

**ProMedia II/Bosnia and Herzegovina
Program Report
Quarter 4, FY 2003
July 1 –September 30, 2003**
Cooperative Agreement No. 168-A-00-99-00103-00

October 31, 2003

I. Executive Summary

In the fourth quarter of FY 2003, IREX continued the work started in October 1999 under ProMedia II/Bosnia and Herzegovina, Cooperative Agreement No. 168-A-00-99-00103-00. As outlined in the program description and proposal to USAID, IREX's strategy concentrates on developing capacity and sustainability for independent media. While a number of factors in Bosnia directly inhibit the possibilities for sustainability (a weak economy, nationalism, corruption, etc.), IREX has developed an approach that focuses on four Intermediate Results (I.R.s) that contribute to the development of a professional and sustainable independent media:

- 1. Effective business and strategic management;**
- 2. Objective, fact-based and useful news and information;**
- 3. A legal and regulatory framework that supports free speech;**
- 4. Institutions that function in the professional interests of independent media.**

IREX has continued its work in these four areas, concentrating on its key clients, particularly Banja Luka-based newspaper *Nezavisne Novine* and smaller client papers, such as *Start* and *Prezent*. In the broadcast sector, IREX works regularly with NTV Hayat and ATV Banja Luka, as well as Radio TNT, Radio Nes and others. The highlights presented below demonstrate that IREX is making strides in solidifying the continued progress of long-term clients likely to succeed in a competitive free-market media environment. In particular, IREX has devoted substantial effort to the Mreza Plus television network project, a collaborative venture with input and financing from USAID, the Open Society Institute, Press Now, and the Swedish Helsinki Committee. IREX also continued work in association-building, with an emphasis on issues of legal reform.

II. Highlights from Quarter 4

I.R. 1 - Effective Business Management

- **Mreza Plus adopts new approach to advertising.** IREX consultants worked with the management of Mreza Plus, as well as with member stations RTV Mostar, ATV Banja Luka, and Oscar C (Mostar), on ways improve the network's relationship with advertising agencies. The new approach seeks to adopt program

scheduling to the needs of advertisers by focusing the timing of certain programs to reach specific target groups.

- **IREX continues efforts to improve circulation at Nezavisne Novine.** IREX worked with business and circulation managers at *Nezavisne Novine* to develop plans for creating a telemarketing department similar to those at most Western newspapers. The new activities should result in a steady growth of new subscription sales for the newspaper.
- **Advertising training at Nezavisne Novine seeks to increase revenue.** IREX assisted *Nezavisne Novine*'s advertising manager in hiring and training six new advertising salespeople for the newspaper's Banja Luka and Sarajevo offices. The additional staff should help *Nezavisne Novine* increase advertising revenue by 40,000 KM per month.

I.R. 2 - Quality Journalism

- **Discussions continue on Mreza Plus statewide newscast.** IREX met with Mreza Plus general manager Darko Aleksic to discuss the network's revised newscast production proposal. The revised proposal included an increased budget for the newscast project and still lacked several significant pieces of information requested by participating donors.
- **Nezavisne Novine examines zoned editions to expand local content and increase circulation.** IREX consultant Denis Kuljis met with editorial, marketing, distribution, and circulation personnel at *Nezavisne Novine* in order to examine the launch of zoned editions in Sarajevo and Mostar. Kuljis noted the strength of the paper in offering the local news and information that regional publications lack.
- **Hague Coverage Project enters summer recess.** Mreza Plus journalist Asim Beslija completed a two-and-a-half month assignment in The Hague, where he provided daily television and radio reports, as well as weekly summaries, on the International Criminal Tribunal for the former Yugoslavia (ICTY). The Mreza Plus reports from The Hague have been among Bosnia's primary source of broadcast news on the ICTY.
- **Front Slobode enters new stage in privatization process.** IREX consultant Drazen Simic visited *Front Slobode* to review the magazine's privatization documents, evaluate its current situation, and advise on the possibilities for future support. A three-year freeze on hiring and firing expired in August, allowing *Front Slobode* to replace low-performance employees with more qualified candidates and further the efficiency of the magazine.

I.R. 3 - Media Law

- **IREX produces CD-ROM aid for investigative journalism.** IREX gathered records for over 200 government agencies to produce a manual for assisting journalists in investigative reporting. The manual seeks to promote use of the Bosnian law on access to information.

I.R. 4 - Associations

- **Unification of journalist associations moves forward.** Representatives of four journalists' associations – the Independent Journalists' Association of Republika Srpska, the Association of Professional Journalists Sarajevo, Apel Mostar, and the Association of Journalists of BiH – held a number of meetings in preparation for registration as a statewide association of journalists in Bosnia and Herzegovina.
- **AEM moves closer to agreement on copyright fees.** The Association of Electronic Media (AEM) continued to meet with the Sine Qua Non agency and the Association of Musical Composers of BiH (SQN/AMUS) to negotiate fair fees for intellectual property and authors' rights. AEM awaits final agreement on their proposal for fees, which follows the model of the Croatian system.

