the work of some associations in advocating and lobbying, but they were heavily critical of some associations that were unable to provide protection for journalists. All indicators were close to the final objective average, with the exception of Indicator 6, covering access to print facilities and newsprint, which was notably higher.

AMPEK is an association of commercial and electronic media in Kosovo, with 63 members. It focuses on advocating and lobbying for favorable laws and regulations affecting commercial media. "The association [AMPEK] has consistently lent its expertise to the legislative process," Grazhdani said. Ardita Zejnullahu, AMPEK's executive director, explained that the past year was characterized as a success for the association. It played a key role in stopping the implementation of an IMC license regulation that would have charged fees to media outlets without any specific criteria and influenced the drafting of regulations to make advertisements compatible with EU broadcast regulations.

#### SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

##### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Another achievement for AMPEK was the nomination of two of its members to the IMC.

Internationally, AMPEK is considered a regional partner and a legitimate representative of Kosovo's media, and is a member of regional media organizations. According to Zejnullahu and Vorgucic, AMPEK enjoys a good working relationship with local Serb media in Kosovo. AMPEK and RTK also work well together on promoting common interests, Zejnullahu explained.

Other associations include the Union of Regional Television Stations and the Association of Professional Journalists in Kosovo (AGPK). Buzhala asserted, and other panelists agreed, that AGPK does not sufficiently protect journalists' rights or use donor funds properly, and is not committed to accomplishing its mission. "There is no trade union for journalists in Kosovo," Buzhala said. "Most media outlets don't pay taxes and pension contributions for journalists; they work illegally; they don't have contracts. And this leads to a heavy movement of journalists from one media outlet to another. The most critical issue for the journalists' working environment is to have someone or something that protects them legally."

He further explained that the AGPK assembly is dominated by printing houses, RTK, and KTV, and that these influence the decisions of the board. A majority of media do not participate in this association, therefore issues raised by AGPK are usually related to the interests of these members. He said there should be more proportionate participation among the media. Berisha echoed the call for a trade union, adding that a union would review the status of journalists and help improve their security.

The Press Council was created as a way for citizens to provide feedback and complaints about stories and daily newspapers. But Buzhala and the rest of the panel said that they consider the council a failure because it never managed to analyze the concerns it received and it had no power to penalize the media. "It mostly served media's interests rather than those of citizens," Buzhala said.

A limited number of NGOs that deal with human rights and other issues also serve the media's interests in freedom of speech and media independence. While this work is important, and last year's panel had positive comments regarding the work of NGOs, this year's panel expressed a desire for stronger coordination and cooperation with the media to undertake media advocacy work.

Regarding journalism education programs in Kosovo, Bytyqi indicated that students from Kosovo's universities do not show an understanding of the qualities that make

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up professional journalism, despite the fact that all seem to receive high grades. There are limited journalism degree programs, present only in private higher education institutions. All panelists agreed that these programs do not offer sufficient training, theoretical or practical, in order to have young people to enter the profession well prepared.

The Kosovo Institute of Journalism and Communication, founded in 2005, offers training programs for media workers, including a two-year program offered to practicing journalists. The institute was established at the request of media outlets, which serve as the ownership and help develop the curriculum. About 32 media outlets, including minority media, are members in this institute, which panelists said that they consider a success.

All panelists agreed that sources of newsprint and printing facilities in Kosovo are privately owned and unrestricted, allowing for diversity of choice and competition. However, problems remain with the services that these companies offer, primarily with regard to the quality of printing.

Channels of media distribution are generally in private hands or within the non-governmental sector, and they mostly try to remain apolitical. Internet providers are privately owned and most are efficiently managed, self-sustainable, and profitable. Other media distribution channels may not necessarily be self-sustaining. The Kosovo Terrestrial Telecommunications Network, for example, has many clients—including national television and radio stations, international broadcasters, Internet providers, and other entities—but is still funded by USAID, although it is seeking to become self-sustaining.

## List of Panel Participants

**Argentina Grazhdani**, director, East West Management Institute, Prishtina

**Berat Buzhala**, editor-in-chief, *Express* Newspaper, Prishtina

**Besim Abazi**, journalist, Voice of America, Prishtina

**Ibrahim Berisha**, professor of sociology, University of Prishtina, Prishtina

**Mifail Bytyqi**, managing director, TV Prizreni, Prizren

**Visar Hoti**, manager, RTV Tema, Ferizaj (participated only in the second part of the discussion, Objectives 4 and 5)

**Ardita Zejnullahu**, executive director, AMPEK, Prishtina

**Albana Kusari**, media program manager, USAID, Prishtina

**Isak Vorgucic**, manager, Radio Kim, Caglavica

**Hapçiu Kelmend**, director, Kosova Live, Prishtina

## Moderator and Author

**Visar H Berisha**, program director, Institute for Advanced Studies GAP, Prishtina

## Observer

**Driton Qeriqi**, legal media adviser, IREX, Prishtina

The Kosovo study was coordinated by, and conducted in partnership with, the Institute for Advanced Studies GAP, Prishtina.

Macedonia's overall MSI score is once again down from the previous year, indicating that the drop from 2005 to 2006/2007 was not incidental. All objectives save Objective 2 fell a limited but noticeable amount. As with last year, objectives 1 and 4, freedom of speech and business management, fared the worst; while objectives 3 and 5, plurality of news and supporting institutions, were the leading objectives. None, however, were far from the final average.



MACEDONIA

The practices of the Macedonian government and the police over the past two years have had a significant negative impact on the media. Macedonian journalists suffered unpunished violence in 2007: one journalist reporting from parliament was slapped by the personal security officer of one parliamentarian, and a cameraman of ALSAT TV was beaten up by police officers while attempting to film a police stop of another MP's vehicle. As a result of the police violence, journalists boycotted governmental press conferences.

Furthermore, police used the media to make spectacular arrests on camera. This practice was highly criticized by Macedonian human rights groups. They rightfully claimed that such actions breach the presumption of innocence, are intended to pressure the judiciary, and are, in essence, a modern version of mob justice through the media.

The year was marked also by high governmental spending on advertising. Panelists alleged that the campaigns were used for pumping money from the budget to the media in order to make them dependably favorable toward the government.

Politically, 2007 was marked by two events: NATO membership (an invitation to membership is expected in 2008) and the name dispute with neighboring Greece. These two issues were interconnected: Greece made substantial diplomatic efforts to use the NATO aspirations of Macedonia to force the country to change its name. Diplomatic activities around this issue were increasingly more hectic as the end of the year approached.

There is a downward trend in media sustainability, and members of the Macedonian media are not enjoying their previous freedoms. Again this year, the overall MSI score for Macedonia is slightly lower than the previous year, indicating that the drop from 2005 to 2006/2007 was not incidental. All objectives save Objective 2 fell a limited but noticeable amount. As with last year, objectives 1 and 4, freedom of speech and business management, fared the worst; while objectives 3 and 5, plurality of news and supporting institutions, were the leading objectives. None, however, were far from the final average.

# MACEDONIA AT A GLANCE

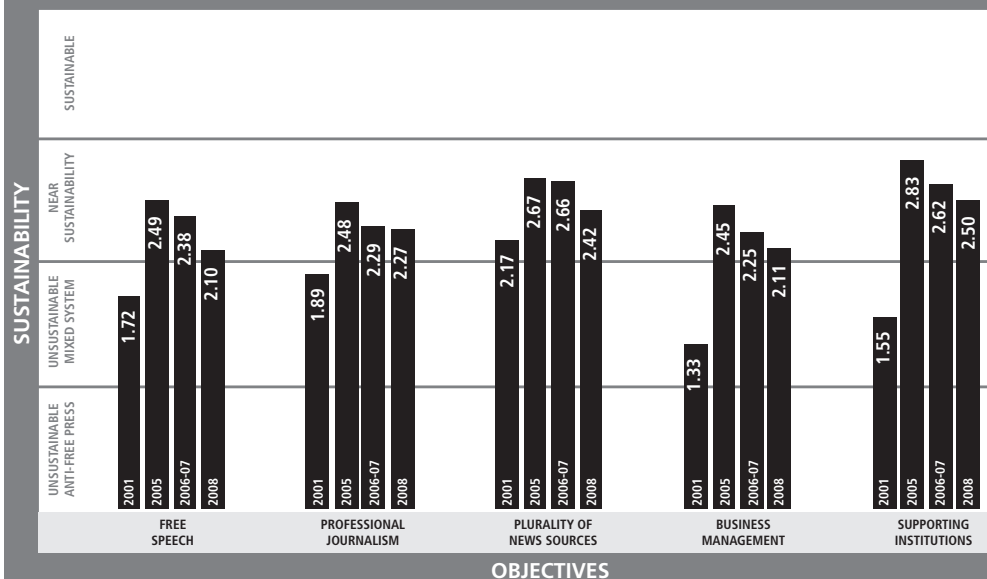
## GENERAL

- > **Population:** 2,055,915 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Skopje
- > **Ethnic groups (% of population):** Macedonian 64.2%, Albanian 25.2%, Turkish 3.9%, Roma 2.7%, Serb 1.8%, other 2.2% (2002 census, *CIA World Factbook*)
- > **Religions (% of population):** Macedonian Orthodox 64.7%, Muslim 33.3%, other Christian 0.37%, other 1.63% (2002 census, *CIA World Factbook*)
- > **Languages (% of population):** Macedonian 66.5%, Albanian 25.1%, Turkish 3.5%, Roma 1.9%, Serbian 1.2%, other 1.8% (2002 census, *CIA World Factbook*)
- > **GNI (2006-Atlas):** \$6.237 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$7,610 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 96.1% (male 98.2%, female 94.1%) (2002 census, *CIA World Factbook*)
- > **President or top authority:** President Branko Crvenkovski (since May 12, 2004)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: approximately 600 daily, weekly, biweekly, monthly, and periodical editions; Radio: 68; Television stations: 53 (Agency for Information)
- > **Newspaper circulation statistics:** N/A
- > **Broadcast ratings:** top three: A1 (22.5 %), Sitel (13.2 %), Kanal 5 (7.7 %) (Strategic Marketing and Media Research Institute, March 2007)
- > **News agencies:** MIA (state-owned), Makfax (private), NetPres (private)
- > **Annual advertising revenue in media sector:** N/A
- > **Internet usage:** 13% of households have access to the Internet; 27 % of population uses the Internet (Research done by SMMRI financed by USAID)

## MEDIA SUSTAINABILITY INDEX: MACEDONIA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Macedonia Objective Score: 2.10

This objective's score fell again this year after a high of 2.49 in 2005. Panelists pointed in particular to the worsening security situation for media professionals, and this indicator scored lowest by far. Only Indicator 8, media's access to international news, scored significantly higher than the final average.

Constitutional and legal standards protecting free speech are in line with those commonly accepted in democratic societies. The state constitutionally guarantees freedom of expression and access to information. These rights have been developed further by several laws, such as the law on broadcast activity and the law on access to information. These laws were revised by European institutions and are of relatively high quality, with satisfactory standards.

However, the general perception of panelists was that freedom of speech has been endangered greatly during the past year. They agreed that legislation protects media freedoms, but according to Aco Kabramov, an editor at Channel 5, "Judges are not trained to exercise it in their courts. If the plaintiff is a minister, then the court procedures are swift and journalists are usually fined. If you cite freedom of speech, judges usually point out that you may [address that issue] in the appeals courts."

At the center of the problem is the political dependence of the judiciary and its level of expertise in these kinds of cases. That the public does not consider freedom of speech important does not help. "Freedom of speech and expression are not values in our society," panelist Naser Selmani said. "People consider them [the] exception, not a general right." This attitude contributes greatly to the hostility and unpunished acts against the media and journalists taken by state institutions, the judiciary, and powerful individuals.

Licensing procedures for the media are transparent, but the regulatory body that should perform the licensing, the Broadcasting Council, is under constant threat of collective dismissal. That has greatly contributed to its consent in the tendering procedures for digital terrestrial operators, even though in its strategic documents it states that Macedonia does not have a regulatory framework under which this kind of company should operate. It simply obeys the will of the government to grant that kind of license to one company.

According to Roberto Belicanec of the Media Development Center, the Broadcasting Council "spent the previous year in active opposition to the government, but this year [it is] kissing their feet...All of us know that this tender is premature; all of us know that it is bad for the media

because there is no guarantee of their access to the digital network; all of us know that the dice are marked; and we know which company will win. And the only institution that may raise that as an issue and oppose this—the Broadcasting Council—is giving its consent to this crucial decision. That is not independence."

Business regulations and the tax code do not differentiate the media from other types of businesses, with the exception that print media pay a five percent VAT instead of the standard 18 percent. In general, media operate in a poor economy and that influences heavily their economic independence and sustainability. Therefore, the panel graded this indicator very low.

Unlike in previous years, violence against the media and journalists is a problem. "We [thought] that violence against us [was in] the past, but it has showed up again in its nastiest form," said Robert Popovski, president of the Association of Journalists of Macedonia (ZNM). The problem lies with law enforcement officials not pursuing cases of violence. The media community was outraged by the minister of interior affairs' announcement that the police officers who had savagely beaten the cameramen of ALSAT TV would undergo only disciplinary procedures within the ministry. It took a journalist boycott of government press conferences for charges to be filed against the officers. This example shows that, without pressure on government institutions, either these cases do not receive due process or the mildest possible measures will be imposed on the perpetrators.

#### LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

##### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

*Journalists are still not performing in accordance with common standards. In general, the level of professionalism and depth of coverage are relatively low. Issues are covered superficially and sources are mostly anonymous. One of the biggest problems is that issues are covered on a one-time basis; media do not follow up on issues and cover their outcomes.*

Public media such as Macedonian Radio-Television (MRT) have editorial independence guaranteed by law, but that law is not functioning. In reality, according to panelists, the government has total control over public broadcasters and it uses those outlets heavily for self-promotion. The government accomplishes this through direct budgetary control, which it leverages into the ability to place senior staff as well as induce generally friendly coverage. And while the law does not favor public broadcasters (indeed, the legal limit on the advertising time imposed on MRT is one of the most restrictive in the Europe), government officials do prefer to show up on the talk shows or current affairs programs of public broadcasters.

Libel is still a criminal act, but there is no longer the threat of jail sentences; generally criminal fines of €500 to €1000 are imposed upon the guilty party by the court. However, plaintiffs may then use a guilty criminal verdict to file a civil case. A recent case involved President Crvenkovski and former prime minister Hari Kostov against Nikola Mladenov, publisher and editor of *Fokus* magazine. *Fokus* had published a story alleging that Crvenkovski and Kostov had secret Swiss bank accounts. Mladenov lost the case and had to pay €25,000 in damages.

The burden of proof rests on the defendant and not on the plaintiff, and even then, proving truth is not necessarily a successful defense. A media outlet may relay accurate information and still face penalties for damaging reputation. In the past year, the number of libel cases against journalists increased, according to the panel, and they viewed this as a clear threat to journalists.

In general, the media have access only to unofficial or informal sources of information. The new law on access to information has not improved the situation for journalists: civil servants do not understand it, it does not protect

whistleblowers, and procedures and standards on complying with it are murky. The media do not have any formal limitations on accessing international news and news sources. They are hampered only by their financial ability to pay to use those sources.

The government does not require any special licensing for journalists.

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Macedonia Objective Score: 2.27

The score in this objective is essentially the same as last year. Only two indicators were not close to the overall average: Indicator 4, coverage of key events, was about a point higher; and Indicator 5, pay levels for journalists, was close to half a point lower.

Journalists are still not performing in accordance with common standards. In general, the level of professionalism and depth of coverage are relatively low. Issues are covered superficially and sources are mostly anonymous. One of the biggest problems is that issues are covered on a one-time basis; media do not follow up on issues and cover their outcomes. Panelists agreed that another common mistake is that journalists do not adhere to the rule "listen to the other side."

Nearly all journalists in Macedonia recognize and work under ZNM's code of ethics, adopted in 2001. A Council of Honor, part of ZNM, oversees compliance with the code, hears complaints of violations, and issues findings on violations. A

## JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

new and positive development is the formation of an ethics commission within the ZNM. The commission has begun to function, and its findings have already produced some reactions from the media. The ZNM has also begun a project to fight corruption in the journalism profession. The project's research should provide a clearer picture of corruption within the journalistic community.

"It is very pleasing to see that media and journalists finally have started to respond to the findings of the ethics commission within the association," Selmani said.

