tajikistan
bosnia & herzegovinia
bulgaria
kosovo
uzbekistan
albania
croatia
romania
azerbaijan
russia
krgyzstan
montenegro
kazakhstan
serbia
armenia
macedonia
ukraine
belarus
moldova
georgia

MEDIA SUSTAINABILITY INDEX 2006/2007

DEVELOPMENT OF SUSTAINABLE INDEPENDENT MEDIA IN **EUROPE AND EURASIA**

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MEDIA SUSTAINABILITY INDEX

2006/2007

The Development of Sustainable Independent Media in Europe and Eurasia

MEDIA SUSTAINABILITY INDEX 2006/2007

The Development of Sustainable Independent Media in Europe and Eurasia
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EUROPE & EURASIA

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In Southeastern Europe, the course has been largely, although not entirely, positive. Bulgaria and Romania now belong to the European Union (EU), while Croatia and Macedonia are candidates. The accession process served as the "carrot" for these countries to adopt new media legislation. It also meant that these governments faced greater scrutiny of their actions toward the media, reducing extralegal means of pressure on journalists and their

outlets. Meanwhile, the states of the former Soviet Union have witnessed quite different trends, as democratic transitions have either proceeded far more fitfully or have been subject to backsliding as authoritarian regimes reasserted their control over not only the media but society more broadly.

I am pleased to introduce the Media Sustainability Index (MSI) 2006/2007. For the sixth consecutive year, the MSI provides in-depth analysis of the conditions for independent media in 20 countries across Europe and Eurasia. Since it was first conceived in 2000 and launched in 2001, in cooperation with the United States Agency for International Development (USAID), the MSI has evolved into an important benchmark study to assess how media structures change over time and across borders.

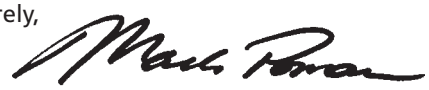
Policymakers, development specialists, and professionals in developing countries increasingly recognize media as a key element of the development agenda, not only in democracy and governance sectors but also in fields such as health, poverty reduction, economic development, youth, gender, and others. The MSI is designed to assist policymakers and implementers in these and other fields by analyzing the various elements of a media system and pointing to areas where assistance can be most effective in developing a sustainable and professional media system.

Of equal and perhaps greater importance, the MSI should be seen as an important tool for the media and media advocates themselves in each country and region. The MSI reflects the expert opinions of media professionals through its approach of convening panels of media professionals in each country that use a standardized methodology. The results of the MSI can inform the media community, civil society, and governments of the strengths and weaknesses of the sector. We encourage them to use the opportunity the MSI presents to continue their own vital efforts at developing independent and sustainable media. In some countries, their presence also serves notice to repressive governments that independent media has a continuing voice.

IREX would like to thank all those who contributed to the publication of the Media Sustainability Index 2006/2007. Participants, moderators, and observers for each country, listed after each chapter, provided the primary observations and analysis for this project. At IREX, Blake Saville, Drusilla Menaker, Leon Morse, Mark Whitehouse, Michael Clarke, and Theo Dolan provided analytical or editorial support to the project. IREX field staff across the region provided important support. USAID has been a consistent supporter of the project, helping to develop the project and supporting its ongoing implementation. All are essential supporters of independent media and advocates for the MSI as an analytical tool for development professionals.

We hope you will find this report useful, and we welcome any feedback.

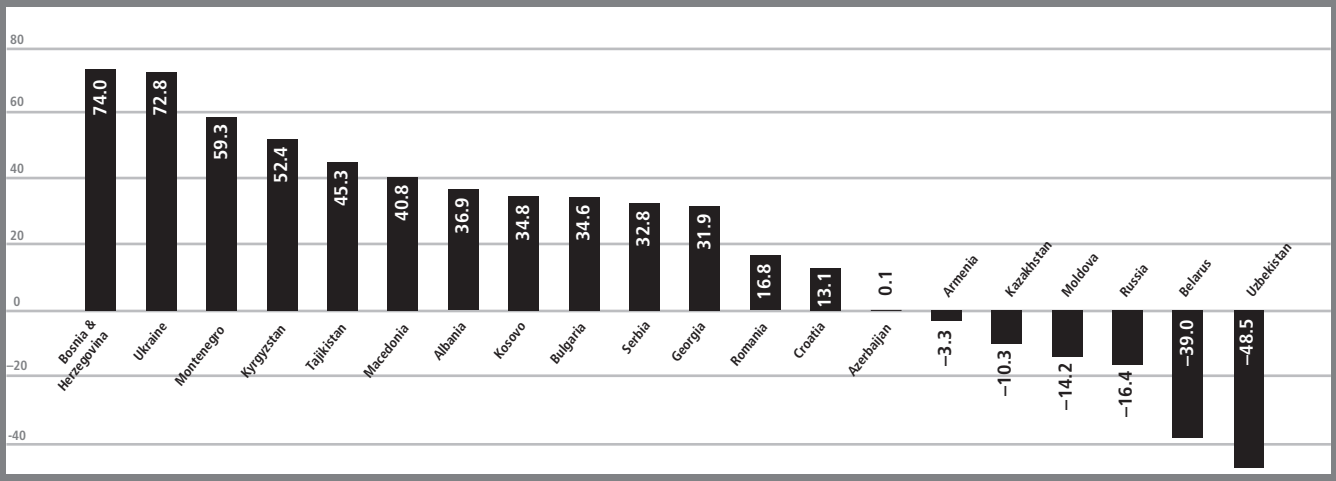
Sincerely,



Mark G. Pomar

President, IREX

PERCENT CHANGE IN MSI 2001–2006/2007: **EUROPE AND EURASIA**



The 2006–2007 Media Sustainability Index (MSI) represents the sixth iteration of this analytical report, first conducted for 2001. Changes over the past year have been largely incremental, both for better and for worse for the region's media sector and its ability to provide news and information independently and professionally. More dramatic are the changes recorded over the past six years of MSI rankings. An analysis shows that while a burst of "color revolutions" and "near" revolutions changed the media landscape in several countries in 2004 and early 2005, 2006 witnessed the slow but steady consolidation of longer-term processes.

A. The Leaders

In Southeastern Europe, the course has been largely, although not entirely, positive. Bulgaria and Romania now belong to the European Union (EU), while Croatia and Macedonia are candidates. The accession process served as the "carrot" for these countries to adopt new media legislation. It also meant that these governments faced greater scrutiny of their actions toward the media, reducing extralegal means of pressure on journalists and their outlets. These four countries have witnessed substantial improvements in their MSI ratings since 2001: Bulgaria (34.6 percent), Romania (16.8 percent), Croatia (13.1 percent), and Macedonia (40.8 percent).