III. Program Activities

IREX activities are presented below according to the four intermediate results that frame the IREX approach to media development in Bosnia: Publishers and Station Managers Effectively Manage Media Enterprises; Journalists Provide Citizens with Objective, Fact-Based and Useful News and Information; The Legal and Regulatory Framework Supports Free Speech; Supporting Institutions Function in the Professional Interests of Independent Media.

I.R. 1 - Effective Business Management

Introduction: IREX's work throughout the region has demonstrated that well-managed media can survive in weak economies and, in some cases, even make a profit. To do this, Bosnian media must acquire management skills, embrace the efficiencies of networks and news agencies, and create the necessary infrastructure, which includes regular market research and efficient printing and distribution.

- **Mreza Plus adopts new approach to advertising.** IREX business consultants Natasa Raduka and Minka Gazibara worked with the management of television network Mreza Plus, as well as with member stations RTV Mostar, ATV Banja Luka, and Oscar C (Mostar), on ways improve the network's relationship with

advertising agencies. The new approach seeks to adopt program scheduling to the needs of advertisers by focusing the timing of certain programs to reach specific target groups. Such focus will require the network's program director to pay greater attention to audience research results and viewer requests in an effort to match popular shows with related consumer products. To complement Mreza Plus's upcoming program schedule, IREX consultants also worked with the network to develop a promotional campaign, which includes new ads and an updated visual identity.

Result: Mreza Plus has adopted a new rate card that considers the needs of advertisers, with the goal of generating higher advertising revenues. In the past, Mreza Plus offered the same rates to advertisers for all viewing slots. With its new approach, the network will ask a higher price per second for commercial breaks during highly-rated periods, and offer lower rates for lower periods. Management at Oscar C also accepted Gazibara's idea to change the station's rate card, whose prices did not match the needs of advertisers.

- **RTV Mostar receives further assistance in improving advertising.** IREX business consultants worked with the station manager and advertising coordinator of RTV Mostar to screen potential applicants for its advertising department, four of whom were selected for basic advertising training and future sales positions. In addition, IREX worked with the RTV Mostar management to design and draft promotional materials for the station's media kit.

Result: IREX business consultant Darija Markovic trained four new sales representatives at RTV Mostar, focusing on skills such as organizing sales presentations, creating advertising campaigns, and conducting interviews with clients. The station's media finished kit includes an updated sales offer letter that incorporates market research information and will present a more professional image for RTV Mostar at trade fairs and with advertising agencies.

- **IREX continues efforts to improve circulation at Nezavisne Novine.** IREX Chief of Party Silvija Mack worked with the business and circulation managers at *Nezavisne Novine* to develop plans for creating a telemarketing department similar to those at most Western newspapers. Once staff is hired and trained and the new telemarketing department is in operation, the new activities should result in a steady growth of new subscription sales for the newspaper.

Result: IREX assistance to *Nezavisne Novine*'s circulation department produced a 4% increase in July, despite the fact that the summer season is generally a slow period.

- **Advertising training at Nezavisne Novine seeks to increase revenue.** A local IREX consultant assisted *Nezavisne Novine*'s advertising manager in hiring and training six new advertising salespeople for the newspaper's Banja Luka and Sarajevo offices. The training included basic skills of approaching clients and

preparing presentations, along with advanced practice under the supervision of a more experienced colleague. The additional staff should help *Nezavisne Novine* increase advertising revenue by 40,000 KM per month.

Result: As a result of continued IREX sales assistance over the past three years, *Nezavisne Novine* has increased its gross revenue, including income from advertising copy sales, from 4,000,000 KM in 1999 to 5,500,000 KM in 2002.

- **IREX works with regional radio stations to modernize advertising departments.** An IREX advertising consultant began work with the management of Bijeljina-based Radio PAN and Panorama magazine in an effort to modernize and upgrade their advertising departments. Towards the same end, the IREX business team also worked with Sapna radio station Radio Glas Drina to conduct interviews with seven candidates for sales representative positions.

Result: PAN/Panorama management endorsed IREX's suggestion to hire additional advertising salespeople with the goal of increasing sales revenue. In conjunction with the interviews at Radio Glas Drina, IREX also organized basic training for the station's newly chosen sales representatives.