Panelist Robert Popovski of ZNM said that "self-censorship is ingrained" in the media. Journalists and editors practice self-censorship not so much out of fear of prosecution or other threats, but mostly because of opportunism. Practicing self-censorship can help career advancement prospects within a media outlet, perhaps leading to a spokesperson position in a state institution, and often has financial benefits for the media outlet.

The influence of editors and owners also has been noted as a factor contributing to self-censorship. "Younger journalists are subject to terrible abuse," Kabramov said. "They are put in a position where they have to wait for the approval of the media owner for their pieces. They are aware of that abuse, yet they are submissive."

Generally, journalists cover daily issues and important societal topics, but by failing to deliver in-depth reporting, they are not fostering open public debate. In the past year, however, huge steps forward were made in the coverage of international politics. For the first time, major Macedonian media are covering the NATO and EU accession process from within the country as well as from Brussels. In addition, coverage of the name dispute with Greece was intensive and thorough. "The market had finally pressured the owners to invest in international coverage, so now they are willing to pay the expenses for such coverage," said Goran Momirovski, A1 reporter.

The salary level of journalists is in line with the rest of Macedonian salaries and is between €200 and €400 per month. These low salary levels make journalists vulnerable to external influences and less resistant to corruption. According to Ljubica Mangovska, owner of TV Tera, "The media are not financially able to pay journalists as much as they deserve." As a result, over the last year, a substantial number of the journalists left the field, mostly to take spokesperson positions or work within the government.

Citizens do not have difficulty finding news in the Macedonian media. The ratings system shows that some entertainment programs have overtaken newscasts,

*Citizens do not have difficulty finding news in the Macedonian media. The ratings system shows that some entertainment programs have overtaken newscasts, but overall, newscasts are still the highest-rated type of programming. As Belicanec put it, "It is impossible to invent a program that would be more entertaining than the reality that we live in."*

but overall, newscasts are still the highest-rated type of programming. As Belicanec put it, "It is impossible to invent a program that would be more entertaining than the reality that we live in."

As noted in last year's survey, the equipment used by the broadcast media is in very bad condition. The problem is due mostly to the lack of owner investments and results in substandard production values. Print media, however, tend to have better equipment thanks in part to foreign investment in that sector.

Major media offer some niche reporting, especially regarding the economy and sports. These two areas are usually covered by teams of specialist reporters. Other niche sectors are covered by regular, generalist reporters. Investigative reporting is still missing from journalism in Macedonia.

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Macedonia Objective Score: 2.42

After three years of scores above 2.60, the score for this objective fell slightly this year. Indicators 1 and 2, plurality of news sources and citizen access to foreign media, retained their strong performance, coming in well above the average as in the past. However, Indicator 6, transparency of media ownership, dropped significantly. Its score, falling to more than a point lower than the average, accounts almost single-handedly for the lower average this year.

Macedonia has an overcrowded media industry that is, the panelists joked, beyond sustainability. The audience can choose from a multitude of domestic and international sources and services: six national television stations, three



*Macedonian law presents no obstacles for citizens to access any form of media. Naser Selmani from Vest, however, said that he sees limitations to overall accessibility. "The problem of the accessibility to media exists in rural areas in general. The access is limited; there are no cable operators; there is no foreign—and often no domestic—press available to these people," he said.*

national radio stations, and six major newspapers. The offerings vary with regard to genre, language, and political stance. Television is the number one choice for news, followed by the daily newspapers and radio.

Macedonian law presents no obstacles for citizens to access any form of media. Naser Selmani from Vest, however, said that he sees limitations to overall accessibility. "The problem of the accessibility to media exists in rural areas in general. The access is limited; there are no cable operators; there is no foreign—and often no domestic—press available to these people," he said.

The Internet is not a significant news source for the population, due to the great digital divide. However, the price drop in Internet access and the entrance of the cable operators in the Internet broadband market have produced

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

a substantial rise in internet penetration. The penetration of the cable networks is around 60 percent of the population. The trend will probably continue, due to the governmental policy to liberalize the telecommunications market.

There has been a significant drop of the circulation of the newspapers. Newspaper prices are on the margin of their operational costs because they are forced to sell at the lowest possible price. The weak consuming power of their audiences is a general problem in the overall performance of the domestic economy.

International news sources are not limited in any manner. Foreign broadcast programming is available via cable distribution in almost half of the homes in Macedonia. The problem of affordability of the foreign press is significant, due to their unreasonably high pricing. Local distributors price those publications at almost twice their original newsstand prices. This situation is different for the press from the neighboring countries—those are priced reasonably.

In general, MRT largely fails to reflect the whole political spectrum. "MRTV [MRT's television channel] set a precedent when [it] aired the interview with the prime minister six times. That is MRTV," said Kabranov.

The restructuring of MRT into a true public service broadcaster has been stuck, and the problem increases every year. The internal system of MRT is obsolete and there is no will for improvement. Typically, the top leadership of MRT changes when new governments come to power, and these appointees owe their jobs to politicians. "They [employees] have a switch in their heads: as the government changes, the switch is activated [and they favor the new government]. They are used to serving the politicians in power," said Nebojsa Karapejovski of TV Menada.

Macedonia has three news agencies: one state-owned and two private. One agency is fully web based. All are functioning satisfactorily and are mostly used by the smaller media. Major private broadcasters produce their own news, which is more dynamic, more informative, and less biased than MRT news. Major broadcasters consider the newscasts the most important programming on their menu and thus devote significant resources in their production. "Even the local TV stations strive to have local newscasts," said Mevaip Abdiu.

Regarding the transparency of media ownership, in Macedonia the public is generally aware of who the actual owners are of the major media in the country. However, the related provisions in the broadcast law that mandate disclosure are not yet functioning, and print media have no obligation to reveal ownership. As in the past, the problem

comes down to determining various sources of financing. Media owners have shown the tendency to misuse the media for their own promotion and have started to heavily influence the content of newscasts. This issue contributed significantly to the lower scores in this indicator this year, according to panelists.

Macedonia has three major media groups that are either under the same ownership or have established synergy. WAZ group consists of three major daily newspapers, one weekly, a distribution network, and a printing plant. A1-Vreme group is the most powerful private group, with a television station, national newspaper, and distribution network. Vecer-Sitel-Cetis group owns a national newspaper, national television station, and printing plant.

With regard to minority groups, the social issues of Macedonian ethnic groups are on the mainstream media agenda, and minority media are produced in minority languages. The problem is that mainstream journalists have a tendency to use ethnic stereotypes, and they fail to promote tolerance and social cohesion.

#### **OBJECTIVE 4: BUSINESS MANAGEMENT**

### **Macedonia Objective Score: 2.11**

This objective fell slightly this year, primarily due to a fall of about half a point in the score for Indicator 2 (media receive income from multiple sources) compared to last year. The lowest indicators were for indicators 6 and 7, related to market research and audience/circulation figures. While these were about a third of a point lower than the average, they were both up slightly from last year. Indicator 1, covering operational practices of media and media-related businesses, scored the best, coming in over a half point above the average.

A recent problem in Macedonia is the difficulty of some broadcasters to freely access distribution networks because cable operators have positioned themselves in a place of power. With almost 60 percent of the households as their subscribers, they blatantly force domestic television stations to provide their programming without any compensation.

Advertising is the primary source of income for the media, but revenue from advertising is not satisfactory. A significant amount of air time is available on the market, and harsh competition among the media has produced a drop in prices. Governmental advertising has increased to the point that it is the biggest single advertiser in the market. Panelists said that this is a subtle way to bribe the media. Further, it is unclear how the government decides with which outlets

*Advertising is the primary source of income for the media, but revenue from advertising is not satisfactory. A significant amount of air time is available on the market, and harsh competition among the media has produced a drop in prices. Governmental advertising has increased to the point that it is the biggest single advertiser in the market. Panelists said that this is a subtle way to bribe the media.*

to place advertisements, adding to suspicions that it is done capriciously.

However, other than through advertising placements, no other government funds are made available to private media. Because the advertising market is too small to support the multitude of media, the government's tactics have especially affected the media in small towns.

Advertising agencies support the media business, but small media usually complain that agencies are not buying there. "The evolution is evident," said Goran Gavrilov, owner of Channel 77. "Four years ago, there were only two agencies. Now there are 22, and the problem is that biggest media are selling with big discounts." Advertising agencies are a mix of local and internationally affiliated firms. The larger ones are well run and respected by the industry.

#### **INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.**

##### **BUSINESS MANAGEMENT INDICATORS:**

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

*"I agree that APEMM did not achieve spectacular results, but in some issues, such as collective negotiation in the field of copyrights, it has helped media a lot," said Mevaip Abdiu.*

No reliable data is available on the circulation and readership of newspapers, leaving agencies to operate with only approximations of circulation. Figures come from the publishers themselves and are considered unreliable. Unlike the press, broadcasting's data system for ratings has been in existence for years. However, some members of the media claim that the data are not reliable, and trust in the system has been very low. Panelists indicated that a second source of data confirming the numbers would help to build trust.

In the last months of 2007, an experimental setup of peplemeters was started in the capital, Skopje. The data is still not relevant, said Kabramov, "but we have to trust to some audience measurement system." The system should be fully functional in 2008, when a full evaluation will be possible.

The media have started to consider research data in creating their advertising rates, but with few exceptions, they lack the knowledge to fully incorporate the information.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Macedonia Objective Score: 2.50

All indicators in this objective scored close to the final average. The small drop in score compared to last year can be attributed to moderate drops in Indicators 1 and 7, covering trade associations and media distribution.

The Macedonian media are supported by several non-governmental organizations and one active association of broadcasters, the Association of Private Electronic Media in Macedonia (APEMM). Panelists had clashing viewpoints on the performance of APEMM. The disagreement was due to the high visibility of this association in contrast with the view of some media owners that APEMM has not successfully represented the interests of all media. Although APEMM has been dominated by members from national television stations, the advocacy issues it has chosen to pursue, such as respect of copyrights, have been relevant to all media. "I agree that APEMM did not achieve spectacular results, but in some issues, such as collective negotiation in the field of copyrights, it has helped media a lot," said Mevaip Abdiu.

Recently, ethical standards in journalism has emerged as an issue, mostly because of the constant work of the ZNM. The ZNM used the year for introspection and it is finally set on the right path, according to panelists. The association began publicly advocating for the rights of journalists, and several actions were undertaken in order to pressure the government into prosecuting violence against journalists.

Non-governmental organizations traditionally supporting media and journalists have downsized their operations and activities, focusing on one to two projects. The lack of financial resources due to donor exit has greatly diminished the internal capacity of these institutions.

With regard to journalist training, the Macedonian Institute for Media offers a one-year journalism course considered to be of acceptable quality covering general topics. Funding for the program is shared between students and donors. But overall, the courses that are available in Macedonia are considered unsatisfactory. The state university has journalism studies, and some private universities offer communications programs. The courses are highly theoretical, however, and after graduation, students find themselves having to learn journalism while doing their jobs.

The biggest newspapers have created a closed, largely unregulated system of printing and distribution. They impose price barriers for any newspaper outside of their system that wants to use their facilities and networks. "Access to the market for new initiatives has become very expensive," said Belicanec. "Access to printing presses and distribution networks has become almost impossible. This is not an economic issue; this is a freedom of expression issue. We will end up in a situation where only organized crime or very rich people may start a new initiative."

## SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

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## List of Panel Participants

**Aco Kabranov**, editor-in-chief, Channel 5 TV, Skopje

**Goran Gavrilov**, manager, Radio Network Channel 77, Stip

**Ljubica Mangovska**, program director, Tera TV, Bitola

**Robert Popovski**, president, Association of Journalists, Skopje

**Nebojsa Karapejovski**, manager, TV Menada, Tetovo

**Roberto Belicanec**, executive director, Media Development Center, Skopje

**Anita Petrovska**, editor, MTV, Skopje

**Naser Selmani**, journalist, *VEST* Daily Newspaper, Skopje

**Erol Rizaov**, editor-in-chief, *Utrinski vesnik*, Skopje

**Muharem Zeqiri**, editor-in-chief, ALSAT TV, Skopje

**Goran Momirovski**, reporter, A1 – National TV, Skopje

**Mevaip Abdiu**, manager, TV Koha, Tetovo

### Moderator and Author:

**Gazmend Ajdini**, executive director, Media Development Center, Skopje

The Macedonia study was coordinated by, and conducted in partnership with, Media Development Center, Skopje.

*The Montenegrin media focused on a variety of issues besides the new Constitution, including institutional reforms, problems related to rule of law, economic development, social inequality, and various political and criminal scandals. Unlike the electronic media, which rarely practiced investigative journalism, print media were more engaged in unraveling some “unpleasant” issues.*



MONTENEGRO

The key political issue for Montenegro in 2007 was the adoption of the new constitution in October. Besides the ruling coalition (DPS/SDP), the biggest opposition party (Movement for Change) and the minority parties favored its ratification, and it received the necessary two-thirds majority. According to the new constitution, Montenegro is defined as a democratic, social, and ecological state with a republican form of government. The constitution guarantees freedom of speech and freedom of press (articles 47 and 49).

Significant foreign investment continued to flow into Montenegro. According to the most recent indicators, direct foreign investment will exceed €600 million, putting Montenegro at the top of transitional countries in Europe regarding direct foreign investments per capita. In addition, the economy is recording steady growth (seven percent). Inflation grew at a rate of four percent but salaries grew approximately 30 percent (with an average salary of €350 per month). The privatization process of state-owned companies is nearing completion, the real estate market is rapidly growing, the unemployment rate is falling (around 12 percent), and the state budget recorded a record surplus of approximately €100 million.

With this promising economic backdrop, the Montenegrin media focused on a variety of issues besides the new Constitution, including institutional reforms, problems related to rule of law, economic development, social inequality, and various political and criminal scandals. Unlike the electronic media, which rarely practiced investigative journalism, print media were more engaged in unraveling some “unpleasant” issues. The appointments to the governing council of Radio Television Montenegro (RTCG) showed political parties trying to eliminate candidates from their rival parties. There were attacks on journalists (Ivanović and Softić), which showed that journalists cannot feel safe if they publish challenging news.

The media community also prepared for the arrival of foreign media (FOX and ProTV), which will lead to a regrouping of electronic media. In addition, the announced privatization of the oldest daily *Pobjeda* will affect the nature of the print media market. The panelists noted that globalization has arrived for the media scene, and this will unavoidably have consequences on future professional standards, journalists’ working relations, and business operations of media companies.

Despite the improved economic environment and other positive developments, the Montenegro score dropped slightly compared to last year, with most objectives sharing in this decline. Panelists blamed this on a lack of implementation of laws, little progress in professionalism, stagnation in business management, and inability to improve and solidify supporting institutions. Montenegrin media remained “near sustainability,” with a score of 2.35, but this is down 0.17. The objective with the largest loss was Objective 4, business management, down 0.35. Objective 3, plurality of news, the only one to increase, showed a gain of 0.21. As with last year, Objective 1, free speech, received the highest score, 2.62, however this fell from 2.83 last year.