Croatia, which has in previous years topped the region's MSI rankings, leads Bulgaria and Romania in many economic and political statistical categories although it has only EU candidate status. This status is due in part to the EU's requirement that Croatia resolve many issues related to the end of its conflicts with Serbia and Bosnia and the dissolution of Yugoslavia. Croatia's progress in the media sector has been led by significant increases in the MSI objectives of news source plurality, business management, and supporting institutions. Bulgaria, meanwhile, has seen its progress in the MSI driven by the largest increases in the same indicators as Croatia—plurality, business management, and supporting institutions. Romania's growth followed a slightly different path, led by increases in the free-speech, professionalism, and business-management objectives. Macedonia has made greatest progress through improved media business management and stronger supporting institutions.

These variations demonstrate the differing paths these countries have taken since and, more important, before 2001. Media law reform in Bulgaria was under way in the 1990s, with some success. Therefore, the free-speech ratings for the MSI since 2001 reflect the relatively stronger starting point because of the progress made before then. Romania's supporting institutions were ranked within a narrow band since 2001, while Croatia and Bulgaria witnessed larger improvements due to development of a more diverse and sustainable group of supporting institutions.

It is noteworthy that all four saw substantial improvements in media business management since 2001. Market principles have become not only more accepted in the media industry in these countries, but also better implemented in the management of outlets. Additionally, market research and advertising sophistication have advanced considerably.

Kosovo and Bosnia have been under different forms of international protection and governance, leading to progress in the media law under pressure from, and with the support of, the international community. Additionally, international oversight of content, pressure on offenders, and substantial investment in training have helped lead to improvements in journalism professionalism. However, in both cases exemplary media outlets have led the way in setting standards of practice. In Bosnia, local training institutes and media-support nongovernmental organizations also can take credit for supporting these positive developments. Kosovo's supporting institutions developed later than in Bosnia, where the violence ended earlier, allowing growth of civil-society organizations. Montenegro and Macedonia have both also looked to support from the international community to differing degrees and also benefited from extensive pressure, and assistance, for reform. However, as with Kosovo and Bosnia, local institutions drove many of the beneficial processes, including media law reform and greater professionalism.

B. The Laggards

Meanwhile, the states of the former Soviet Union have witnessed quite different trends, as democratic transitions have either proceeded far more fitfully or have been subject to backsliding as authoritarian regimes reasserted their control over not only the media but society more broadly. Five states have witnessed substantial declines in their MSI scores since 2001: Belarus, Moldova, Russia, Uzbekistan, and Kazakhstan.

Belarus, Uzbekistan, and Kazakhstan continue to show little or no progress in strengthening of the media sector, as the state maintains control through legal and extralegal measures. Belarus showed signs of improvement prior to 2003 and maintains a small, if shrinking, core of independent media, but the government continues its drive to put non-state outlets out of business entirely by enacting restrictive media laws, harassing journalists and media through legal and extralegal measures, and by providing state media with competitive benefits. Belarus's overall MSI score has dropped 35.8 percent since 2001. This drop is fueled by decreases in free speech (down 46.8 percent), plurality of news sources (down 48.5 percent), and supporting institutions (down 42.1 percent).

Uzbekistan has been a laggard since the MSI began in 2001 but witnessed further backsliding, as President Karimov has cracked down on independent civil society. Uzbekistan's overall MSI score has dropped 48.5 percent since 2001, led by large drops in the objectives for free speech, plurality, and supporting institutions.

Kazakhstan had shown promise with a small core of professional and energetic media professionals who fought for media independence. However, those early signs have slowly been extinguished. Since 2001, the country's overall MSI ranking has declined by 10.3 percent. Free speech and professionalism have witnessed declines of 12.5 percent and 11.8 percent, respectively.

Moldova has seen its MSI scores decline by more than 14 percent since 2001. While Moldova struggled with a poor economy and an internal ethnic and political struggle over control of the Transnistria region, its media system also has stagnated. Substantial declines in free speech, professionalism, and plurality have driven the downward trend.

Russia, meanwhile, has witnessed a gradual consolidation of state control over the media sector under President Vladimir Putin, as independent outlets have been taken over by the state or by companies themselves controlled by or loyal to the state. Since 2001, Russia's MSI scores have dropped by 16.4 percent overall, led by drops in the plurality of news sources (down 39.9 percent) and free speech (down 25.1 percent). The one brighter spot, media business management, has witnessed an increase of 20.6 percent since 2001. However, this has done little to promote editorial independence, as the better management has come, particularly more recently, for state-controlled or state-friendly media. What happens in Russian media matters outside its borders as well, with Russian media playing an important role in Belarus, Central Asia, and Ukraine. The declines in Russia's MSI scores had particular impact in Belarus, where the plurality of news sources dropped not only because of internal pressures but also because of the reduced plurality of Russian news sources available to Belarusian citizens.

C. Key Issues in 2006 and Future Directions

On average, progress toward the objectives of professionalism, plurality, and business management was the greatest in 2006, compared with the previous year. Fifteen countries saw an increase in professionalism in 2006, compared with the previous year, with an average increase for the twenty countries in the MSI objective of 5 percent. Ongoing development efforts by international organizations, the growth of local training institutions, and efforts at individual media outlets (including those supported with foreign investment) have contributed to these gains.

Fourteen countries improved their scores for the plurality of news and information sources, with an average increase of 6.0 percent, as the Internet, satellite, and domestic growth of professional media provided citizens with increased choices. As Internet penetration rises and domestic markets mature,