I.R. 2: Providing Objective, Factual, and Useful Journalism

Introduction: IREX's approach to improving journalism not only features expatriate and local trainers working intensively with select print and broadcast clients, but also focuses on upgrading the skills of Bosnian trainers. In the fourth quarter of FY 2003, IREX continued in-depth training with major clients.

- **Discussions continue on Mreza Plus statewide newscast.** IREX Senior Program Officer Jill Jarvi, Chief of Party Silvija Mack, and Local Media Advisor Jadranko Katana met with Mreza Plus general manager Darko Aleksic on July 24 to discuss the network's revised newscast production proposal. The revised proposal included an increased budget for the newscast project and still lacked several significant pieces of information requested by participating donors. The three-hour meeting discussed the need to delete budget items such as 243,890 KM in additional equipment and to add information such as a timeline for preparation and launch of the news program; the editorial policy and quality standards for the content of the program; an explanation of how the program will originate from two locations; detailed job descriptions for staff involved in the newscast; additional information on how the network stations will contribute to the newscast; and a budget for the network's general operating costs per month and per year (along with current or estimated income).

Result: The meeting resulted in a request for a third revision of the proposal, which was initially scheduled to be submitted by mid-August.

- **Hague Coverage Project enters summer recess.** Mreza Plus journalist Asim Beslija completed a two-and-a-half month assignment in The Hague, where he provided daily television and radio reports, as well as weekly summaries, on the International Criminal Tribunal for the former Yugoslavia (ICTY). The ICTY entered its summer recess at the end of July following the rendering of the tribunal's first life sentence to Milomir Stakic, convicted of war crimes and crimes against humanity for the persecution, extermination and murder of Bosnian Muslims and Croats in Prijedor in 1992. In September, *Nezavisne Novine* journalist Borjana Radmanovic traveled to The Hague, where she focused on coverage of trials related to Srebrenica and Bosanska Krajina.

Result: Since September 2002, IREX's Hague Project, funded by USAID and the C.S. Mott Foundation, has provided financial, logistic, and technical assistance to approximately 14 rotating print and broadcast journalists from Bosnia and Herzegovina to enable them to cover the tribunal's events, decisions, and implications. IREX is pursuing additional funding to enable Mreza Plus, *Nezavisne Novine*, and others to continue to cover the tribunal firsthand. The Mreza Plus reports from The Hague have been among Bosnia's primary source of broadcast news on the ICTY.

- **Nezavisne Novine examines zoned editions to expand local content and increase circulation.** IREX consultant Denis Kuljis, manager of Europapress Holding (EPH) in Zagreb and founder of Croatian daily *Jutarnji List* and the weekly *Nacional*, met with editorial, marketing, distribution, and circulation personnel at Banja Luka-based newspaper *Nezavisne Novine* in order to examine the launch of zoned editions in the cities of Sarajevo and Mostar. Zoned editions are regularly published editions that are distributed in a specific geographic area of a newspaper's circulation area, and contain reporting and advertising of interest to readers in that area. As *Nezavisne Novine* faces competition from media from neighboring countries, Kuljis noted the strength of the paper in offering the local news and information that regional publications lack. At the same time, Kuljis underscored the need for *Nezavisne Novine* to consider regional alliances in order to maintain its market position.

Result: Kuljis suggested a number of initiatives towards this end, including additional training for *Nezavisne Novine* staff at *Jutarnji List* and the development of further contacts between *Nezavisne Novine* and EPH.

- **IREX grant completes Panorama redesign process.** An IREX grant enabled Bijeljina-based magazine *Panorama* to receive a desktop publishing (DTP) computer in order to implement the redesign of the publication. IREX also provided and installed advanced layout software (Quark, Photo Shop and additional fonts) that will help give *Panorama* a new, modern appearance. Designer Marina Rodic Momirovic, who in June completed the redesign of *Panorama* magazine, returned to the publication to supervise the implementation

of the new layout by *Panorama*'s three-person layout team. Momirovic also provided additional layout training to the magazine's staff.

Result: *Panorama* is now printed with a final design produced by Momirovic, one of the finest designers in the region. Momirovic has also since established an easier system for sending PDF files of the finished pages of *Panorama* via e-mail to the *Nezavisne Novine* printing plant in Banja Luka.

- **Start magazine completes redesign.** IREX consultant Bojan Hadzihalilovic of the TRIO/Fabrika design company worked with *Start* on a redesign of the magazine. The redesign will include a new logo, as well as revised styles for inside pages, headlines, subtitles, and the cover page.

Result: The redesigned *Start* offers a more attractive and modern look. Changes will be introduced gradually to allow readers to adjust to the new style.