# MONTENEGRO AT A GLANCE

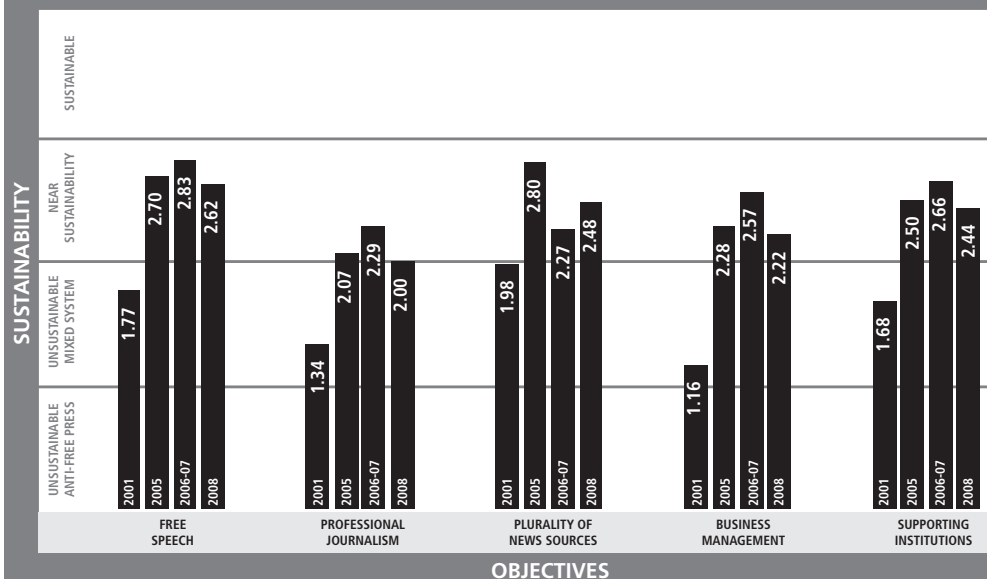
## GENERAL

- > **Population:** 684,736 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Podgorica
- > **Ethnic groups (% of population):** Montenegrin 43%, Serbian 32%, Bosniak 8%, Albanian 5%, other (Muslims, Croats, Roma) 12% (*CIA World Factbook*)
- > **Religions (% of population):** Orthodox, Muslim, Roman Catholic (*CIA World Factbook*)
- > **Languages (% of population):** Serbian (official; Ijekavian dialect), Bosnian, Albanian, Croatian (*CIA World Factbook*)
- > **GNI (2006-Atlas):** \$2.481 billion (World Bank Development Indicators, 2008)
- > **GNI per capita (2006-PPP):** \$8,930 (World Bank Development Indicators, 2008)
- > **Literacy rate:** 97% (Media d.o.o.)
- > **President or top authority:** President Filip Vujanovic (since May 11, 2003)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 46 (daily: 4; weekly: 2; monthly: 40); Radio: 38; Television stations: 35 (Media Ltd., Podgorica)
- > **Newspaper circulation statistics:** top 4: *Vijesti*: 20,000 (private), *Dan*: 15,000 (private), *Pobjeda*: 8,000 (state), *Republika*: 3,000 (private) (Media d.o.o.)
- > **Broadcast ratings:** N/A
- > **News agencies:** Mina News Agency (private)
- > **Annual advertising revenue in media sector:** \$8-10 million (Media d.o.o. estimate)
- > **Internet usage:** 266,000 (2006 est., *CIA World Factbook*)

## MEDIA SUSTAINABILITY INDEX: MONTENEGRO



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREE SPEECH

### Montenegro Objective Score: 2.62

The score for free speech dropped slightly from last year, but also achieved the highest score of the five objectives. Only one indicator was scored noticeably distant from the average: Indicator 4, crimes against journalists, lagged well behind other indicators. Leading indicators, though not substantially ahead, included Indicators 2, broadcast licensing, 8, media access to international news sources, and 9, free entry into the journalism profession.

Reform of media regulations has occurred in Montenegro and current laws comply with international standards. The key laws in this respect were adopted five years ago (Media Law, Broadcasting Law, and Law on Public Broadcasting Services Radio Montenegro and Montenegrin TV) and together with the newly adopted constitution they provide solid bases for the development of the media community and the protection of free speech. However, the panelists noted that since the adoption of these new laws, the crucial problem in Montenegro has been the inconsistent implementation of regulations and the need for some regulations to be reformed.

As an example of poor implementation, the panelists pointed to the politicization of the appointment process to the RTCG Council, transforming it from one supposedly based on merit and non-partisan criteria to one based on political loyalty. However, some pointed not only to poor implementation, but to the profession itself. Slavko Mandić, the director of Radio Skala in Kotor, said, "...what we have here is an acceptable legal solution but a problematic practice. I would especially stress this court practice, which is not in favor of free media and the necessary protection of journalism. However, we should be critical even of ourselves; generally, media in Montenegro are bad, there is no professional solidarity, the influence of public debate is being discredited."

Panelists also noted that the Freedom of Information Act is not properly implemented due to government obstruction, although some put the blame on journalists and the public as well. Boris Darmanović, president of the Young Journalists' Association noted, "Journalists are not trained enough to implement the Freedom of Information Act. Even the government bodies cannot be seen, in general, as an obstacle to collecting the information, although there are some of them that do not comply with the law."

Pursuant to the law, media are registered at the Ministry of Culture, Media, and Sports. This is a simple procedure taking not longer than 15 days and the process can be considered apolitical. Media do not have special tax exemptions, except

the printed media, which benefit from a seven percent reduction in VAT.

There are no laws that favor private or public media. However, there is a problem related to RTCG. The National Parliament appoints the members of the RTCG Council and it is obvious that since the beginning of the transformation of state radio and television into public service broadcaster, leading political parties have rejected independent candidates from civil society and instead have insisted on candidates that are their supporters. This has led to a council unable to function, since appointments are blocked. Panelists noted that, again, it is not the laws and regulations, but rather their implementation.

The panelists also noted the inefficiency and incompetence of police and judicial bodies in cases where journalists are either attacked or threatened. The most serious cases of threatening media freedoms in Montenegro are still unsolved. The murder case of Duško Jovanović, director and editor in chief of the daily *Dan* has not been solved yet by the authorities, nor have police managed to discover the persons who seriously injured the famous author Jevrem Brković and murdered his bodyguard. During 2007, two extreme attacks on journalists took place: physical attacks on Željko Ivanović, the program director of the leading daily *Vijesti*, and Tufik Softić a journalist of a local radio station in Berane. Both cases are still unresolved and it is not clear whether they will be.

Furthermore, the general assessment of the panelists was that Montenegrin judicial bodies (prosecutors and the judiciary) interpret laws in a restrictive manner when

#### LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

##### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.



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journalists are involved. One case of note involved a fine of €5000 for a journalist of the magazine *Monitor* for slander in a case initiated by movie director Emir Kusturica. Draško Đuranovi, a media analyst, stated, "Besides the criminal proceedings, even lawsuits are filed against the journalists in order to get compensation for damaged public image. There is no equalized and reasonable court practice with the intent to protecting freedom of the media and the democratic need not to suppress journalists' profession by the means of court rulings."

Nevertheless, other panelists pointed to positive judicial examples, in which judges invoked freedom of the press and the European Convention on Human Rights to support acquittal on defamation charges. However, the common assessment of the panelists was that the major problem for the Montenegrin judiciary is the lack of judicial practice, both regarding differentiating media freedom from an obvious intention to slander and regarding acceptable fines within criminal proceedings (according to the Montenegrin Criminal Code, fines for the offense of slander may range from €5,000 to €14,000 or a prison sentence if the convicted does not pay the fine).

Criminal verdicts do not eliminate the possibility of a civil lawsuit for material compensation. Civil courts base their awards primarily on previous criminal verdicts. In practice, this means that convicted journalist pays at least €10,000 in two separate charges (250 times the average journalist's salary). In a case where a convicted journalist does not pay the fine, s/he is obliged to serve a sentence as compensation equal to one day for each €40.

The conclusion of the panelists was that Montenegrin laws are good but that more efforts must be made to perfect them, and society should insist on their proper implementation. As Vojo Raonic of the Media Institute noted, "Montenegrin legislation is correct, in the meantime, we have identified what parts of the law should be changed, so the key issue is elimination of problems in implementation. Political intentions directed at worsening the current regulations should be opposed and in parallel to that promote legislative policy aimed at strengthening media standards and freedom of media." The panelists concluded that freedom of speech in Montenegro is threatened and that the circumstances are worse in comparison to the past several years. Duško Vuković, editor in chief of the private internet newspaper PCNEN noted in this regard, "The problem is that Montenegrin society, in terms of social awareness, is still authoritarian; citizens are not encouraged to speak freely and express their opinions. Political and social forces ignore freedom of press and disable the development of an open society."

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Montenegro Objective Score: 2.00

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Montenegrin media have not yet reached a satisfactory level of professionalism according to the panelists, who gave Objective 2 the lowest score of the five objectives, with a slight drop from the previous year. Most of the indicators scored near the overall average. The only one noticeably different was Indicator 8, niche and investigative reporting, which scored more than half a point less than the average.

Although the media community has adopted an ethics code, it is evident that professional standards as well as media solidarity in committing to the rules of the profession do not represent the strong point of Montenegrin journalism. All the panelists agreed that professional standards have been introduced rather slowly and that journalism in Montenegro is often vulgarized. They felt the increased commercialization of both printed and electronic media present an obstacle for independent and professional editorial policies at media outlets.

Mistakes are often made in checking the authenticity of information sources, and the majority of journalists practice self-censorship. Journalists who feel legally and economically unprotected keep their positions by engaging in self-censorship. It is not so much the editors imposing this as it is journalists realizing what they have to do to protect themselves and their livelihood. In addition, media are often used as political weapons. As noted by Đuro Vučinić, editor in chief of the private television station Montena, "...the drastic case of the violation of ethical standards made by the [pro-government] daily *Pobjeda* when it published the article by Mr. Četković directed against the founder and editor in chief of daily *Vijesti*," was a politically ordered article whose aim was to discredit *Vijesti*.

In addition, below average salaries present a problem to the profession. There is a trend of journalists leaving journalism and changing professions. Average journalists' salaries are approximately €400 per month and are a bit over average salaries in Montenegro (€350). There is no precisely accepted boundary of poverty in Montenegro, but a Montenegrin trade union has stated that the average family of four cannot survive well if its income is lower than €680.

The panelists also agreed that the absence of specialized and investigative journalism is particularly worrisome, and this is the result of a couple of factors: passive editorial policies and lack of money. In order to survive economically, media are becoming more commercialized and making various concessions to the detriment of professional standards and

principles of the free press. These trends have a negative effect on the confidence of the public in local media. In addition, editors are not actively pursuing such specialized reporting in most cases. Key issues are covered in some senses, as political and economic events receive coverage. But there is not an investigative element in that coverage. Issues beyond politics and the economy often receive little coverage. As noted by Vladan Mićunović, deputy editor in chief of *Vijesti*, "Journalists often avoid so-called sensitive issues (corruption, crime, sloppy institutional reforms, etc.), and this is directly discrediting journalists' profession." It was agreed by the panelists that print media does a better job in this regard than the electronic media.

Montenegro has a journalists' self-regulatory body but its influence is limited and very often even ignored by the very media who are members. Journalists do not trust its decisions because they feel it makes them selectively (and treats nonprofessionals in the media the same as professionals). As Draško Đuranović, an independent media analyst noted, "Media are rejecting self-regulation and reacting negatively on decisions of the self-regulatory body." Branko Vojičić, program director at RTCG seconded this point, "The problem is that the media are running away from self-regulation. The self-regulatory body is seen as some foreign body."

Debating the profile of programs available on electronic media, the panelists said that media are favoring commercial and entertainment programs to the detriment of news and educational programming. Political, economic, social, and cultural problems are pushed aside, while the entertainment programs spread, favoring entertainment shows that do not evoke any conflict or partisanship. The absence of

investigative journalism and issues of public interest are particularly visible in electronic media.

Most equipment in print media is suitable. Some electronic media face problems such as the absence of digital technology, e.g. RTCG, which will cause serious problems in the coming years, but the situation is better than in previous years due to investment in equipment and technology. Minority media are considered in somewhat worse shape in terms of technology.

The opinion of all panelists was that Montenegrin journalism must be revitalized and should concentrate on so-called life-issues, and this requires an "investigative and professional spirit" and an understanding of real social problems. The panelists concluded that it will take much more time for Montenegrin journalism to reach the level that would represent professional sustainability.

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Montenegro Objective Score: 2.48

This objective received a small increase over last year, going from 2.27 to 2.48. Nonetheless, the panelists felt that the Montenegrin media space is oversaturated with electronic and printed media with over 150 different media outlets active in Montenegro. However, panelists noted this quantity does not correspond to quality, nor does it imply democratic potential and pluralism of viewpoints within the media sector. Most of the indicators scored near the overall average. Indicator 2, citizen access to news, scored nearly a point higher than the average. On the other hand, Indicators 3 and 6, public media reflect the views of the political spectrum and transparency of ownership, scored more than a half point below the average.

Panelists noted that it is quite obvious that the most influential media are polarized as in years past. On one side, you have those close to the Government (*Pobjeda*, and the public broadcaster RTCG), while on the other side those recognized as critics of the government (e.g., *Vijesti*, *Dan*, *Monitor*). The majority of other media, both at the national and local level, try to remain open to different political opinions or they simply distance themselves from debatable political issues. Unfortunately, the panelists found that the political class demonstrated an intolerance regarding critical press and uncontrolled public opinion; various parties tried to impose their interests on the media sector.

All news media primarily use the same news agencies' sources and have undeveloped networks of correspondents. In Montenegro there is still just one local news agency

#### JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

##### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

(MINA) and several agencies with headquarters in Serbia. Most often the same news is used by all news media. Since all but a few leading dailies have poor networks of their own reporters, the quality of reporting and pluralism in the media scene suffers.

The number of citizens with Internet access has increased and stands at around 20 percent of the population. In principle, the media are more readily available to citizens than in previous years due to new services such as the Internet and cable. A crucial limitation is cost for many citizens who may want to read newspapers more frequently or use cable or satellite television. Foreign media also remain quite expensive.

Public broadcasting is generally under the influence of the ruling parties, according to the panelists. The opposition and independent views often have less space in public media. This means that private media in many situations provide the function of public service media. This is visible during all elections, as well as in cases of treating almost every issue that is unpleasant for the authorities. However, panelists all stressed the need for a viable public service broadcaster. Duško Vuković, editor in chief of the private Internet newspaper PCNEN argued, "I would particularly point to necessity to have media even when they are not economically justifiable, because that is in the interest of democratic and open society. This is why public services are important."

Speaking of ownership in the media sector, the panelists pointed out that the transparency of ownership of media companies is better than it used to be, but there are still suspicions regarding the true ownership structures of some media.

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

It is quite clear that Montenegrin media scene will change significantly after arrival of new media players, such as FOX and the Romanian regional network PROTV. Local media companies will face fierce competition from global networks. The investment trend into Montenegrin media sector is continuing (last year a Slovenian media group took over the leading private station, TV IN). In this sense, the departure of the German media company WAZ from ownership of *Vijesti* in 2007 is not indicative of overall foreign investment interest in the media. The panelists also pointed out the importance of the upcoming privatization of the oldest daily in Montenegro, *Pobjeda*. Expectations are that this will stimulate competition in the print media market.

Public services are obliged to broadcast part of their program schedule in languages of the minority population, and they follow these regulations. There are also private media (TV Teuta and Radio MIR) that broadcast bilingual programs in Montenegrin and Albanian. The media does also cover other social issues, the print media being the better at this.

Panelists agreed that Montenegro will witness a winnowing of media outlets since the current number is not sustainable. Branko Vojičić, program director of RTCG noted, "In the future we will definitely witness the reduction of this number, and we can only hope that the process of reducing the number of news companies will result in improved professional standards and higher quality journalism."

#### OBJECTIVE 4: BUSINESS MANAGEMENT

#### Montenegro Objective Score: 2.22

This objective dropped to 2.22 this year from 2.57, reflecting continuing profitability issues in Montenegrin media.

Panelists noted that the majority of local and national media, including the public service broadcasters, are barely making ends meet. Although there are positive exceptions (*Vijesti*, *Dan*, TV IN, TV Pink), the profitability of media companies in general is questionable. Despite the concern over profitability, most media do have developed business planning. However, with the competition, a less developed advertising market, and a past dependence on donor support, concerns remain. All indicators scored relatively close to the final average.

With electronic media the situation on profitability is complex because of the relatively large number of radio and television stations (close to 100) covering Montenegro. These stations face many commercial problems, such as illiquidity, poor management, poor human resources, shortage of investment, and limited marketing possibilities. There is also an unwillingness on the part of current ownership to consider

integrating and merging media companies for the sake of making them financially viable. Some private electronic media also survives exclusively thanks to foreign donors, but currently there is a trend of reducing the amount of grants. It is realistic to expect that a number of electronic media in Montenegro soon may be bankrupt if they cannot begin to operate as profitable businesses.

Darko Šuković, editor in chief of the private radio station Antena M, noted, “I don’t think that media are viable business. Antena M, although a leading news radio station, faces daily struggles for survival. The advertising market is limited, and we are managing to cover only 30 to 40 percent of our total costs from marketing. I believe that one of the key problems regarding poor viability of media is related to poor management and weak commercial management.”

Panelists representing local media voiced many issues with sustainability. Slavko Mandić, director of Radio Skala in Kotor said, “In the case of Radio Skala, marketing brings some 30 percent of revenues, certainly not enough for economic survival of the media. Radio is surviving thanks to a policy of low salaries and thanks to grants from donors. We are facing special problems regarding unfair competition from the public services, which are subsidized and therefore able to offer low advertisement prices. Overall, media business at the local level is not profitable and hardly sustainable.”