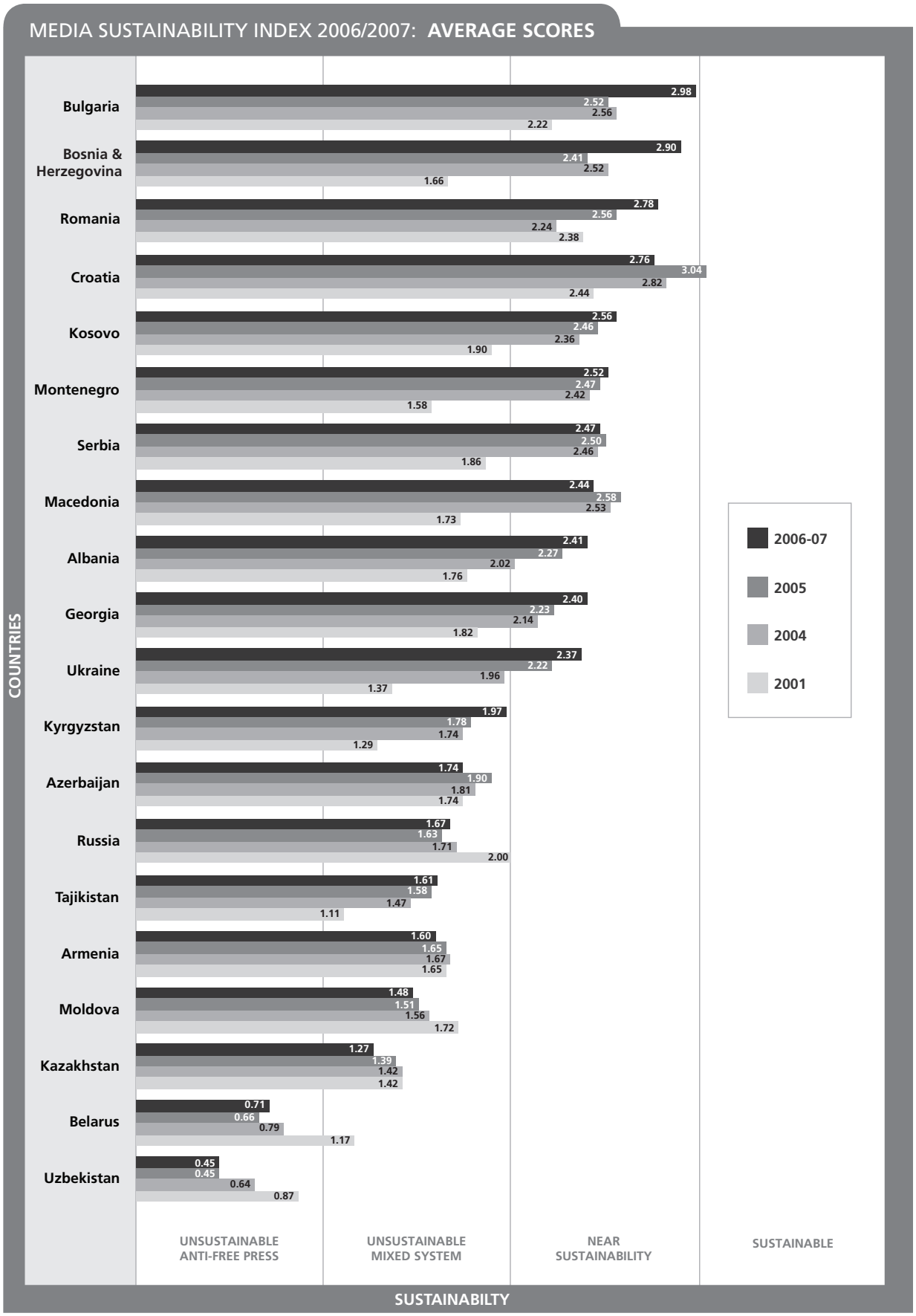
plurality can be expected to continue its positive trajectory. Only government intervention to restrict access could stop most of these processes.

Overall, the rankings for the objective of improved media business management increased 6.1 percent in 2006 from the previous year and witnessed the largest increase over the period since 2001—34.4 percent. This trend reflects several changes over the past six years. First, many media managers in the early days of the independent media sector were journalists at heart and had little training or disposition to operate as efficient managers of businesses. Over time, these managers have gained experience, and outlets have improved the acumen of their advertising and sales departments. Second, investment—domestic and foreign—in several countries has led to the introduction of improved business practices as companies focus on their bottom lines. Additionally, the supporting institutions necessary to a sound media business also matured; local advertisers have moved toward international practices, and international firms themselves have made more investments in advertising. Research also has matured, with regular audience research according to international standards becoming increasingly common in Europe and Eurasia. "PeopleMeters" are spreading throughout the region to measure television audiences, radio research is more frequent, and newspaper market research, while still sporadic compared with the broadcast sector, is becoming more professional and better accepted by outlets.

While these positive trends are captured by the MSI statistics, other themes raised by panelists resonated across many countries. Transparency of ownership continues to be an issue in many countries because laws that mandate disclosure are weak and easily circumvented. This lack of transparency in turn leads to a lowering of trust among the public and media community regarding private media. Trust on the part of the public also can be tied to the media's level of professionalism. Panelists continued to note that the journalism profession needs to focus on its development—improving ethical standards, raising reporting skills, encouraging broader coverage of topics of interest and use to the public, and ending the practice of self-censorship.

The state continues to play a large role throughout the region as a media owner, for the most part by operating radio and television networks that have not been transformed into true public-service broadcasters. Most continue to serve the regime in power rather than the public's right to independent, professional, and diverse news and information. Additionally, in many countries the state owns transmission systems, printing houses, and distribution networks. Private media usually suffer in such circumstances, as state media receive preference or the industry services fail to have the resources or drive to modernize.

Finally, there continues to be a need for focus on media law reform in most countries. The MSI panelists emphasized that passage of reformed media laws and regulations is not enough. Perhaps more important, they said, is the need to monitor and push for effective implementation of new and existing laws. Too few judges know how to adjudicate media laws, media-specialized lawyers are in short supply, and journalists do not themselves press for their rights or seek to set precedent through legal action. Access to information statutes provides an excellent example: where model or progressive laws have been implemented, journalists have not tested the laws in courts to force government compliance and set precedent. Since 2001, the media law–focused free-speech MSI objective has witnessed an increase of only 14.4 percent, lagging behind improvements in professionalism, media management, and supporting institutions. Yet it is media laws and their effective enforcement that will cement the ability of independent media to weather the political and social changes that may cause politicians, potentially even with public support, to reduce rights to free speech.