- **Front Slobode enters new stage in privatization process.** IREX consultant Drazen Simic visited the Tuzla-based *Front Slobode* to review the magazine's privatization documents, evaluate its current situation, and advise on the possibilities for future support. IREX had suspended assistance to *Front Slobode* due to a provision in its privatization agreement that required the preservation of the pre-privatization number of employees for three years, a move that was considered to be an obstacle to the magazine's development. This three-year provision expired in August, allowing *Front Slobode* to replace low-performance employees with more qualified candidates and further the efficiency of the magazine.

Result: Following discussions between Simic and *Front Slobode* general manager and editor-in-chief Sinan Alic on optimal staffing, three employees have been dismissed and two young, IREX-trained reporters hired. The changes signify the chance for *Front Slobode* to modernize its newsroom, modify a previously inactive editorial policy, and increase circulation.

I.R. 3: The Legal and Regulatory Framework Supports Free Speech

Introduction: In the fourth quarter of FY 2003, IREX continued to focus on the nascent and ever-changing legal structure in Bosnia and assist with media law development. IREX helped its clients work with the international community in the effort to modernize media-related law. Concurrently, IREX assisted media to adapt to the new and evolving legal environment. IREX also provided expert support from its own staff and consultants as needed to assist the Association of Electronic Media and other associations as they addressed legal reform issues. These activities are included under I.R. 4.

- **IREX produces CD-ROM aid for investigative journalism.** With the help of the ombudsman offices of the Federation of Bosnia and Herzegovina and the

Republika Srpska, as well as local reporters, IREX gathered records for over 200 government agencies (including ministries, municipalities, cantons, police, courts, army, etc.) in order to produce a manual for assisting journalists in investigative reporting. Over 700 pages of the collected data were scanned and edited for a CD-ROM version of the manual, 200 copies of which have been distributed to reporters and newsrooms throughout Bosnia and Herzegovina, and donated to the library of the journalism department at University of Sarajevo.

Result: The manual helps to promote use of the Bosnian law on access to information, which obligates state institutions to publish an index of the public information with which they work, along with instructions on how citizens can obtain such information.

I.R. 4: Association Building

Introduction: In the fourth quarter of FY 2003, IREX continued to draw on its regional experience to help move Bosnia's associations towards more active policy advocacy, sound management, a growing public education role, and improved training and professional development for the media community.

- **Unification of journalist associations moves forward.** Representatives of four journalists' associations – the Independent Journalists' Association of Republika Srpska, the Association of Professional Journalists Sarajevo, Apel Mostar, and the Association of Journalists of BiH – held a number of meetings in preparation for registration as a statewide association of journalists in Bosnia and Herzegovina. In July, the four individual groups decided to disband as separate organizations in order to merge into a single, unified association. At an August meeting, representatives of the individual groups worked together to finalize the new association's documents, which include provisions addressing its statutes, number of branches, number of full-time employees, the collection of membership fees, and legal registration. The meeting also led to the creation of the association's mission and goals, which will focus on three main areas: media ethics, a journalists' help-line, and the protection of journalists' social rights. The representatives met again in September to complete the association's organizational chart and annual plan.

Result: Registration of the united association should take place by the end of the year. The organization has also received an EU grant of €266,000 for the next 18 months, to help maintain the journalists' helpline previously organized by the OSCE and the OHR. The interest of other donors to continue IREX's support of the united effort is seen by the association as a sign of its success.

AEM moves closer to agreement on copyright fees. The Association of Electronic Media received legal advice from colleagues in Croatia as part of the organization's ongoing efforts to negotiate fair fees for intellectual property and

authors' rights with the Sine Qua Non agency and the Association of Musical Composers of BiH (SQN/AMUS). AEM contacted the Croatian representatives following a June meeting between AEM and SQN/AMUS in the office of Bosnia's media ombudsman, who asked both sides to come up with new proposals for copyright fees. In July and August, AEM met again with SQN/AMUS to discuss their proposal, which follows the model of the Croatian system. AEM also sent a request to the Office of the High Representative asking for changes on the law on authors' rights and the adoption of a schedule of rates by Parliament.

Result: In September, AEM and SQN/AMUS came to the following agreement on the percentage of income to be paid over the next six years:

RADIO	TV	RTV
2.5 %	1.5%	2%
2.8%	1.62%	2.21%
3.1%	1.75%	2.425%
3.4%	1.875%	2.6375%
3.7%	2%	2.85%
4%	2%	3%

Finalization of the agreement will take place following the association's November assembly.

Summary of Grants for the Fourth Quarter, FY 2003

Grantee	Approved Amount	Purpose
Start	\$1,900	purchase of promotional materials for a planned promotion of the publication, as well as a flash attachment for the magazine's camera
Nezavisne Novine	\$11,500	purchase of three digital cameras, along with related lenses, flashes, and memory cards, as part of a cost-sharing agreement with the newspaper.
Total:	\$13,400	