However, Dino Ramović, editor in chief of the Albanian language TV Teuta from Ulcinj stated, “In our case, because we are specific bilingual media—Albanian/Montenegrin—we don’t have so many problems regarding advertising incomes. We are satisfied, because we manage to make 80 percent out of total revenues from advertising activities. Nevertheless, I

agree that it is very hard to keep alive a media company in Montenegro, and in that regard we should not forget the importance of international donors, because without their support many media wouldn’t be able to survive.”

While one cannot say the media is subsidized by the government, the subscription fee paid by all citizens is shared by Broadcasting Agency in accordance with the following criteria: 75 percent to RTCG, 10 percent to local public services (radio and television), 10 percent to private media (radio and television), and five percent to the Agency itself. Private media receive part of the fee in accordance with their produced programs.

This year, as in previous years, representatives of the electronic media stressed the problem of poor implementation of the Broadcasting Law. Panelists felt the criteria are not clear and overlook media producing content in the public interest. On the other hand, panelists did point out that the Broadcasting Agency has a transparent and liberal approach in granting frequencies, thus preventing creation of monopolies.

There is market research in Montenegro and media do use what they can get. Some NGOs publish data on perception of citizens regarding media, up to ten times per year. Media themselves do not finance such research and NGOs are doing it too rarely and only when they have the support of foreign donors.

In general, the media business in Montenegro is still hardly sustainable and this directly affects the quality of editorial policies, especially investigative journalism, as well as professional standards, according to the panelists. It is becoming clear that current media companies will have to reform their business policies if they want to survive on the market, or else they will face increased competition that will consequently threaten their survival.

**INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.**

**BUSINESS MANAGEMENT INDICATORS:**

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

**OBJECTIVE 5: SUPPORTING INSTITUTIONS**

**Montenegro Objective Score: 2.44**

Journalists expressed concern about the state of supporting institutions in Montenegro and returned a slightly lower score compared to last year: 2.44 compared to 2.66 last year. The panelists felt that journalists’ associations are doing their job poorly and with little influence on the media community or individual journalists. However, unlike the professional associations established to protect the professional interests of journalists, there are some positive examples related to business associations representing interests of media companies. All indicators scored within a half point of the

average, with the exception of Indicator 2, professional associations, which came in more than a point lower.

The problem with professional associations, which represent primarily print journalists, is their weak organization and ephemeral activity. Journalists show little interest in their operations, as they are not viewed to provide any services. In Montenegro there are two journalists' associations (one is the inheritor of the old socialist association and the second was established 15 years ago as an expression of professional resistance toward journalism under Milosevic). As Dino Ramović stated, "There is little solidarity within the media community. Journalists' associations are inactive and unproductive. Journalists' trade unions are still not defined and, in that respect, we are faced with serious problems in protecting labor and social rights of journalists. Obviously, we are still to see attempts to create serious professional journalists' organizations as well as establishment of independent trade unions." Neither functions in a manner providing adequate professional protection of journalists. They have neither professional officers nor adequate offices. As a result, several issues, including the lack of proper labor contracts, remain unsolved.

Business associations that represent owners operate much more efficiently and professionally. The Association of Independent Electronic Media (UNEM) and the Association of Local Broadcasters (ULES) represent electronic media owners and managers. They provide training, advocacy and representation, and information to their members. Dragan Klarić, the director of Radio Budva noted, "Associations are unavoidable if we want to protect our interests in a quality way. I would like to give as a good example, the establishment of Association of Local Broadcasters, which aims to promote the status and interests of local electronic media."

#### SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

##### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

In principle, all relevant NGOs in Montenegro support independence of the media and press freedom. However, there is a small number of NGOs specialized in media, with the most notable being the Association of Young Journalists and the Centre for Development of Non-governmental Organizations. Other NGOs working in the civil society field do support free and independent media through civil society and human rights projects. Organizations include Cedem, Cemi, the Center for Civil Education, Nansen Center, Anima, and others.

The Panelists said that when it comes to educational programs for journalists, the positive role of the Montenegro Media Institute (MMI) should be stressed. MMI operates a journalism school and offers short-term training for practicing journalists. In parallel to this, this year will see the first generation of graduates coming from the Department for Journalism within the School of Political Sciences in Podgorica, thus significantly improving the intellectual potential of the journalism profession in Montenegro. Panelists pointed out the importance of such programs on the development of future generations of journalists and strengthening the work of current media professionals.

Printing houses in Montenegro are mostly private, with the exception of the printing plant used by state-owned *Pobjeda*. There are no problems with printing; newspapers are printed with no obstacles and at competitive prices, although slightly higher than in surrounding countries. With reference to distribution, there are also no specific difficulties other than reaching far villages in a decent timeframe. Kiosks are owned by private companies and there is no apparent political selectivity in distribution.

For the electronic media, the government agency The Broadcast Center (RDC) has the authority to erect masts used for broadcasting. Media can rent space for their transmitters and antennas and pay in accordance with RDC's tariffs. There is no apparent politicization in this process.

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## List of Panel Participants

**Esad Kocan**, editor-in-chief, *Monitor*, Podgorica

**Dusko Vuković**, editor-in-chief, PCNEN, Podgorica

**Vladan Micunovic**, deputy editor-in-chief, *Vijesti*, Podgorica

**Branko Vojičić**, program director, RTCG, Podgorica

**Darko Sukovic**, editor-in-chief, Radio Antena M, Podgorica

**Bojana Radulovic**, program editor, TV MBC, Podgorica

**Djuro Vucinic**, editor-in-chief, TV Montena, Podgorica

**Dino Ramovic**, editor-in-chief, TV Teuta, Ulcinj

**Drasko Djuranovic**, independent media analyst, Podgorica

**Boris Darmanović**, president, Association of Young Journalists, Podgorica

**Dragan Klaric**, editor-in-chief, Radio Budva, Budva

**Slavko Mandić**, editor-in-chief, Radio Skala, Kotor

**Vojislav Raonic**, director, Media Institute of Montenegro, Podgorica

## Moderator and Author:

**Rade Bojovic**, executive director, Media d.o.o., Podgorica

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ROMANIA

In 2006 political stalemate gripped the country as President Basescu squared off with his rivals in Parliament. Despite this, that year's MSI panel was optimistic, returning slightly increased scores. A divided government, they felt, could not inhibit media freedom, as was the case before the 2004 elections.

Romania joined the European Union on January 1, 2007; the political crisis reached its peak shortly afterward. The president's opponents in Parliament initiated impeachment proceedings against him, even though the Constitutional Court had cleared him of violations. A referendum in May on the impeachment led to a landslide victory for the president.

This intense political conflict endangered the perception of "objective journalism." Politicians variously charged media outlets with being Basescu's pawns or tormentors. Public television was a clear victim, as a top politician was appointed to lead it.

Despite previous resiliency in the face of political turmoil, this year's panel reflected a gloomier mood, with a decrease in the overall average from 2.78 to 2.62. Objectives 1 and 2, freedom of speech and professional journalism, suffered the largest decreases. Objective 1 fell from 2.90 to 2.62 and Objective 2 decreased from 2.56 to 2.21, the lowest score of the five objectives. Objective 3, plurality of news, remained the highest scoring, with only a slight drop to 2.88.

In light of EU accession, this drop might seem surprising. EU membership was the climax of a major undertaking that focused public and political attention for at least eight years. However, such gloom is not limited to the media sector, but extends throughout politics and civil society. It is obvious that major reforms pushed forward by the European Commission enjoyed neither genuine political will nor a critical mass within the public. For example, the new anti-corruption office created with EU support is now constantly harassed by the Parliament after it started prosecuting important politicians.

For years the EU supported Romanian journalists and, indirectly, Romanian media freedom. Yearly European Commission reports on the media obliged the government to act. Progress was made under EU pressure, from the regulation of state advertising to scrapping calumny offenses from the Penal Code. But now that Romania is a full EU member, the Commission's influence over the Romanian government has decreased, allowing a return to old habits.

Meanwhile, the media confront the same threats pinpointed last year. Ownership is concentrated and many outlets have no clear, legitimate resources to support them. Professional ethics remain a problem. Public debates on issues such as the relationship between journalists and owners represent important steps forward, but they have yet to bear fruit.



# ROMANIA AT A GLANCE

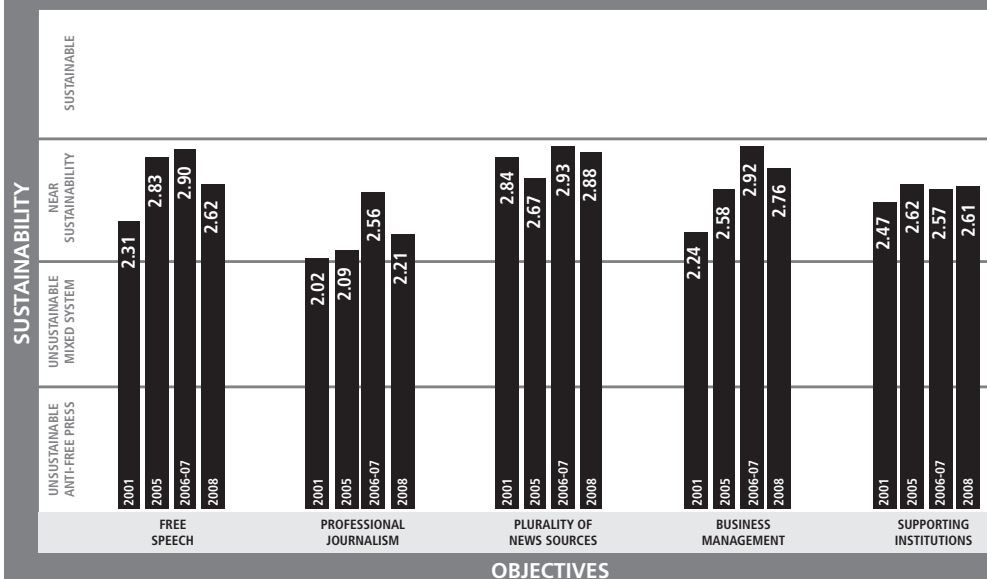
## GENERAL

- > **Population:** 22,276,056 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Bucharest
- > **Ethnic groups (% of population):** Romanian 89.5%, Hungarian 6.6%, Roma 2.5%, Ukrainian 0.3%, German 0.3%, Russian 0.2%, Turkish 0.2%, other 0.4% (2002 census, *CIA World Factbook*)
- > **Religions (% of population):** Eastern Orthodox 86.8%, Protestant 7.5%, Roman Catholic 4.7%, other (mostly Muslim) and unspecified 0.9%, none 0.1% (2002 census, *CIA World Factbook*)
- > **Languages (% of population):** Romanian 91% (official), Hungarian 6.7%, Romany 1.1%, other 1.2% (*CIA World Factbook*)
- > **GNI (2006-Atlas):** \$104.4 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$9,820 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 97.3% (male 98.4%, female 96.3%) (2002 census, *CIA World Factbook*)
- > **President or top authority:** President Traian Basescu (since December 20, 2004)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 1000+, exact numbers not available; Radio: N/A; Television stations: N/A
- > **Newspaper circulation statistics:** Top ten papers have a combined circulation of approximately 650,000 (Audit Bureau of Circulations, 2007)
- > **Broadcast ratings:** top three: Pro TV (3.1%), Antena 1 (2.4%), Acasa TV (2.0%) (TNS-AGB)
- > **News agencies:** Mediafax (private), Rompress (state-owned), NewsIN (private), AM Press (private), Romnet (private), AMOS News (private)
- > **Annual advertising revenue in media sector:** Approximately \$550 million (2006 panelists)
- > **Internet usage:** 5,063,000 (2006 est., *CIA World Factbook*)

## MEDIA SUSTAINABILITY INDEX: ROMANIA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Romania Objective Score: 2.62

Objective 1 scores fell noticeably from 2.90 last year to 2.62 this year. Few of the indicators scored near this average. Indicators 3, 8, and 9, market entry, media access to foreign news sources, and free entry to the journalism profession, scored very well: one point or more higher than the average. However, Indicators 5, 6, and 7, preferential legal treatment for state media, libel laws, and freedom of information fared poorly, as each was nearly a point or more lower than the average.

The National Council of Broadcasting (CNA) controls broadcast licensing and nominally is an autonomous body subordinated to the Parliament. The 11 CNA members are appointed by the president, the government, and the parliament. Panelists expressed doubts that this mechanism ensures the autonomy of CNA. Cezar Ion, the director of editorial production department within public television said that "CNA is a sort of cooperative, strongly politically manipulated. The most recent CNA newcomers have a perception that slightly touches horror about what is happening there." Ciprian Stoianovici, editor-in-chief of the popular Radio 21 underpins this point: "CNA member selection is a political process and not a transparent one. And the politicization is stronger now than ever."

In 2006, the political factions in parliament were unable to reach an agreement to appoint new members to the CNA. Some MPs wanted to change the law to increase the number of members to 13 in order to overcome this deadlock and please all those involved. The then-president of the CNA, Ralu Filip, protested and threatened to resign. His position being supported by most prominent NGOs, this idea was dropped. Unfortunately, Filip died at the beginning of 2007. His vacant chair became the object of an odd political bargain. Since the president of public television resigned around the same period, the ruling National Liberal Party and the opposition PSD traded these positions among them in order to gain an advantage in their common struggle against President Basescu.

Ion detailed this scandal: "There was a political bargain between liberals and social-democrats for CNA leadership versus television leadership. Nobody would publicly admit to the bargain but it was obvious from procedures unfolding in the Parliament. Because they did not trust each other, they delayed the vote for the whole summer and appointed interims to lead the institutions." PSD appointed as a CNA member Valentin Nicolau, the former head of the public television, who had resigned among accusations of corruption and editorial interference formulated in a parliamentary report. He tried to compete for the position of CNA chairman,

a move contradictory to the bargain made by his party, which traded this position for the control over the public television presidency (see the below discussion about television). Ion confirmed this, reporting, "PSD withdrew its support to Nicolau because he tried to run for the CNA chairmanship." Nicolau resigned completely from CNA, charging that people there "are blackmailed and there are pressures made upon one institution which pretends to be independent."<sup>1</sup>

Panelists were also skeptical of the broadcast license granting process, saying it lacks clear procedures. "The granting process is made upon CNA members' wishes, none of them having expertise in the media field or running a radio or TV station for at least 10 minutes," said Ciprian Stoianovici. Comparing with the last years, the panelists questioned more the monitoring and regulatory activities of CNA. Under the law, CNA is the guardian of public morality and fairness in broadcasting. It monitors the airwaves and intervenes with warnings and fines against the broadcasters that breach the rules. But panelists considered its decisions as being biased depending on how powerful the different media owners are. "CNA gets fixated on some TV stations. On the other hand, in some cases of flagrant infringement, the regulatory body turns tolerant, as a result of negotiations made by those who represent political forces within CNA," said Ion.

Since the CNA interventions have an impact on the media market, some panelists are discontent with its lack of transparency and accountability. George Ene, general-secretary of the Romanian Press Club (CRP) said that "the decisions transmitted by CNA are not supported by arguments, there is not a public justification." Ion even believed that there are "negotiations on how the decision should be publicly communicated," since they can affect advertising contracts. However, some improvement has been noticed in CNA's behavior as a public institution. It regularly advises broadcasters about public interest issues such as journalism ethics, protection of children, correct use of the Romanian language, etc. "CNA has a sanitary role which I appreciate," said Stoianovici, although he is very critical of other aspects of the institution's activity. Editor-in-chief of a local newspaper and a local radio station, Catalin Moraru considered that, "CNA's activity improved compared with the past. At least you can change their decisions without one setting themselves on fire in front of their building."

Market entry for a media business is no different than for other businesses, and panel participants agreed that this was not a problem for Romanian media. However, Razvan Martin, program coordinator for Media Monitoring Agency, underlined the point he made in last year's report: "only commercial companies have the right to get TV-radio license."

<sup>1</sup> "Nici n-a venit bine ca a si plecat," *Gandul*, June 28, 2007

*Ciprian Stoianovici, editor-in-chief of the popular Radio 21 underpins this point: "CNA member selection is a political process and not a transparent one. And the politicization is stronger now than ever."*

Thus the NGOs and community-based organizations are excluded from registering broadcast activities. But this is not an effective barrier in practice for powerful organizations. The Romanian Orthodox Church obtained licenses for a network of radio and television stations in the eastern region of Moldavia, under the initiative of Bishop Daniel. The Church exercises the control through intermediary companies. CNA encouraged this tendency by granting preferential treatment for church-controlled firms, as the late CNA president Ralu Filip publicly acknowledged. In 2007, Daniel was elected as patriarch of Romanian Orthodox Church and expressed his desire to expand the local religious media network at the national level.