MEDIA SUSTAINABILITY INDEX 2006/2007: AVERAGE SCORES
COUNTRIES
Bulgaria
2.98
2.52
2.56
2.22
Bosnia & Herzegovina
2.90
2.41
2.52
1.66
Romania
2.78
2.56
2.24
2.38
Croatia
2.76
3.04
2.82
2.44
Kosovo
2.56
2.46
2.36
1.90
Montenegro
2.52
2.47
2.42
1.58
Serbia
2.47
2.50
2.46
1.86
Macedonia
2.44
2.58
2.53
1.73
Albania
2.41
2.27
2.02
1.76
Georgia
2.40
2.23
2.14
1.82
Ukraine
2.37
2.22
1.96
1.37
Kyrgyzstan
1.97
1.78
1.74
1.29
Azerbaijan
1.74
1.90
1.81
1.74
Russia
1.67
1.63
1.71
2.00
Tajikistan
1.61
1.58
1.47
1.11
Armenia
1.60
1.65
1.67
1.65
Moldova
1.48
1.51
1.56
1.72
Kazakhstan
1.27
1.39
1.42
1.42
Belarus
0.71
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Uzbekistan
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UNSUSTAINABLE ANTI-FREE PRESS
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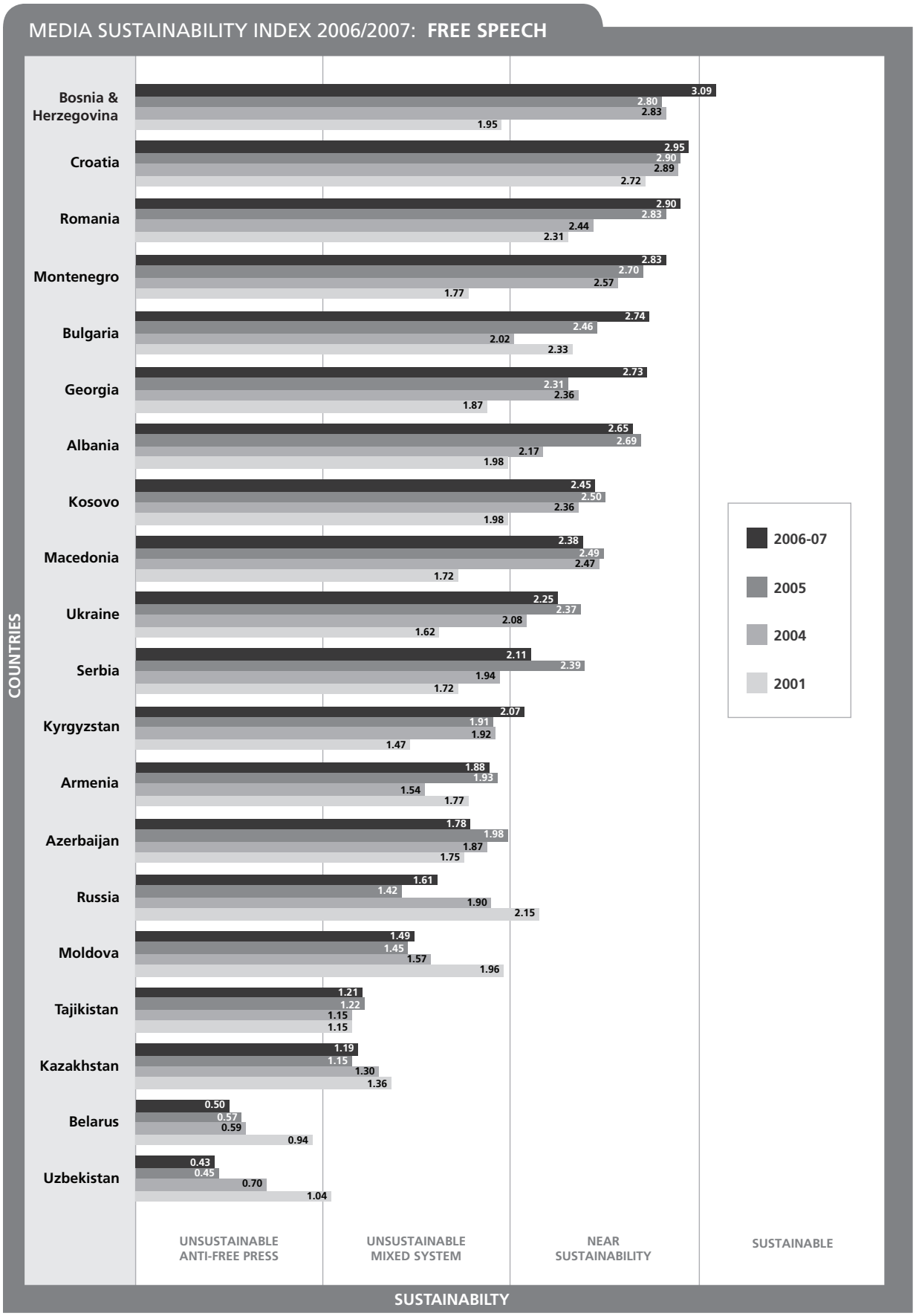
MEDIA SUSTAINABILITY INDEX 2006/2007: FREE SPEECH
COUNTRIES
Bosnia & Herzegovina
3.09
2.80
2.83
1.95
Croatia
2.95
2.90
2.89
2.72
Romania
2.90
2.83
2.44
2.31
Montenegro
2.83
2.70
2.57
1.77
Bulgaria
2.74
2.46
2.02
2.33
Georgia
2.73
2.31
2.36
1.87
Albania
2.65
2.69
2.17
1.98
Kosovo
2.45
2.50
2.36
1.98
Macedonia
2.38
2.49
2.47
1.72
Ukraine
2.25
2.37
2.08
1.62
Serbia
2.11
2.39
1.94
1.72
Kyrgyzstan
2.07
1.91
1.92
1.47
Armenia
1.88
1.93
1.54
1.77
Azerbaijan
1.78
1.98
1.87
1.75
Russia
1.61
1.42
1.90
2.15
Moldova
1.49
1.45
1.57
1.96
Tajikistan
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1.22
1.15
1.15
Kazakhstan
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Belarus
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Uzbekistan
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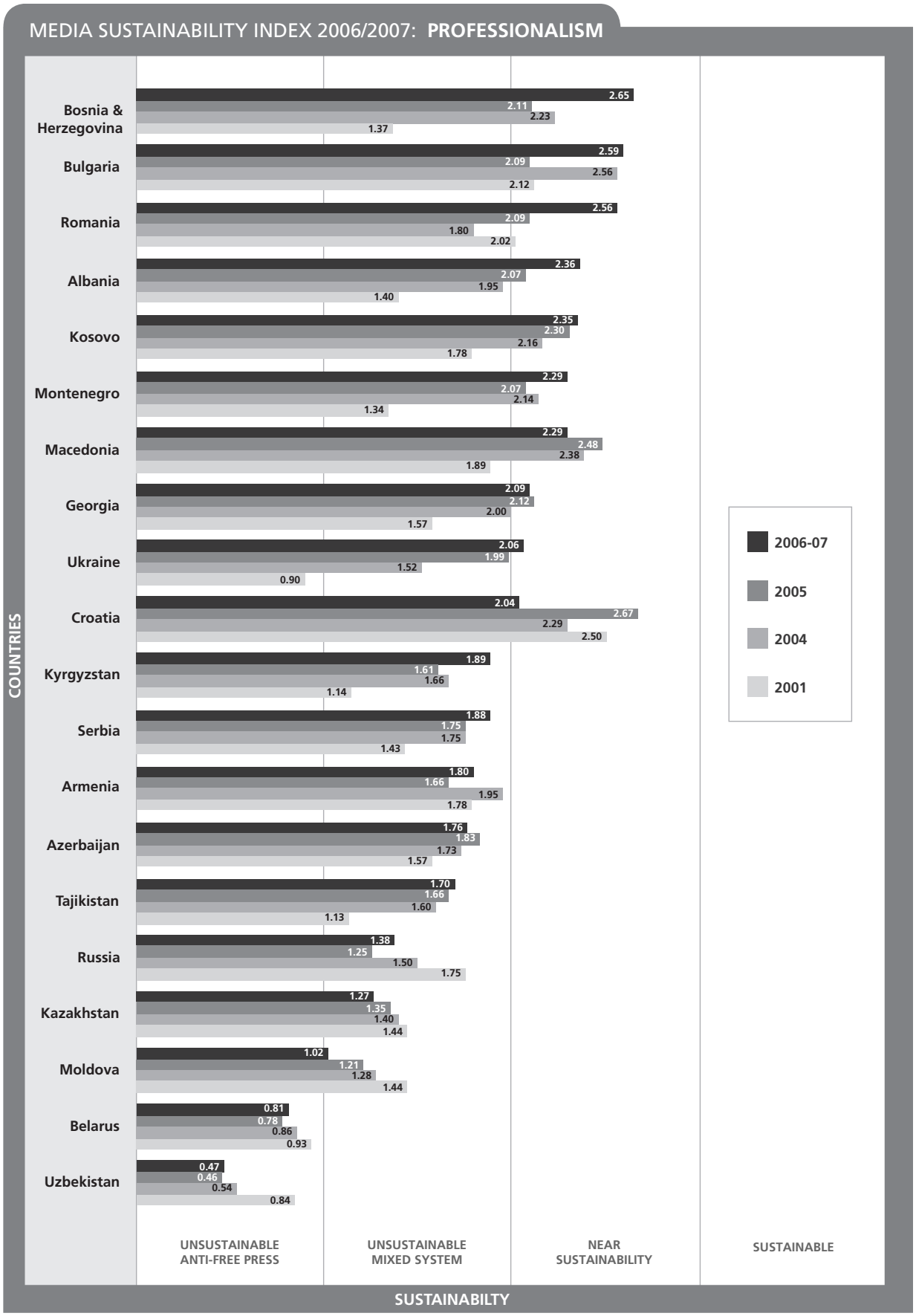
SUSTAINABILTY