While violence against media in Romania became less spectacular over the past several years, harassment continues. There were no direct attempts to assassinate journalists, but a number of cases occurred when reporters and cameramen were physically assaulted while gathering information.

#### LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

##### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Razvan Martin is in charge of monitoring assaults against journalists within the Media Monitoring Agency. He said, "There were some violent attacks, especially sport related, around the stadiums. Media pressures made the authorities react." In 2006, a cameraman with the public television was severely beaten by a soccer fan. Ene expressed his outrage that "this man is free now." Panelists agreed that Romanian society does not properly value freedom of expression. Stoianovici thought that "Aggressions against journalists do not trigger public outrage; when it comes to public mentality we are very far away. We have the legal basis but we don't have a real public exercise of freedom of expression, there is no public desire to protect freedom of expression. Some attacks are even welcomed by the public."

President Basescu displayed a sad example of this. On the very day of the referendum over his impeachment, Basescu went shopping with his wife, driving his personal car. A pushy reporter from Antena 1 (a television station that Basescu considered unfairly attacking him) hammered him with trivial questions ("what did you buy, what book is that you bought, how come you did not read it up until now, etc."). He confiscated her recording device and drove away in his car, with the device still turned on in his pocket. While leaving, the president said to his wife: "Look at this stinky Gypsy." He later gave back the recording device, but failed to delete his recorded words. Although the journalist was not Roma by origin, Basescu's remarks were considered racist. This incident overshadowed his landslide victory in the referendum with over 70 percent.

The National Anti-Discrimination Council publicly warned the President for discriminatory behavior. He attacked this decision in court saying the remarks were made in private circumstances for his wife's ears only. The court rejected this claim, saying that an important public figure does not enjoy the same right to a private life as ordinary citizens do.

It was not the only aggressive remark Basescu made towards journalists. Razvan Martin counted "three or four such reactions." CRP filed a claim against Basescu for stealing the recording device. It is not clear under the law if the president can be prosecuted for such an offense. Ene, working for CRP, said, "The charges against Basescu are passed on between different institutions" and considers this to be proof that institutions lack the will to act. Moreover, Basescu's popularity made his supporters consider his actions to be in self defense and led them to condemn the journalist involved. Ene said, "After the 'stinky Gypsy' event, when we announced our action to denounce the theft, we received about 100 emails of outrage from citizens and only 10 supporting our action." Iulian Comanescu, a media consultant and well-known blogger writing about media, considered that, "There is a

sort of aggression [resulting] from the political environment and the journalists don't have the means to react." Moraru saw a positive aspect in the functioning of judiciary, "which is more independent," as was visible in the intervention of Antidiscrimination Council and the failure of the president to reverse the decision in court.

Public media include Romanian Television (TVR, with four channels), public radio (four channels), and the public news agency, Rompres. The president, the Parliament, and the government appoint the boards of national radio and television stations, according to the 1995 law. While a public debate took place in 2005 over efforts to change the law, no changes were ultimately made. The NGOs working for media protection participated in these debates and endorsed the final draft prepared by Raluca Turcan, the head of Media and Culture Committee of Parliament. Razvan Martin who participated in this debates representing Media Monitoring Agency criticized the MPs for failing even to discuss the bill: "The draft law lies down in a drawer." Ion indicated a political motivation for blocking the draft: "It is blocked because is promoted by Raluca Turcan." Turcan is a part of a dissident faction within National Liberal Party that split from the party because of its anti-presidential stance.

Currently, public television still functions according to the outdated 1995 law. Ion, who works in an editorial top management position within the public television, thinks that the Board appointed according to this law "is set up based on political procedures. The law does not require any professional criteria; therefore none of the members is obliged to prove any competence in the field." Stoianovici also thought that public television "is affected by the political environment. All political actors admit the laws are bad, but they use them all the same."

Despite good intentions displayed by some in control of TVR, panelists characterized the situation there as depressing. The former president of TVR, Tudor Giurgiu, who was appointed after the 2004 elections, tried to reform the institution, but the politically appointed board asked the Parliament to remove him. Giurgiu resigned, but not before making the controversial decision to publicly announce his intention to dismiss Rodica Culcer, the editor-in-chief of the news department. Culcer had succeeded in reshaping the news, and the motivation for her dismissal was unclear.

After Giurgiu's resignation, the above-referenced political bargain allowed Alexandru Sassu, a former MP and a top-management member of the Social Democrat Party, formerly in charge of communication strategies, to become the head of TVR. Culcer kept her job. The transfer of a party spin-doctor directly to the top of public television showed the lack of any scruples on the part of Romanian politicians. Sassu

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was the first-ever head of TVR coming openly and directly from the staff of a political party. Until then, parties used to appoint apparently independent public figures close to their views or linked to their leaders through social ties.

The effect of this move was immediately felt by journalists working for the public broadcaster. The Anti-Corruption Department (DNA) started the prosecution of the Minister of Agriculture for accepting a bribe. TVR obtained some images featuring the minister allegedly negotiating the bribe. The images were broadcast and this led to a conflict between Sassu and the head of the news department, Rodica Culcer. The public debate was hijacked and diverted from the spectacular bribe case to the supposedly unethical behavior of TVR, which publicized images from a judicial dossier that was supposed to be confidential under the right of a fair prosecution.

CRP intervened and stated that the TVR journalists did what every journalist was supposed to do after obtaining such information. But CRP also considered that TVR committed a mistake by not mentioning that the source of the images was DNA (although no one ever confirmed that was the source). This was enough for Sassu to punish Rodica Culcer. In order to avoid the law that protects journalists working there, Sassu simply promoted Culcer to a higher position within the newly created News and Sport Department and emptied the new position of any managerial or editorial responsibilities (Culcer filed a law-suit against this decision). To replace her, Sassu brought in a new editor-in-chief, a journalist previously working for Antena 1, a private station owned by Dan Voiculescu, head of the minor Conservative Party and a harsh enemy of President Basescu. The effect was immediately visible. Journalists working at TVR publicly complained that they were forced to broadcast pieces of news about the Conservative Party even though the images were covering two-day old events. The media monitoring also reveals an imbalance in the coverage of the different political forces.<sup>2</sup>

<sup>2</sup> According to a study released by Monitoring Media, the ruling Liberal Party made up for 44 percent of the stories in the main newscast of the public television, compared to 22 percent last year. See [http://www.hotnews.ro/stiri-politic-2250501-liberalii\\_fac\\_aproape\\_jumatate\\_din\\_stirile\\_politice\\_tvr1.htm](http://www.hotnews.ro/stiri-politic-2250501-liberalii_fac_aproape_jumatate_din_stirile_politice_tvr1.htm)

*Moraru said that reporting “is not fair and impartial. The professional quality of Romanian journalists is very poor. Journalism as a job has a very bad image. The quality of reporters gets even poorer from one year to another.”*

Political tensions also transformed into tensions among journalists. Since the new management team installed after 2004 brought new people, the “old guard” within TVR waited for the right moment to fight back. Once Culcer was marginalized, reporters no longer respected the editors she selected via public competitions. A spectacular conflict occurred between the editor Radu Gafta and reporter Marius Zamfir. Gafta edited a piece of news by eliminating the name of a commercial bank specifically appearing in a story. Zamfir was upset and a fistfight occurred between the two. The picture of the editor’s swollen face covered the front pages of the next day’s newspapers. Sassu and the disciplinary committee of TVR later made the astonishing decision to sanction Zamfir by only decreasing his salary 10 percent. Because he was considered close to Culcer, Gafta was removed from the position of editor for the main news bulletin. Ion, who works for TVR, explained the benevolence shown towards Zamfir by the fact that “he was covering the government and Liberal Party. I think there was an intervention in his favor, but I don’t know exactly who made it.” Gafta resigned later from his job within TVR. At least three other pieces were later reported in the media as being stopped from broadcasting by the new editorial team, two of them covering corruption cases.

The Romanian parliament passed a law in 2006 that eliminated prison terms for libel. However, the Constitutional Court reversed this decision on the grounds that the honor of a person cannot be defended only by receiving money. The Court’s decision cannot be overruled, and it makes it compulsory for the parliament to maintain libel in the Penal Code. To date, however, the Parliament has not taken any action to re-introduce libel into the Penal Code. The situation creates problems of interpretation, even for legal experts. Moraru said that the confusion has a positive side for the time being: “a person who wanted to sue us was advised by the lawyers to go under civil law, not the penal one.” All panelists criticized the decision of the Court. Martin said he downgraded his score because of this decision, and other panelists agreed that they had done the same.

Romania adopted a Freedom of Information Act in 2001. In 2006, a significant improvement was made to the law

by including all national companies and state-owned firms. Nonetheless, the implementation of the law still encounters problems. Ene said: “I still have the feeling that people paid by us don’t have the conscience to report back on their work.” Stoianovici also felt that the “law is not helping me too much, because the information comes too late.” A 2006 law on public procurement included a special transparency clause, making all procurement files accessible to the public. Ioana Avadani, who contributed to drafting the new provision also observed problems in implementation: “The transparency of public procurements does not function. When the web-news portal Hotnews requested information on facilities obtained by three big companies from the Romanian government, the same government that negotiated the transparency clause said this was not public information.”

Free of any legal restrictions, panelists did not consider access to international media to be a problem. Further, there is no need for a special license to practice journalism in Romania. Some voices from within the industry want to require special certificates to be issued by professional organizations, but this idea remains unimplemented. Avadani thought, “From time to time, this discussion comes up about who is a journalist. While kept in a professional environment, without state intervention, it is a healthy discussion.”

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Romania Objective Score: 2.21

In this objective, panelists’ scores resulted in a perceptible drop of 0.35, from 2.56 last year to 2.21 this year. While most indicators were not far from the average, startlingly, four of them were rated below 2.00, the lowest being Indicator 3, self-censorship. Indicator 7, modern equipment and facilities helped to keep the average up somewhat, with a score almost a point-and-a-half higher than the average.

Panel participants generally expressed dissatisfaction with the quality of reporting. Catalin Moraru said that reporting “is not fair and impartial. The professional quality of Romanian journalists is very poor. Journalism as a job has a very bad image. The quality of reporters gets even poorer from one year to another.” The group split on the subject between pessimistic and optimistic. Manuela Preoteasa saw a positive sign: “I believe the trend is positive. The audience is moving toward quality information. The channels with good information are winning the audience, for instance Realitatea TV.” This station is the first private all-news channel in Romania (there are three of them now). But Ciprian Stoianovici rejected the argument: “Realitatea TV is becoming a tabloid. The best selling newspapers are one tabloid

(*Libertatea*) and one tabloid that pretends to be quality (*Jurnalul National*). About 80 percent of Romanian journalists are working in a tabloid related environment.”

Romania has many different professional codes developed by various organizations and associations. The journalistic community started a series of debates in 2005 to adopt a unified code, but little progress has been made to the date. The most prominent existing codes are those adopted by the Convention of Media Organizations (COM) and by CRP. Ioana Avadani, the informal leader of COM, said, “The discussion related to merging the two deontological codes is on the agenda but nothing has happened so far. It takes time for the idea to mature into action.” In 2006, an ethical code was imposed as an annex to the collective contract for the media industry, signed between a trade union and some owners’ associations, but this has had little impact on the profession to date.

Stoianovici thought, “Ethical rules are not known by the journalist.” But Martin considered this not a problem anymore: “They know the rules but they do not apply them, they are not reflected in the journalistic product.” A significant case happened in late of 2007. Bogdan Chireac, deputy editor and share-holder to the influential newspaper *Gandul* and a daily presence on television screens as a political analyst was accused by another newspaper, *Evenimentul Zilei*, to be the owner of a company that intermediated sales of communication equipment to the Romanian secret services. Chireac recognized the validity of the information but rejected any link between his journalistic activity and his other businesses. Taking into account the influential public figure Chireac was in Romania, one can wonder if his company would have been granted contracts

*Preoteasa observed a paradoxical situation: “Profitable institutions pay less than the ones losing money. The spine starts to bend. Local moguls are paying better than foreign investors.”*

by the state without his involvement in media. However, Chireac’s colleagues were taken by surprise by his involvement in the otherwise flowering business with the state and he later resigned from the editorial position, accusing unspecified higher interests of attacking him. He continues to be a successful businessman and popular guest commentator on political events. Martin considered that, “In Chireac’s case there were good reactions both in the press and in the Romanian Press Club.” This case revealed the importance of dealing with the issue of conflict of interest from the professional and ethical point of view, as Chireac’s actions did not breach any legislation or conduct rules in place.

Participants agreed that the biggest threat to journalists’ freedom in Romania is not coming from politics anymore, but from ownership. They pointed out towards the involvement of rich businessmen in media, who have no immediate interest in obtaining profits but who use them as a political weapon. President Basescu attacked these people by naming them “media moguls.”

Stoianovici exemplified the situation of Intact Media Corporation. Controlled by the powerful businessman Dan Voiculescu (via his daughters to whom he sold his shares), who is also the leader of the Conservative Party, Intact was used for increasing his party’s potential for alliances (see the MSI 2004 and 2005 for details). Thus, the small party led by Voiculescu entered the Parliament and became a key player in forging parliamentary majorities. Voiculescu became one of the most vocal enemies of President Basescu and he led the parliamentary committee that initiated the impeachment of the president. Intact Media Group (owning the second most watched commercial television station, second most watched television news station, and second largest newspaper by circulation) adopted a clear anti-Basescu editorial policy, with Antena 3 (news television) organizing obsessive campaigns against the president no matter the issue. Stoianovici said, “There have been so many journalists working within Intact company and doing anything other than journalism in the last two years. Intact performs press manipulation, the journalists working there are no longer journalists.” Preoteasa agreed, “They manipulate over there, but in the way they organize debates, not the reporting. The above overall conclusion is

## JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

*Panelists expressed concerns that this concentration left few possibilities and options open for journalists if they were to flee pressures from owners. Cezar Ion said, "Those who did not join the politically-backed media outlets have a fragile job."*

pertinent but there are some good journalists working there and the news reporting is acceptable." Stoianovici maintained his initial point adding: "I don't deny that many of them are doing their job honestly; I only criticize the overall product which is so obviously lacking objectivity."

However panelists agreed that self-censorship is more prevalent in Romania media than direct intervention from the ownership. Stoianovici maintained his pessimistic opinion: "There is a general lack of ethics in our society, journalists are not threatened by the employers, there is no need for that." Preoteasa agreed this time: "Self-censorship is related to ethical principles. When you are lacking principles, you become insecure. A huge uncertainty is developing and that is when self-censorship occurs." Avadani also supported the conclusion: "The journalists are not forced into covering or not covering an issue, it is a voluntary choice."

Although they did not consider that any thorny issues are taboo for Romanian media, panelists still observed some tendencies in avoiding various subjects. Iulian Comanescu observed, "It is difficult to write about corporations." In 2007 Romania adopted a compulsory contribution to a private pension system. The companies running pension funds savagely competed for the newly created market and invested significant amounts of money in advertising. Cezar Ion linked this money to the coverage of the subject: "Pension funds appeared in the media only at the advertising level. Private systems' risks were not reported." But panelists generally agreed with the conclusion drawn by Moraru: "There is not a single subject risky for all journalists," so sooner or later an issue is going to be reported by someone.

Last year's MSI report observed a rapid increase in journalists' pay. This tendency slowed down in 2007. Comanescu observed that the salary bubble started to break. The difference between Bucharest-based and local media is still sizeable. Panelists estimated pay ranges for entry level to editor at €300 to €2000 in Bucharest but only €250 to €400 in the regions. The panelists still considered wages for experienced journalists in Bucharest to be unrealistically increased after

years of investment from "the moguls" in opening new outlets. "Several years ago we used to say that journalists are not well paid, now it is the other way around," Avadani said. Preoteasa observed a paradoxical situation: "Profitable institutions pay less than the ones losing money. The spine starts to bend. Local moguls are paying better than foreign investors." Other panelists did not agree that there is a connection between payment level and corruption: "The ones which want to be corrupt are so, regardless the amount," Moraru said.

Panelists complained about the increased amount of entertainment in media products. Ion said, "News on TV is shown on anything. They avoid political news and they excuse themselves by saying they only adjust to what the public asks for." Stoianovici agreed: "It is not the entertainment that overshadows the news, but the news that became entertainment."