MEDIA SUSTAINABILITY INDEX 2006/2007: PROFESSIONALISM
COUNTRIES
Bosnia & Herzegovina
2.65
2.11
2.23
1.37
Bulgaria
2.59
2.09
2.56
2.12
Romania
2.56
2.09
1.80
2.02
Albania
2.36
2.07
1.95
1.40
Kosovo
2.35
2.30
2.16
1.78
Montenegro
2.29
2.07
2.14
1.34
Macedonia
2.29
2.48
2.38
1.89
Georgia
2.09
2.12
2.00
1.57
Ukraine
2.06
1.99
1.52
0.90
Croatia
2.04
2.67
2.29
2.50
Kyrgyzstan
1.89
1.61
1.66
1.14
Serbia
1.88
1.75
1.75
1.43
Armenia
1.80
1.66
1.95
1.78
Azerbaijan
1.76
1.83
1.73
1.57
Tajikistan
1.70
1.66
1.60
1.13
Russia
1.38
1.25
1.50
1.75
Kazakhstan
1.27
1.35
1.40
1.44
Moldova
1.02
1.21
1.28
1.44
Belarus
0.81
0.78
0.86
0.93
Uzbekistan
0.47
0.46
0.54
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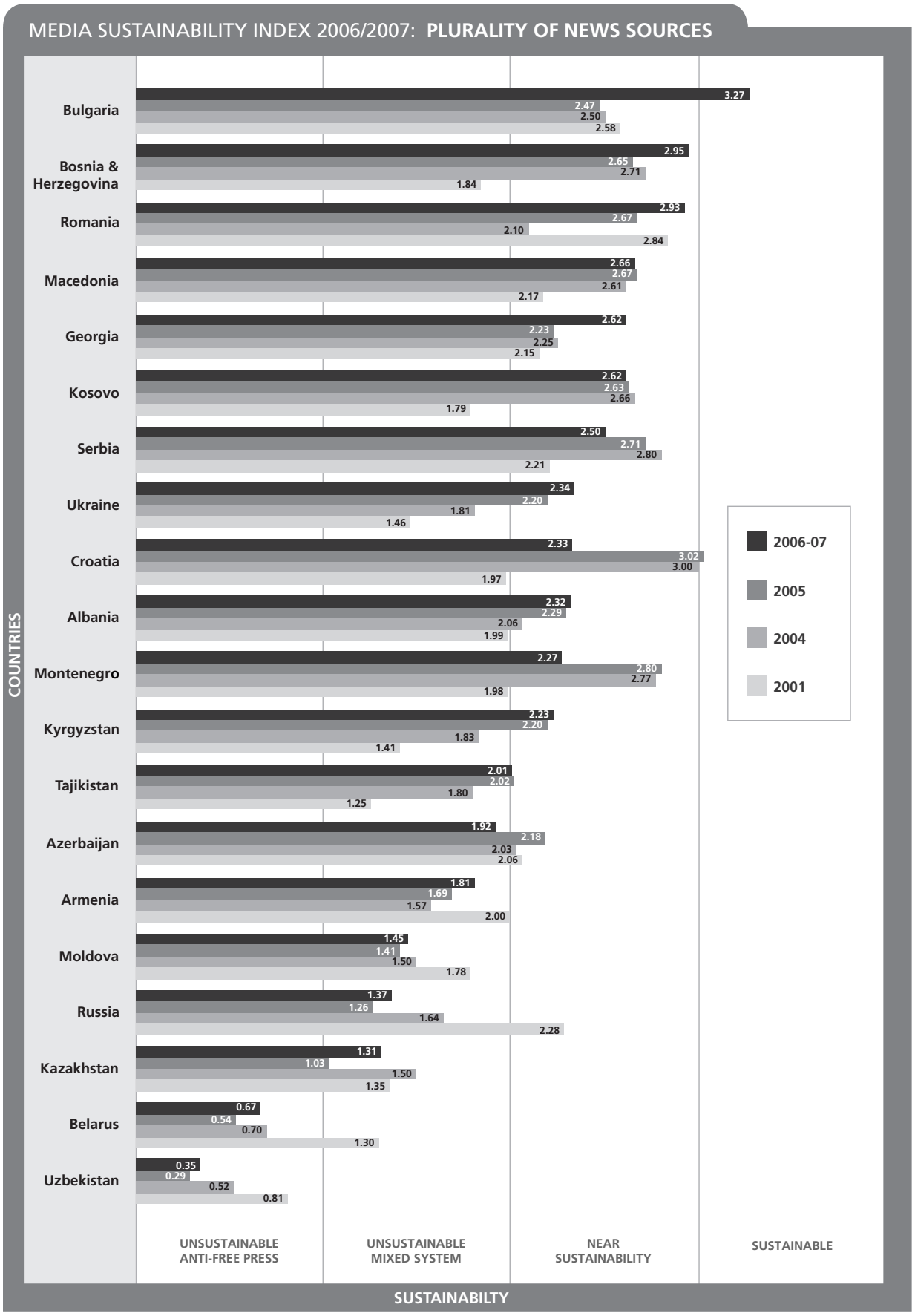
MEDIA SUSTAINABILITY INDEX 2006/2007: PLURALITY OF NEWS SOURCES
COUNTRIES
Bulgaria 3.27 2.47 2.50 2.58
Bosnia & Herzegovina 2.95 2.65 2.71 1.84
Romania 2.93 2.67 2.10 2.84
Macedonia 2.66 2.67 2.61 2.17
Georgia 2.62 2.23 2.25 2.15
Kosovo 2.62 2.63 2.66 1.79
Serbia 2.50 2.71 2.80 2.21
Ukraine 2.34 2.20 1.81 1.46
Croatia 2.33 3.02 3.00 1.97
Albania 2.32 2.29 2.06 1.99
Montenegro 2.27 2.80 2.77 1.98
Kyrgyzstan 2.23 2.20 1.83 1.41
Tajikistan 2.01 2.02 1.80 1.25
Azerbaijan 1.92 2.18 2.03 2.06
Armenia 1.81 1.69 1.57 2.00
Moldova 1.45 1.41 1.50 1.78
Russia 1.37 1.26 1.64 2.28
Kazakhstan 1.31 1.08 1.50 1.35
Belarus 0.67 0.54 0.70 1.30
Uzbekistan 0.35 0.29 0.52 0.81
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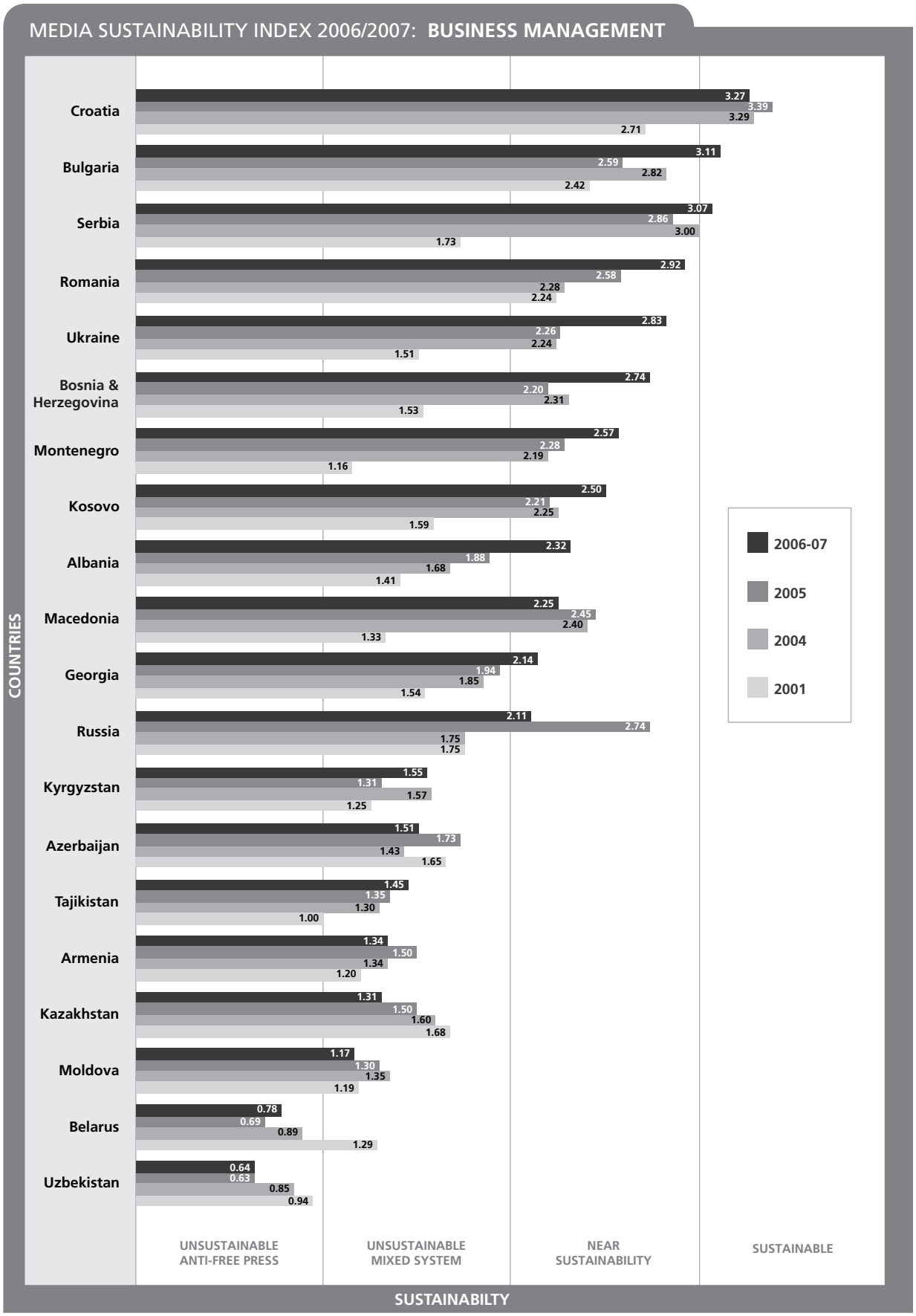
MEDIA SUSTAINABILITY INDEX 2006/2007: BUSINESS MANAGEMENT
COUNTRIES
Croatia
3.27
3.39
3.29
2.71
Bulgaria
3.11
2.59
2.82
2.42
Serbia
3.07
2.86
3.00
1.73
Romania
2.92
2.58
2.28
2.24
Ukraine
2.83
2.26
2.24
1.51
Bosnia & Herzegovina
2.74
2.20
2.31
1.53
Montenegro
2.57
2.28
2.19
1.16
Kosovo
2.50
2.21
2.25
1.59
Albania
2.32
1.88
1.68
1.41
Macedonia
2.25
2.45
2.40
1.33
Georgia
2.14
1.94
1.85
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Russia
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Kyrgyzstan
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Azerbaijan
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Tajikistan
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Armenia
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Kazakhstan
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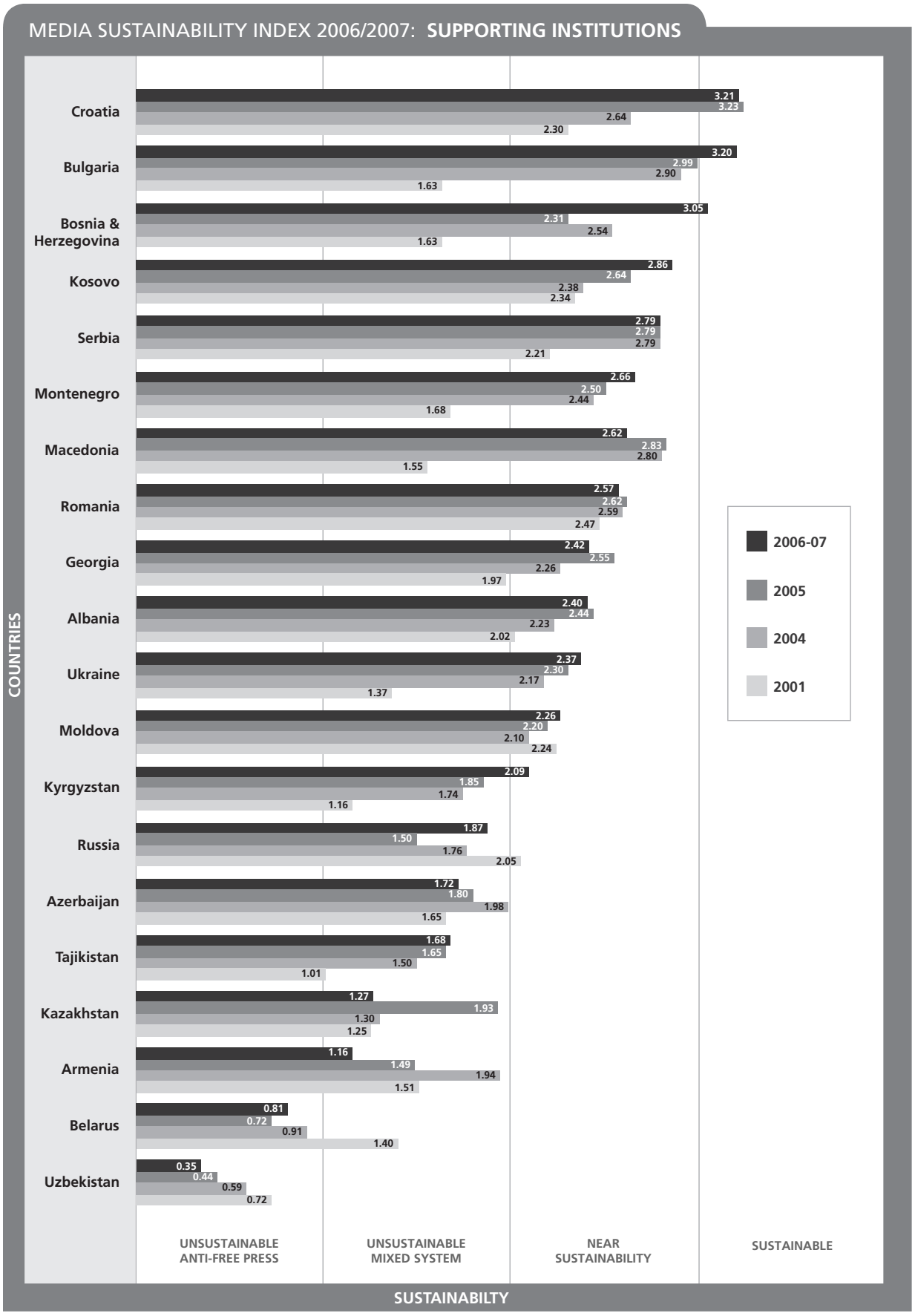

MEDIA SUSTAINABILITY INDEX 2006/2007: SUPPORTING INSTITUTIONS
COUNTRIES
Croatia
3.21
3.23
2.64
2.30
Bulgaria
3.20
2.99
2.90
1.63
Bosnia & Herzegovina
3.05
2.31
2.54
1.63
Kosovo
2.86
2.64
2.38
2.34
Serbia
2.79
2.79
2.79
2.21
Montenegro
2.66
2.50
2.44
1.68
Macedonia
2.62
2.83
2.80
1.55
Romania
2.57
2.62
2.59
2.47
Georgia
2.42
2.55
2.26
1.97
Albania
2.40
2.44
2.23
2.02
Ukraine
2.37
2.30
2.17
1.37
Moldova
2.26
2.20
2.10
2.24
Kyrgyzstan
2.09
1.85
1.74
1.16
Russia
1.87
1.50
1.76
2.05
Azerbaijan
1.72
1.80
1.98
1.65
Tajikistan
1.68
1.65
1.50
1.01
Kazakhstan
1.27
1.93
1.30
1.25
Armenia
1.16
1.49
1.94
1.51
Belarus
0.81
0.72
0.91
1.40
Uzbekistan
0.35
0.44
0.59
0.72
2006-07
2005
2004
2001
UNSUSTAINABLE ANTI-FREE PRESS
UNSUSTAINABLE MIXED SYSTEM
NEAR SUSTAINABILITY
SUSTAINABLE
SUSTAINABILTY