Panelists did not perceive the technical capacity of media to be a problem, given the broad access to high-tech technology in Romania. The only problem observed by panelists was that some media outlets, especially at the local level, still use illegal software.

The market for niche publications is developed and continues to grow. Specialized magazines for IT, autos, women, fashion, and pets are strongly market-oriented and flourish. A special problem, however, is community-oriented reporting, as some cable television companies stopped producing local news. Stoianovici considered that, "The financial media is the most functional one." Indeed there are four weekly magazines and three dailies covering economic issues. One wonders if the Romanian economy produces enough news and subjects for such diversity. Martin thought that, although developed in terms of number of outlets, "The niche media is poor in quality."

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Romania Objective Score: 2.88

After a slight increase in 2006, this objective stayed essentially the same, with a negligible decrease from 2.93 to 2.88. However, the panelists expressed a rather pessimistic opinion despite the increasing number of the media outlets in Romania, mainly due to the effects of the political crisis on the media. Most indicators scored in line with the average. Indicator 2, public access to media, scored well in the lead, approaching a point higher than the average. However, Indicator 3, state media reflect the political spectrum, scored more than one point lower.

More than 17 Bucharest-based daily newspapers are on the market, and one can get three to four local daily newspapers in the main cities. The public television has four channels. A multitude of private broadcasters have established themselves, including all-news channels. Urban areas receive a variety of television stations via cable, and in recent years, more cable firms have penetrated the rural areas.

The concentration of the ownership in media is a problem. A special report<sup>3</sup> prepared by the Center for Independent Journalism reveals the build-up of five major media conglomerates:

- Around Sorin Ovidiu Vantu. A highly controversial businessman that built his fortune through an investment fund that left 300,000 Romanians without their life's savings, Vantu organized a media empire using various intermediary persons. He controls (without owning them on paper) 14 print outlets, three television stations (including the leading news channel), a radio network, and the second biggest news agency. Of note, Vantu has a criminal record for fraud and, under the Romanian broadcast law, he cannot own a broadcast license, hence his need for intermediaries.
- Owned by Dinu Patriciu. The richest Romanian, a highly controversial businessman, and former politician, Patriciu is involved in the oil industry and currently being prosecuted for manipulating the stock exchange. He owns one newspaper and four magazines.
- Around Adrian Sarbu. This includes five television stations (among them the most popular commercial one, Pro TV), six Bucharest based publications, two radio networks, a network of local newspapers, and the main news agency.
- Around the Voiculescu family (see above for details about Dan Voiculescu). Five television stations, six Bucharest based publications, and a number of radio stations are controlled by the family.
- Ringier. A foreign company based in Switzerland, it is the biggest foreign investor in Romanian media, with three newspapers (among them the most circulated Romanian newspaper, the tabloid *Libertatea*), an economic weekly, and several magazines.

Those five conglomerates control 45 percent of the television market in terms of audience (with TVR controlling another 22 percent) and 90 percent of national newspapers (in terms of circulation). Panelists expressed concerns that this concentration left few possibilities and options open for

<sup>3</sup>Centrul pentru Jurnalism Independent. "Tendințe în Reflectarea Presei în Presă (III)." Studiu de caz: Concentrarea proprietății și a competențelor în mass media românească ianuarie - martie 2007

journalists if they were to flee pressures from owners. Cezar Ion said, "Those who did not join the politically-backed media outlets have a fragile job."

Panelists agreed that people's access to media in Romania is not a problem. The legislation sets absolutely no restrictions on access to foreign news. The only limitations are dictated by the prohibitive prices, but this could be overcome by the Internet, as Romania leads in Eastern Europe for broadband connections.

With the above-described situation of TVR in 2007, the gloomy expectations of state-owned outlets expressed by the panelists came as no surprise. An insider when it comes to TVR, Cezar Ion said, "Under former [TVR] president Tudor Giurgiu there was no intervention at all on the editorial side. Now the interventions are quite visible." All panelists criticized the appointment of Alexandru Sassu, a prominent party leader, as president of TVR. Preoteasa said, "Until Sassu's arrival, the situation was relatively OK." Ioana Avadani added, "We are talking about a clear regression after Sassu's arrival. The comeback of random, arbitrary will of superiors is obvious."

The state-owned news agency is formally controlled by the parliament, but its market position is rather poor. The most important news agency is the privately owned Mediafax, which has been the only relevant player on the market for the past decade. But a new agency, NewsIn, entered the market in 2006. Moraru, who heads a local newspaper and is highly dependent on agencies for national news, welcomed the new arrival. He said that NewsIn brought real competition and led to a decrease in prices. But Stoianovici is not satisfied with the content provided by the new agency: "NewsIn rarely

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.



*For Iulian Comanescu, “media concentration in five conglomerates is very concerning. The small press owners are taken over by moguls. On the other hand, it may be good for the media, because they get the needed financial force.”*

has news which Mediafax would not have. They move slowly and they are making more mistakes. They still have to prove they are reliable.”

All television stations produce their own news programs. Most radio stations do also. Martin is worried because “Many local TV stations broadcast national programs, they are not producing any local information.”

Progress was made in the last couple of years toward more transparency of media ownership. Now, panelists felt, transparency by itself is not a problem. The Center for Independent Journalism developed the project Media Index, a web portal with details about the official ownership of all media outlets, detailed down to individuals. The maintenance of the portal is currently not financed since it was developed as a donor-supported project. Ioana Avadani, director of the Center, observed, “Media ownership became a subject of debate in the press. It is discussed over and over. What is the consumer doing with this information? Usually nothing. Intact trust for example, its situation is well known, the political involvement of its owner is openly admitted, its content is heavy with the Conservative agenda, but ratings did not drop, the party did not rise in the polls. Why is the voter smarter than the viewer?” Stoianovici agreed, “Progress was made in terms of transparency, but we still have a problem with the public reaction.” Moraru still considered that, “This progress was registered only at a national level and less for the local media.”

Avadani considered that there are some important issues not covered by Romanian media, such as the situation of persons infected with HIV or mental health. Also, Stoianovici expressed his worries concerning the rise of racist opinion stirred up by the well publicized case of a Roma Romanian who allegedly killed an Italian woman. Italian authorities passed a special piece of legislation to make it easier to deport immigrants, which primarily affects the one-million-strong Romanian community there. The common attitude in the Romanian media was to say that “we” should not pay for something that Roma did. “We got rid of guilt by blaming it on others,” said Stoianovici.

## OBJECTIVE 4: BUSINESS MANAGEMENT

### Romania Objective Score: 2.76

This objective showed a small drop compared to last year, going from 2.92 to 2.76. All indicators close to the objective score, with Indicator 5, government subsidies for private media, in the lead and Indicator 1, media are efficiently run businesses, bringing up the rear.

Panelists observe two main trends: while Romanian media have become more and more concentrated, they also tend to be more professionally managed. For Iulian Comanescu, “media concentration in five conglomerates is very concerning. The small press owners are taken over by moguls. On the other hand, it may be good for the media, because they get the needed financial force.” Panelists also raised concerns that media is not yet a business-oriented domain. Although the investment in new outlets is impressive (new financial dailies appeared in 2007), few newspapers generate profit. Panelists restated last year’s observation that 10 local newspapers at the most function as self-sufficient businesses, which is a small percentage of the more than 150 local papers. For Bucharest-based newspapers, several of the key papers appear profitable, such as *Libertatea*, *Jurnalul National*, and *Evenimentul Zilei*.

The print media still have problems with the Romanian Post Company, which handles subscription-based distribution. The company operates slowly and inefficiently. For direct sales distribution, the market is still dominated by the formerly state-owned company Rodipet, privatized in 2003. Nothing has changed after privatization: Rodipet still delays payments, causing financial problems for many publications.

### INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

#### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Generally speaking, the print media depend too much on sales. The situation is better for the large papers in Bucharest, where the advertising market is better developed. Here, panelists estimated the proportion of advertising in total revenues at around 60 percent. Some local newspapers also reached this level. One of the most powerful local dailies, *Monitorul de Botosani*, led by panelist Catalin Moraru, receives 70 percent of revenue from advertising.

There are many advertising agencies active in Romania. Among them there are the big international players: McCann Ericsson, Grey, Saatchi & Saatchi, Leo Burnett, BBDO, Young and Rubicam, etc. Despite a large number of indigenous agencies, some 80 percent of advertising money is circulated among these international agencies. Preference is given to large media outlets with national distribution and to television stations. Ioana Avadani said, "All big international agencies are present here. The market is getting professional; the advertising agencies are working full speed." But Cezar Ion still noted some questionable practices by these agencies: "The advertising market is not mature. The advertising agencies practice some forms of blackmail over the editorial teams: if you do this you have the contract, if not, I won't give it to you."

There are no direct subsidies for media outlets in Romania. In previous years, the MSI had identified state advertising as a form of hidden subsidy. After the 2004 elections, the new government quickly passed a law to establish a more transparent and competitive mechanism to allot and pay for state advertising. As an indirect result, the total amount spent by the state on advertisements in 2005 decreased to €4 million, from €14 million in 2004. The panelists maintained last year's conclusion that the problem of state advertisement was no longer jeopardizing the media industry, despite an inconsistent and imperfect application of the law.

For the first time in Romania, MSI panelists expressed some doubts concerning the accuracy and honesty of market research. The Romanian Audit Bureau of Circulation (BRAT) was founded in 1998 as an independent, non-for-profit organization. Many advertising agencies have set the existence of a BRAT certificate as a precondition for allocating any advertising contract. Also, BRAT developed the National Readership Survey (SNA), research that approximates the total number of readers for publications and establishes the demographic data. Iulian Comanescu said: "the audience indicated by SNA raises some doubts, I've heard it is an industry's 'sold game.'"

Through the broadcast law adopted in 2002, the state interfered with the broadcast rating system by allowing CNA to select a single rating system, which is currently in place. The system functions as a private operation and not all

ratings data are freely accessible. Avadani considers that to be a problem: "The ratings' measurement is for the first time challenged in public. We don't have any way to monitor and evaluate the situation, as we don't have access to TV ratings, at least a minimum public data. This is why Dan Diaconescu always brags about his ratings." He is the owner of a small, tabloid style television station that proclaims each night that it has the biggest audience in the country.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Romania Objective Score: 2.61

Objective 5 experienced a minor increase over last year of 0.04, reflecting a situation that is unchanged. Indicator 6, access to printing facilities and newsprint, scored more than a point above the average, while Indicators 1 and 4, trade associations and academic journalism programs, scored noticeably behind the rest of the indicators.

The journalistic community in Romania remains generally skeptical of joining a trade union. Although started with promise, the MediaSind union did not make significant progress. In 2004, it signed a collective labor agreement for the media industry. The contract establishes the clause of conscience as one of the fundamental labor rights for journalists. It was reinforced in 2005 and 2006. Its membership remains generally unclear regarding benefits and few journalists mention publicly their affiliation. Panelists were asked if they are members or even if they had heard about journalists being members of MediaSind. Catalin Moraru said: "I never heard about a journalist being a member of MediaSind." Most panelists shared this opinion, with the exception of Manuela Preoteasa, who

## SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

*The journalistic community in Romania remains generally skeptical of joining a trade union. Although started with promise, the MediaSind union did not make significant progress.*

declared, "I am a member, since MediaSind is affiliated with the International Federation of Journalists I wanted their internationally recognized card and thus I was made a member of MediaSind also."

The Association of Local Editors and Owners gather the most important local newspapers in terms of circulation. At the national level, the CRP used to be the most powerful media organization, counting the most important media outlets and journalists as members. CRP experienced a self-imposed revolution in 2007 and at the beginning of 2008, and was radically transformed. The president of CRP, Cristian Tudor Popescu, started a process to separate the journalistic side of CRP from the media owners. Thus was created the Association of Romanian Journalists (AJR) that undertakes from CRP the representation of journalists. At the beginning of 2008, panelist Cezar Ion was elected the first president of AJR. He described AJR not as a union but as a professional organization. To become a member one needs three years of experience in media and recommendations from two members of the Board. Stoianovici was involved in the creation of this AJR. He thinks that "The Romanian Press Club will stop protecting directly the owners' interests; it will remain the place where owners and journalist meet and negotiate." The owners' representatives from CRP started legal procedures to officially create the Association of Media Owners.

Broadcasters have their own organization called ARCA, but it does not deal with editorial matters. There are some 40 journalists' associations, but most of them are low-profile, inactive, or immature. Several exist only on paper.

The most important NGOs dealing with media freedom are the Center for Independent Journalism (CIJ), Media Monitoring Agency, and the Romanian Helsinki Committee. They act as an informal coalition and on numerous occasions have defended press freedom. The group also kept international observers informed and succeeded in placing media on the agenda of international organizations. Since they were highly dependent on international support there are concerns about their survival now that Romania is a full member of the EU. The attention of international donors is moving toward other parts of the world. Panelists expressed concerns that an internal critical mass is not yet present that

is able to protect media freedom against the pressures of politicians and owners. Speaking about the creation of AJR, Stoianovici said: "These NGOs that have supported media freedom may die and we are not even grown up. They stood up in the role that professional associations [should have played but] were not up to." An old activist in the field of media freedom, Razvan Martin said, "This job became more and more frustrating and a lousy thing to do."

There are 20 journalism university programs across Romania, both state and private. The average number of students per class is 60, so a huge number of new journalists floods the market every year. Panelists working in top editorial positions are not impressed by the newcomers. Stoianovici said, "I couldn't care less if they graduated journalism or not." Ion added, "We have many students coming to work voluntarily but they are weak, from the point of view of the professional skills, and are also poorly educated."

After the closing of the BBC School in 2001, the CIJ remained the only short-term training provider. The CIJ provides courses for journalists, journalism students, and students in related fields such as political science, economics, and law. CIJ also provides targeted assistance to media outlets. Visiting professionals from abroad (mostly from the US) also provide instruction at CIJ. According to Avadani, the CIJ director, over 5,000 journalists and other media professionals, journalism students, and high-school pupils have attended CIJ courses and programs since November 1994.

Panelists agreed that newsprint and printing facilities are widely available. Most of the newspapers own a printing house in order to reduce their costs. A single newsprint factory exists in Romania. Its owner is a very controversial businessman and politician. The plant does not function in a customer-oriented manner, but it is preferred over imported paper because it costs about 10 percent less.

Kiosks for media distribution are, in principle, independent and free. The largest print media distribution company, the former state-owned Rodipet, is still inefficient, and cases when it generated financial problems for media outlets appear quite often. In 2006, the weekly financial magazine *Saptamana Financiara* wrote articles about the new owner of Rodipet, and the firm counterattacked by refusing to distribute the magazine that day.

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## List of Panel Participants

**Adrian Voinea**, director, *Gazeta de Sud*; vice-president, The Association of the Local Publishers, Craiova

**Catalin Moraru**, editor-in-chief, *Monitorul de Botosani*, Botosani

**Cezar Ion**, editor-in-chief, editorial productions department, Public Television, Bucharest

**George Ene**, general-secretary, Romanian Press Club, Bucharest

**Ioana Avadani**, executive director, Center for Independent Journalism, Bucharest

**Iulian Comanescu**, freelance journalist and blogger specialized in the media, Bucharest

**Liviu Avram**, investigative journalist, *Cotidianul*, Bucharest

**Manuela Preoteasa**, editor, EurActiv.ro, Bucharest

**Ciprian Stoianovici**, editor-in-chief, Radio 21, Bucharest

**Razvan Martin**, program coordinator, Media Monitoring Agency, Bucharest

### Moderator and Author:

**Cristian Ghinea**, journalist, *Dilema Veche*, Bucharest

*The Romania study was coordinated by, and conducted in partnership with, the Center for Independent Journalism, Bucharest.*

*The trend in media sector from last year continued. The MSI shows general stagnation: there is a slight drop to 2.39 from 2.48. While the objectives for free speech, professionalism, and plurality of news sources remained relatively unchanged, business management and supporting institutions declined. Serbia has reached a point where media development becomes more difficult, a period far removed from the relatively quick improvement after the toppling of Milosevic in 2000.*



SERBIA

The issue of Kosovo's status dominated Serbian politics for most of 2007. Almost all political forces invested their efforts in trying to keep Kosovo from achieving its independence from Serbia. This focus on Kosovo had negative effects on political, economic, and social developments in Serbia as those issues were driven to the sidelines. The Kosovo issue led to the strengthening of the nondemocratic conservative forces in Serbian society, with the media not being immune from this trend. The year began with parliamentary elections, although it took until May 15th for a government to be formed. The Democratic Party of Serbia (DSS) (a party with a democratic orientation but strong nationalistic and religious profile) made a deal with the ultranationalist Serbian Radical Party (SRS). The deal brought Tomislav Nikolic, the SRS acting leader (Vojislav Seselj, the leader of the SRS is in the Hague facing trial on war crimes) to the post of Serbian parliament speaker. Nikolic immediately signified a possible state of emergency and his opposition to Serbia's integration in the EU. "From a 'Euro-skeptic,' I have become an 'EU opponent,'" he said. After strong reactions from democratic centers in Serbian politics, Nikolic lost the support of the DSS and a new government was formed consisting of the Democratic Party (DS), a coalition of the DSS and New Serbia (NS), and the G17. Vojislav Kostunica (DSS) was elected as prime minister.

During the year, a series of negotiations to resolve the status of Kosovo was held between Serbian and Albanian leaders, without any success. Meanwhile, problems continued for Serbian society: slow progress in transition, deregulation, democratization, and especially privatization; the spread of poverty; uneven and slow economic growth; slow development of entrepreneurship and exports; and continuing strong state control of the economy. These problems produced strong political pressure on political leaders from an unsatisfied public and workers. The government faced strikes of public workers and employees of state institutions.

The trend in media sector development as outlined last year continued. The MSI shows general stagnation in the media sector: there is a slight drop to 2.39 from 2.48. While the objectives for free speech, professionalism, and plurality of news sources remained relatively unchanged, business management and supporting institutions declined. Serbia has reached a point where development of the sector becomes more difficult, a period far removed from the relatively quick improvement of the media sector just after the toppling of Milosevic in 2000. The MSI panel viewed the strong influence of conservative political forces as slowing improvements in the media environment, primarily by stopping implementation of laws, slowing the processes of media privatization, and ongoing pressures against media independence. Substantial pressure was placed on journalists and media outlets from state or ruling coalitions. These pressures were significantly greater in areas outside of Belgrade.

# SERBIA AT A GLANCE

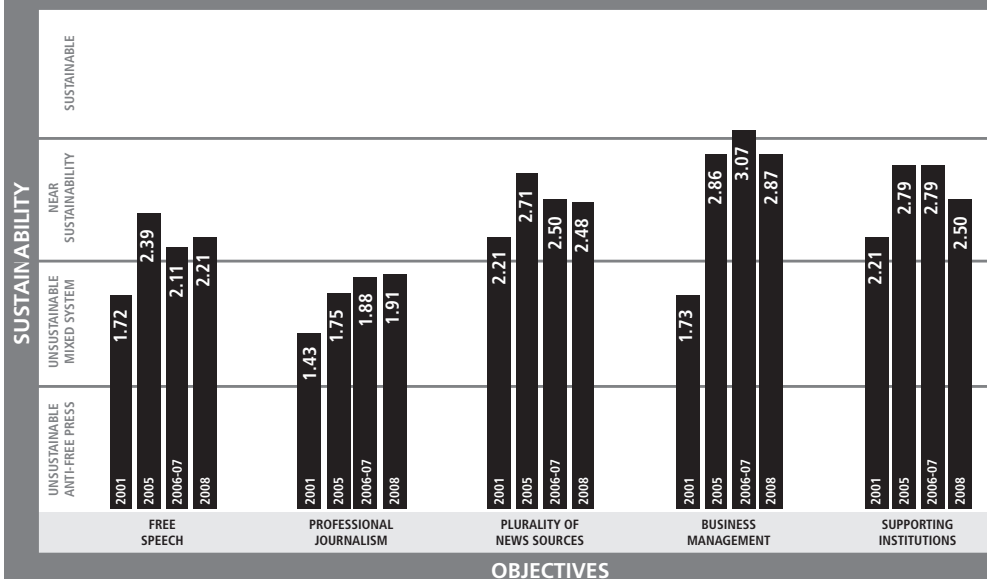
## GENERAL

- > **Population:** 10,150,265 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Belgrade
- > **Ethnic groups (% of population):** Serb 82.9%, Hungarian 3.9%, Romany 1.4%, Yugoslavs 1.1%, Bosniaks 1.8%, Montenegrin 0.9%, other 8% (2002 census, *CIA World Factbook*)
- > **Religions (% of population):** Serbian Orthodox 85%, Catholic 5.5%, Protestant 1.1%, Muslim 3.2%, unspecified 2.6%, other, unknown, or atheist 2.6% (2002 census, *CIA World Factbook*)
- > **Languages (% of population):** Serbian 88.3% (official), Hungarian 3.8%, Bosniak 1.8%, Romany 1.1%, other 4.1%, unknown 0.9% (2002 census, *CIA World Factbook*)
- > **GNI (2006-Atlas):** \$29.01 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-Atlas; PPP unavailable):** \$3,910
- > **Literacy rate:** 96.4% (male 98.9%, female 94.1%) (2003 census, *CIA World Factbook*)
- > **President or top authority:** President Boris Tadić (since July 11, 2004);
- > **Next scheduled elections:** Presidential (2008)

## MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** print: 149 (dailies 19, weeklies 28, bi-weeklies 14, monthlies 69, others 19); radio: approximately 500; television: approximately 150 (AGB Nielsen, SMMRI Belgrade)
- > **Newspaper circulation statistics:** N/A
- > **Broadcast ratings:** top three television: TV RTS 1, TV Pink, TV B92; top three radio: Radio Beograd 1, Radio B-92, Radio S (AGB Nielsen)
- > **News agencies:** BETA (private), FONET (private), TANJUG (state-owned)
- > **Annual advertising revenue in media sector:** Approximately \$250 million (AGB Nielsen)
- > **Internet usage:** 1,400,000 (2006 est., *CIA World Factbook*)

## MEDIA SUSTAINABILITY INDEX: SERBIA



### Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

### Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

### Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

### Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

## OBJECTIVE 1: FREEDOM OF SPEECH

### Serbia Objective Score: 2.21

Media laws exist, and many are in line with international and European standards; however, their implementation is limited and selective. Panelists agreed that entry into the profession is free and fair, that tax structures do not discriminate against media, and that international news is not restricted; these three indicators scored highest, all coming in at more than 3. However, panelists expressed concern over the fairness and transparency of broadcast licensing and over the fact that crimes against journalists are not rare and are not vigorously prosecuted; panelists ranked the indicators covering these two issues equally low—one-and-a-half points lower than the overall average. This objective score came in at 2.21, a slight increase over last year.

The constitutional and legal norms protecting freedom of speech are largely in line with European norms and international standards. Free speech is guaranteed in the constitution and in legislation. However, the implementation of these norms is more limited, with a number of provisions being not applied at all, or being enforced unevenly. For instance, panelists noted that the Public Information Law states: “No one may exert any form of physical or other pressure on a media outlet or its staff...Breaches of the freedom of public information shall be ruled on by the courts, by urgent procedure.” In practice, the courts do not act on such breaches of the law. As Vesna Sladojević of Radio-Television Serbia (RTS) stated, “We have attacks on free speech, the breaking of journalists’ forums, and the state’s being indifferent and not taking any steps to prevent such behavior.”

Another problem the panelists pointed out is the fact that many of the laws were adopted more than five years ago and still are not adequately implemented. The media are still fighting for the implementation of provisions in these older laws. As Goran Vladković of O.K. Radio in Vranje said, “The laws are getting old-fashioned without being implemented. The reason is the very strong pressure of the state and political forces to prevent or drastically reduce the implementation of the laws. The media community has been waiting patiently for the implementation of laws, but it has gone too far.”

The licensing of broadcast media continues to be a weakness in Serbia. The Republic Broadcasting Agency (RRA), according to the panel, is not professionally staffed and operates under political influence. Panelists noted that the controversial practice of issuing regional licenses was politically determined. Specifically, the criteria for licenses were not

adopted when the bid documents for licenses was published, so applicants did not know of the specific requirements when evaluating and preparing applications. The RRA has also interfered in editorial policy—for instance, by ordering RTS to broadcast parliament sessions in their entirety. Additionally, there were expectations that the RRA would actually reduce the number of electronic media in Serbia given the crowded media scene. However, according to the latest data, RRA will approve approximately 600 licenses for electronic media in a country with 8.5 million people. Panelists report that the media complain about the high prices for licenses and note that those who did not get the licenses still go on the air, paying nothing to the agency and gaining a competitive advantage since there is no effective enforcement.

Panelists were therefore very critical of the RRA. Slobodan Kremenjak, a media lawyer, said “the RRA is a little better equipped, and that is the only progress in 2007.” The editor of O.K. Radio said, “The damage would be less if RRA had not been established at all.” Nadežda Gaće, president of the Independent Journalist Association of Serbia (NUNS), said, “In Serbia, there are attempts to stabilize the regulatory bodies, but the situation is very difficult since there are still very strong political pressures. Despite that, those working in regulatory agencies are supposed to abide by the rules of civilization and protect societal norms, but obviously they are not willing to work freely and professionally.”

There is no discrimination toward media compared with other economic activities, including tax treatment of media. They

#### LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

##### FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.



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*For instance, panelists noted that the Public Information Law states: “No one may exert any form of physical or other pressure on a media outlet or its staff... Breaches of the freedom of public information shall be ruled on by the courts, by urgent procedure.” In practice, the courts do not act on such breaches of the law.*

are treated as other businesses, and the state does not use this mechanism to either promote or discriminate against media. Value-added tax for print media is 18 percent, the same as for all other businesses.

Panelists said that crimes against journalists, including the notorious murders of several journalists in previous years, are not vigorously pursued. Some of cases have reached the statute of limitation. There were a number of attacks on journalists in 2007, with the attack on Dejan Anastasijević of *Vreme* magazine being the worst. Hand grenades were thrown through his window at night. Fortunately, neither he nor his family were injured. The public prosecutor, Gordana Čolić, announced that the evidence clearly showed that it was a criminal act of terrorism. But the police said they considered the attack not attempted murder but an act to “cause general danger.” Though the prime minister and the minister of police promised a quick and effective investigation, nothing has happened.

Another characteristic case was the open death threat against Dinko Gruhonjić, head of the Vojvodina office of the independent news agency BETA and chairman of the Independent Journalists’ Association of Vojvodina. The threats, which were openly posted on a neo-Nazi website, stem from Gruhonjić’s coverage of National Formation, a neo-Nazi group based in the northern city of Novi Sad. The website included his address and photos of his family. The police, acting on President Tadić’s urging, held the leader of the group for 48 hours and provided police protection to Gruhonjić and his family. The police, noting that the website was hosted in the United States, said there was nothing they could do to pursue criminal charges. Gruhonjić specifically believes the state is not adequately protecting journalists. “The ...mechanism of the state is intentionally forcing non-protection in order to keep journalists in fear,” he said.

Gaće summed up her feelings about ranking the MSI’s crimes-against-journalists indicator: “The mark 0 is too high, but unfortunately there is no lower mark.”

The laws do not favor public media, but there are cases of discrimination in practice. One obvious practical form of favoritism is that the prime minister gives interviews only to the state news agency Tanjug. In other cities, there is a similar practice that local politicians use only the nonprivatized state media and ignore the private media. The deeper issue was raised by Sladojević of RTS, “Public services do not have special legal treatment, and the laws guarantee them an independent editorial policy. What they are missing is the introduction of ethical and professional norms in the form of obligatory rules. A control body should be established and should defend the independence of public service from political pressures.”

Libel remains under the criminal code, but, according to panelists, there is a strong passive opposition of the judiciary. Because of this, in 2007 there were a number of accusations but no libel verdicts handed down. However, journalists prefer to not have to rely on the judiciary and its interpretations, a state of affairs that will remain as long as libel remains a criminal offense.

The law on access to information is not selective, but in practice some institutions or state employees refuse to disseminate information to certain independent media. Commissioner for Information of Public Importance Rodoljub Sabic announced that he had 4,000 cases where he decided that state institutions had to provide information to the public. In only 196 cases the state refused to act; panelists considered this a big step forward compared with previous periods. However, panelists noted that the media in Belgrade are in a much better position compared with regional and local media in obtaining information. In Sandžak region, for instance, two big, rival political parties have their “own” media and are communicating only with the media that are “on their political side.” Additionally, journalists are not necessarily well-versed in using the law to obtain information. As Jelena Leskovac of Press Now notes, “A significant problem with the availability of information is the fact that a number of journalists are not aware of the possibilities the law is giving them.”

Media outlets have no restrictions on accessing international news and news sources. Economic factors are the only limiting factor since many media cannot afford expensive agency subscriptions.

Entry into the journalism profession is free, and it is accepted that there should be no restrictions. Although no panelist advocated for a reversal of this situation, Vladković, editor-in-chief of O.K. Radio in Vranje, wryly noted: “There are more and more amateurs in the journalism profession, with the state backing this trend because it means confronting a weaker rival.”

## OBJECTIVE 2: PROFESSIONAL JOURNALISM

### Serbia Objective Score: 1.91

Panelists felt there is a dichotomy in the professionalism of the media with the so-called serious media providing professional reporting, although these are fewer in number. Other media, namely tabloids and many radio and television programs, suffer from subjective and unprofessional reporting. Specialized reporting still remains the exception, partly due to a lack of financial resources but also due to a lack of professional skills of editors and journalists to engage in specific specialized reporting, such as investigative journalism, health, economics, etc. Panelists also reported that in many cases, editors oppose such reporting. Panelists felt that key events were covered well (this indicator scored highest, one full point above the average) and that entertainment programming did not eclipse news. However, they expressed concern over low pay levels and the effect of that on the profession and awarded that indicator the lowest score by more than a point. They also felt that overall, reporting was not up to professional standards of being fair, objective, and well-sourced. This objective remained basically unchanged from last year.

The panel reported a trend of diminishing quality in reporting and indicated that this was a consequence primarily of the difficult political situation and the increasing pressure of owners on editorial staff. As the panelists indicated, the difference between pure journalistic content and public-relations content is narrowing. The MSI panelists estimated that about half of the information in the media comes from different political or economic public-relations

#### JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

##### PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

*The technical capacity of media is improving every year, and panelists felt the level could not be characterized as poor. With a general lowering of prices for technology, its wide availability, and an increase in user-friendly production technology for print and broadcast, panelists believe the trend will continue.*

units. Students of television journalism analyzed content of news in Serbia and concluded that all the news programs are very similar. Sources such as announcements and statements by political parties and state leaders dominate more and more, while real reporting is declining. Such an editorial concept was especially strong in the few last months of 2007; the Kosovo issue was treated as the most important state and political question, with a consequence that reporting in line with general Serbian public opinion is considered a patriotic act. One politician threatened the editor of a Belgrade daily over the publication of an article on everyday life in Pristina, the capital of Kosovo.

Gaće, president of NUNS, recounted a survey of members recently completed. Explaining the findings, she said, "Most of the journalists do not think highly of their own profession; they want to change it, and they do not want their children to be journalists." Meanwhile, the same survey showed that the public ranked journalists poorly, but still not as bad politicians in terms of "lying" to the public.

Serbia also witnessed a trend toward "tabloidization" in the print media and in the electronic media as well. Tabloid reporters do not aim for fair, objective, and well-sourced reporting but toward sensationalism. Both major journalists' associations, NUNS and the Journalists' Association of Serbia, adopted ethical codes similar to those in Europe. However, the codes are not widely implemented in media houses or by individual journalists. Panelists indicated that self-censorship continues to be present in Serbia. As Sladojević, the deputy editor-in-chief of RTS, said, "There are cases of self-censorship, especially in the traditional state media, where politically motivated removal of journalists happened in the past. It is difficult to get rid of self-censorship, especially in those media where the editors are not strong professional personalities."

Panelists agreed that almost all media report on key events and cover them well. The media in minority languages may cover key national events less thoroughly, but mainly because they are aware that citizens from minority groups stay informed on key events of national significance by

*A plurality of news sources exists in print, broadcast, and the Internet. In the past year, blogs have also become a very popular source of information for citizens, while cable, the Internet, and SMS news are spreading fast as well. Though cable penetration is still modest in Serbia, the number of people watching cable or accessing the Internet jumped to 40 percent of citizens.*

using national media. The editorial policy of much of the minority-language media is to focus on specific issues facing that minority.

Panelists indicated that salaries of journalists are consistent with the overall average salary in Serbia, approximately €300 per month. However, they indicated that this amount is not enough to discourage corruption. This is especially the case in most local media, where salaries are lower. The other negative consequence of low salaries is a high outflow of quality journalists from the profession. Vladković, editor-in-chief of O.K. Radio, summarized the issue: "In the areas outside Belgrade, salaries are far below the dignity of journalists. Such a situation provides a fertile ground for corruption and unethical behavior of editors and journalists. That includes cases of being paid for not publishing information on local events."