Changes over the past year have been largely incremental, both for better and for worse for the region's media sector and its ability to provide news and information independently and professionally. More dramatic are the changes recorded over the past six years of MSI rankings. An analysis shows that while a burst of "color revolutions" and "near" revolutions changed the media

landscape in several countries in 2004 and early 2005, 2006 witnessed the slow but steady consolidation of longer-term processes.

IREX prepared the Media Sustainability Index (MSI) in cooperation with the United States Agency for International Development (USAID) as a tool to assess the development of independent media systems over time and across countries. IREX staff, USAID, and other media development professionals contributed to the development of this assessment tool.

The MSI assesses five "objectives" in shaping a successful media system:

1. Legal and social norms protect and promote free speech and access to public information.

2. Journalism meets professional standards of quality.

3. Multiple news sources provide citizens with reliable and objective news.

4. Independent media are well-managed businesses, allowing editorial independence.

5. Supporting institutions function in the professional interests of independent media.

These objectives were judged to be the most important aspects of a sustainable and professional independent media system and served as the criteria against which countries were rated. A score was attained for each objective by rating seven to nine indicators, which determine how well a country meets that objective. The objectives, indicators, and scoring system are presented below.

The scoring is done in two parts. First, a panel of experts is assembled in each country, drawn from representatives of local media, nongovernmental organizations (NGOs), professional associations, and media-development implementers. Panel participants are provided with the objectives and indicators and an explanation of the scoring system. Each panelist individually reviewed the information and scored each objective. The panelists then assembled to discuss the objectives and indicators, and to devise combined scores and analyses. The panel moderator, in most cases a host-country media or NGO representative, prepares a written analysis of the discussion, which is subsequently edited by IREX representatives.