In most media, entertainment programs are dominant, but in Serbia there exist enough news and public-affairs programming for a citizen to easily acquire most any information they desire. In the national television stations, the percentage of news and information programming is above the European average, according to AGB Nielsen Media Research/Serbia. The main news of RTS has for decades been one of the top five programs, demonstrating the continuing public desire for news. The only exception to this is on cable television, where news and information are rare, since cable relies on inexpensive entertainment programming.

The technical capacity of media is improving every year, and panelists felt the level could not be characterized as poor. With a general lowering of prices for technology, its wide availability, and an increase in user-friendly production technology for print and broadcast, panelists believe the trend will continue. They did, however, acknowledge that the capacity of local media in this regard is generally below that of national media.

Niche reporting is an ongoing problem with Serbian media. With globalization, technological development, and an ongoing transition, the life of Serbians is getting more and more complex as new issues enter the public agenda. Environmental protection, privatization, financial markets, and public health threats all require journalists with specific knowledge. Yet as the panelists noted, there are few such reporters, and the capacity of media to report is therefore limited. Additionally, panelists noted a lack of young journalists with knowledge in these issue areas and also noted how the media's financial situation has meant that media are not dedicating resources to covering such topics in a consistent or in-depth manner. Žarković, editor-in-chief of *Vreme*, pointed to one of the problems, saying, "It is difficult to report on the selling of such huge state companies, such as the national electric or oil companies, if in the newsroom there is no journalist familiar with the problems of such specific and complex processes."

### OBJECTIVE 3: PLURALITY OF NEWS SOURCES

#### Serbia Objective Score: 2.48

This objective was basically unchanged from last year; panelists still rated it as one of the best-performing objectives. Many sources of news are available to citizens, and new sources continue to multiply. Media are available even in the least developed areas of the country. Cable television allows citizens to watch regional television, and all broadcasters who recently received national licenses have finished their transmission expansion so that they now cover

#### MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE AND OBJECTIVE NEWS.

##### PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

the whole country. Foreign programs are available through cable and satellite, and there is no limitation on the Internet. Many of these indicators were rated as significantly higher than the overall average. However, as with last year, the transparency of media ownership remained a problem within the objective. Panelists indicated the problem of the “formal” owners of many media serving as the effective front person for the real interests behind certain outlets. This indicator was rated nearly two full points lower than the overall average; otherwise, the overall average would exceed a 3.

A plurality of news sources exists in print, broadcast, and the Internet. In the past year, blogs have also become a very popular source of information for citizens, while cable, the Internet, and SMS news are spreading fast as well. Though cable penetration is still modest in Serbia, the number of people watching cable or accessing the Internet jumped to 40 percent of citizens. There remain problems of newspaper distribution that lower access to newspapers, however. For instance, *Dnevnik*, the main daily in Vojvodina, is not distributed in around 200 outlets there. While citizens’ access to international news is not legally limited in any way, at present Serbian citizens’ limited buying power remains a barrier.

Gaće of NUNS raised a concern over interpretation of media pluralism: “It looks at first glance that Serbia has a pluralistic media scene. But the editorial positions in electronic and print media in most cases do not approach the fundamental issues seriously, so often they are only a flat-out transmission of political positions, positions of new tycoons, or other strong lobbies. The public interest is often losing the battle against the media campaigns by different political and interest groups.”

The state broadcaster, RTS, is improving, and there is an effort to have it approach a public-service model: it is trying to include opposition parties and other opinions as much as possible. Compared with last year, some progress is evident. While RTS still airs long presentations by politicians in office, the opposition political spectrum is present as well. Additionally, RTS has increased the amount of private and independent productions it airs on the station. However, there is resistance to change at RTS. Sladojević, deputy editor-in-chief of RTS, said that “public media have evidenced improvement in showing all political opinions and have made an effort to be neutral and balanced. But alternative opinions are more and more unwelcome by some editors.” And Dinko Gurhonjić of the Independent Journalists Association of Vojvodina, pointed out that RTS (and Radio Television Vojvodina) remains far from being truly a public-service broadcaster. “RTS and RTV (established in 2006) still behave as state television channels. They are under pressure from

*Gurhonjić of the Independent Journalists Association of Vojvodina summarized the situation, saying, “There are taboo themes that a large number of media do not want to touch, and coverage of some issues is characterized by stereotyping (for example, Kosovo and Albanians).”*

economic and political strongmen. Public services are not doing enough to improve cultural and educational programs,” he said.

Some national television stations gave more time to SRS, the opposition nationalistic party, than to the parties in power. On the local level, media come under more strenuous political pressure, so some stations resort to representing only one political opinion. Panelists indicated that the situation in Sandžak is especially poor, with stations broadcasting announcements of political parties extensively so as to “not get into the position of annoying political parties.”

There are still three noteworthy news agencies in Serbia: two private (Beta and FoNet) and one state (Tanjug). Electronic media are interested in using all three but do not have the funds to do so. The problem is not in the price of the services, as they are relatively low, but in the economic standing of most media. State media are still pressured to use the state agency Tanjug. Panelists felt that Tanjug played a negative role: they have selective distribution and engage in dumping (low prices) or give the service free of charge. Additionally, Tanjug favors news originating from the state. It is estimated that the state finances 50 percent of Tanjug’s budget. While most media use agency material, it also remains the case that a large number of electronic media produce their own news programs, although the quality varies widely.

Most of the panel participants thought that ownership of the media is not transparent in Serbia. There is a law that obliges all owners to register, and there is a register of all formal owners of private companies in Serbia. But the panelists believed that the real owners are hidden behind the formal owner of the media outlet. They base this in part on observing that, at times, groups of media launch coordinated attacks on one political party or political leader, although the formal owners are not the same. A new rule on the origin of capital for privatization is in effect now, and it should prevent those who have a criminal background of any kind from acquiring media. The Ministry of Culture is preparing a draft law to define clearly the stakeholders and to introduce

the obligation to present financial reports on sources of capital for those purchasing media. Svetlana Kojanović, editor-in-chief of *Čačanski glas*, felt the transparency problem extends particularly to local media.

While most issues are covered by the print and electronic media, a number of social and economic themes do not receive coverage because of a lack of adequate knowledge by journalists and editors. The media's treatment of minority groups is a particular problem, according to the panel. While national ethnic minorities still have their own programs and newspapers, other social minority groups (e.g., invalids and sexual minorities) receive minimal coverage and are sometimes attacked by individual media. Tanjug produces news only in Serbian, though private agencies produce stories in minority languages also. It is to be stressed that minority-language media are also under pressure from their political leaders. Gruhonjić of the Independent Journalists Association of Vojvodina summarized the situation, saying, "There are taboo themes that a large number of media do not want to touch, and coverage of some issues is characterized by stereotyping (for example, Kosovo and Albanians)."

#### OBJECTIVE 4: BUSINESS MANAGEMENT

### Serbia Objective Score: 2.87

Business management has consistently scored high in relation to other objectives in Serbia, as media have increasingly used professional management techniques and market research and have engaged in increasingly sophisticated advertising. As might be expected, national media are in a much better position than local media in terms of resources and managerial expertise. State media have an advantage of having a financial source unavailable to private media: the state or local budget. This objective declined slightly from last year to 2.87 from 3.07, reflecting the uncertain financial future of the still oversaturated media market in Serbia and the dichotomy between those who have adapted to a market approach and those who continue to struggle or rely on the state or political sources of funding. Additionally, with ongoing delays in privatization, a market approach may not have motivated those media who remain in limbo. However, it remains an open question whether improved business management has led to more editorial independence. Gaće of NUNS shared her belief: "Independent media in Serbia most probably are good business for the owners, but there is less and less independent editorial policy in Serbian media." Panelists rated all indicators close to the overall average.

There are no formal obstacles for media to operate as a competitive business. Success depends not on laws or

regulations, but on the quality of products and management. While there are profit-generating media in Serbia, a large number of media, including private, are working consistently around the breakeven point. The media outside Belgrade are in a poorer situation. Their local market has lower buying power, and, as Belgrade-based media received national licenses, they have access to the large advertisers with an interest in national coverage. As Kojanović, director and editor-in-chief of *Čačanski glas*, noted, "The distribution of national frequencies (all given to Belgrade media) gave them an advantage in earning revenue from the advertising industry, further deepening the gap between Belgrade and local media in terms of growth potential." However, panelists agreed that media, for the past several years in Serbia, are earning revenue from a multitude of sources in advertising.

Advertising agencies are active and professional in Serbia with six or seven strong companies, compared with three or four in surrounding countries. Additionally, their activities are showing significant growth. The total advertising budget for all media in 2007 was 50 percent higher than in 2006, according to AGB Nielsen Media Research/Serbia. One disparity in the market did emerge: after seven national television stations received licenses, regional television stations were kept waiting for regional frequencies and for privatization. Advertising agencies therefore were not in a position to enter into long-term contracts with them, which would provide some stability. Those stations were kept waiting a whole year in "standby mode" and lost substantial revenue. The percentage of revenue from advertising is permanently growing in all media, while the percentage of donor support is dropping significantly. Subscription to magazines and newspapers is still a non-existent category in Serbia—a loss of a potential stable revenue source for print media.

#### INDEPENDENT MEDIA ARE WELL-MANAGED BUSINESSES, ALLOWING EDITORIAL INDEPENDENCE.

##### BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

There are no direct subsidies to private media, while almost all media in state ownership are financed from the budget, with the state portion often constituting up to two-thirds of their revenue. A potentially positive trend is that some ministries are now using open tender procedures for purchases or projects for media, including programs and technical infrastructure for local public media.

The use of market research in the media business is becoming a standard in Serbia, especially in the electronic media. While this practice was started with donor intervention eight years ago (largely through the USAID/IRES ProMedia program), the practice has acquired local buy-in and financing. In 2007, radio research was financed for the first time by the users, radio stations, and advertising agencies. The number of buyers of research results is growing, including small and local media who understand how important research is for business development.

A number of ratings surveys are reliable and in line with international standards. Trust in the data exists, evidenced by more and more contracts being tied to AGB Nielsen ratings results. The main problem is misinterpretation and misuse of results by a number of users. Sometimes misinterpretations are intentional, as when media outlets purposefully focus on only the positive aspects of the research while purposefully avoiding the greater detail that may show a more nuanced analysis that does not favor them. Print media lags, however: there is still no reliable data on circulation. An audit bureau of circulation was established in Serbia but has not received the trust of the print media. To date, it has mainly covered the circulation of several print media close to the state.

## OBJECTIVE 5: SUPPORTING INSTITUTIONS

### Serbia Objective Score: 2.50

This objective has ranked consistently high over the past several years but suffered a noticeable decline this year, falling from 2.79 to 2.50. The drop can be attributed in part to the decrease in donor activity, which had supported training and association work. Professional and trade associations do exist, with mixed quality and results. Panelists noted again the lack of an effective syndicate to support journalists' labor rights. They also noted that the fruitful practice of educating journalists, editors, and other media staff through donors' activities is, unfortunately, fading away. The distribution system remains in a transition phase. Panelists rated the sources of newsprint and printing facilities the highest in this objective, by a full point above the average, while ranking the indicator on quality degree programs the lowest.

*There is support from the NGO community, but there are a large number of NGOs that support free speech only in word but not in practice. Some NGOs do not understand the role and workings of professional media and therefore criticize the media for not covering their issues or for being too critical on other issues.*

Trade associations do exist, although the association of media owners in Serbia is not well known publicly. But the "media association" is gathering new members (print and broadcast) and is lobbying for mutual interests. Their specific successes were oriented toward tax and tariff treatment of media and on mutual interest of print media in publishing data on circulations. However, journalists' associations are worried over a lack of cooperation and coordination with this group. Gaće of the journalists' association NUNS noted: "The association of media owners is very closed and is not willing to cooperate or talk in cooperation with other media associations." The Association of Independent Electronic Media continues to represent broadcasters' rights and is most known for its advocacy on abuses of press freedom and legal advocacy on behalf of its members. It also provides training. It straddles a line between a journalists' organization and an owners' organization.

Professional associations are trying very hard to protect the rights of journalists and portray journalism in a positive light. Two associations are seen as leaders: NUNS and the Independent Journalists Association of Vojvodina. The

## SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

### SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

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*Gaće of the journalists' association NUNS noted: "The association of media owners is very closed and is not willing to cooperate or talk in cooperation with other media associations."*

president of the latter, Gruhonjić, praised NUNS' work, saying that "NUNS is good in defending the rights of its members and never left anybody without support. NUNS' defense of journalists from attacks is very effective and prompt in every single case." The Journalists Association of Serbia, the successor to the former state union, is seen by many in the media community as a competitor to NUNS and also as representing a dated viewpoint on media and journalists' rights, according to the panel.

However, the syndicates received criticism for being weak, as opposed to the associations. Gruhonjić observed that "there are several journalists' associations; the two main ones are in conflict, and the process of establishing a media council of Serbia is very slow and contentious. In particular, they should do more to energize young journalists. The syndicate organizations of journalists are inefficient, and syndicate rights of journalists in Serbia are minimal." Gaće of NUNS agreed, saying, "There are also several journalists' syndicates in the country but they are very anachronous, inefficient, and conservative." These include the media trade union Nezavisnost and the independent union of employees in the graphic, publishing, informative, and cinema activities.

There is support from the NGO community, but there are a large number of NGOs that support free speech only in word but not in practice. Some NGOs do not understand the role and workings of professional media and therefore criticize the media for not covering their issues or for being too critical on other issues.

The Institute for Social Sciences published a research study in 2007 on journalism education programs. There are seven institutions for journalist education, but only two (Belgrade and Novi Sad) have the right conditions for producing good journalists, according to the study. Currently 1670 journalists-to-be are studying, yet there is little research or knowledge of the market's capacity to absorb graduates. There may be progress at the two leading universities in terms of preparing students. Sladojević of RTS says, "We in RTS have 10 young journalist interns, students in their final year of the media faculty program. They have shown surprisingly good results and are much better than groups we had in previous years. We believe that in the past five years the hiring of faculty who are professional experienced journalists is bringing results."

Short-term education organized by international donors was very important in improving the skills and knowledge of journalists, according to the panelists. The panelists indicated that there is a strong need for this, especially in the local media. But there are few such trainings now that most donors have left the country, and the economic conditions in Serbia cannot yet support quality market-based training. Panelists noted that it is especially rare for journalists to have the opportunity to gain knowledge through training and study tours to, or work in, foreign countries.

Sources of newsprint and printing facilities are private, apolitical, and unrestricted, according to panelists. Obtaining newsprint and printing services are now normal commercial activities.

The problems facing print media distribution remain in Serbia. Media are forced to work with a number of distributors that can create complications, higher costs, and inefficiencies. While the number of distributors may point to positive competition, the problem print media face is that there are still too many distributors covering different areas. A print media outlet needs to engage multiple distributors in many cases. The monopolistic transmitter ownership by RTS has not been changed, and the system is not truly independent. Additionally, it is out-of-date and will need substantial technical upgrades.

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## List of Panel Participants

**Svetlana Kojanović**, director and editor-in-chief, *Čačanski glas*,  
Čačak

**Nadežda Gaće**, president, Independent Journalist Association  
of Serbia, Belgrade

**Zlata Kureš**, deputy general director, BETA News Agency,  
Belgrade

**Lila Radonjić**, CEO, Independent TV Production Group Mreža,  
Belgrade

**Vesna Sladojević**, deputy editor-in-chief, Radio Television  
Serbia, Belgrade

**Suzana Jovanić**, media specialist, Open Society Fund, Belgrade

**Voja Žanetić**, marketing specialist, MOSAIK Marketing Agency,  
Belgrade

**Slobodan Kremenjak**, lawyer, Živković & Samardžić Law Firm,  
Belgrade

**Dragoljub Žarković**, editor-in-chief, Vreme weekly, Belgrade

**Darko Bročić**, director, AGB Nielsen, Belgrade

**Goran Vladković**, editor-in-chief, O.K. Radio, Vranje

**Ms Jelena Leskovac**, local representative, PressNow, Belgrade

**Dinko Gruhonjić**, president, Independent Journalist  
Association of Vojvodina, Novi Sad

## Moderator

**Dragan Kremer**, project manager and consultant, mediahilfe,  
Belgrade

## Author

**Goran Cetinić**, independent consultant, Belgrade