The panelists' scores are reviewed by IREX, in-country staff and/or Washington, DC, media staff, which then score the countries independently of the MSI panel. Using the combination of scores, the final scores are determined. This method allows the MSI scores to reflect both local media insiders' views and the views of international media-development professionals.

A. Objectives and Indicators

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.

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.

> Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.

> Quality niche reporting and programming exists (investigative, economics/business, local, political).

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.

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.

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.

B. Scoring System

I. Indicator Scoring

Each indicator is scored using the following system:

0 = Country does not meet the indicator; government or social forces may actively oppose its implementation.

1 = Country minimally meets aspects of the indicator; forces may not actively oppose its implementation, but business environment may not support it and government or profession do not fully and actively support change.

2 = Country has begun to meet many aspects of the indicator, but progress may be too recent to judge or still dependent on current government or political forces.

3 = Country meets most aspects of the indicator; implementation of the indicator has occurred over several years and/or through changes in government, indicating likely sustainability.

4 = Country meets the aspects of the indicator; implementation has remained intact over multiple changes in government, economic fluctuations, changes in public opinion, and/or changing social conventions.

II. Objective and Overall Scoring

The averages of all the indicators are then averaged to obtain a single, overall score for each objective. Objective scores are averaged to provide an overall score for the country. IREX interprets the overall scores as follows:

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.

SOUTHEAST EUROPE

Albania has continued to witness improvement in the media sector since the first Media Sustainability Index (MSI) conducted in 2001. With a score of 2.41, the media sector shows improvement yet remains far from sustainability. The 2006/07 MSI showed improvements in professionalism and business management, most notably, while the other objectives—free speech, plurality of news sources, and supporting institutions—remained relatively stable.

ALBANIA

OVERALL SCORE: **2.41**

Albania has continued to witness improvement in the media sector since the first Media Sustainability Index (MSI) conducted in 2001. With a score of 2.41, the media sector shows improvement yet remains far from sustainability. The 2006/07 MSI showed improvements in professionalism and business management, most notably, while the other objectives—free speech, plurality of news sources, and supporting institutions—remained relatively stable.

Albanian political life has been characterized by political tensions since 2005, when the democrats of Prime Minister Sali Berisha returned to power after successfully challenging the socialists led by then Prime Minister Fatos Nano. The struggle against corruption remains one of the main challenges of the democrats. Analysts believe that if they cannot address this issue, the public dissatisfaction that brought them to power might turn against them.

The tools and style the government has used to fight corruption and organized crime have been the subject of numerous criticisms, voiced not only by political opposition, but also by civil society. After a promising start, attributed mainly to the arrest of several criminal gangs, the government of Prime Minister Berisha, according to many critics in the country, is increasingly inclined toward authoritarian rule that excludes other political factions. The government and the ruling majority have started to view the battle against these phenomena as their own struggle, leaving out civil society and other parties. This has led to criticism that the battle against corruption will be waged as an extension of politics in order to make political points against opponents, rather than to attack corruption in a nonpartisan manner. The dissatisfaction of an increasing portion of public opinion with the reemergence of authoritarian tendencies was reflected in the local elections of February 2007, where the opposition won most of the municipalities in the largest urban areas in the country.

The political debate on media freedom started to further intensify in late 2006 and in early 2007, when in the name of the war against tax evasion, the tax police audited one of the most powerful media companies in the country and its television station, Top Channel. Because the effort exceeded the legally allowed period and was limited to just this media company, which opposes the government, it is commonly viewed as political.

At the same time, a statement of Prime Minister Berisha caused concern and tension. He spoke of the war the government must wage against those media that serve the mafia. Berisha did not provide any names or facts, but to many it seemed clear he referred only to those media that criticized him and the government. The statement was met by a protest of tens of thousands of citizens in the capital's main square. This was followed by a lively controversy on the licensing of digital broadcasting. Digital broadcasting has started

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):** $5.799 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $5,880 (World Bank Development Indicators, 2007)

> **Literacy rate:** 98.7% (99.2% male, 98.3% female) (2003 est., *CIA World Factbook*)

> **President or top authority:** Prime Minister Sali Berisha (since September10, 2005)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** Approximately 150 print outlets; 86 radio and television stations (*Albanian Media Institute*)

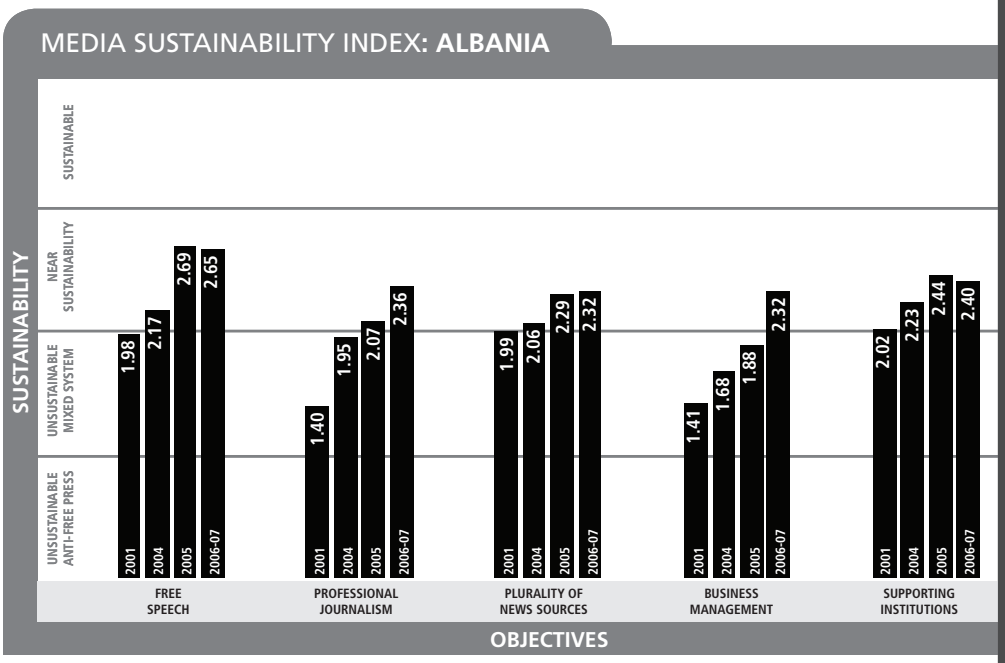
> **Newspaper circulation statistics:** Approximately 75,000. *Shekulli* is the largest daily paper with 20,000 copies (*Albanian Media Institute*)

> **Broadcast ratings:** highest-rated television outlets: Top Channel, TVSH, TV Klan (*Institute for Statistics and Opinions*)

> **News agencies:** ATSH (Albanian News Agency), ALNA, ALP (*Independent News Agency*)

> **Annual advertising revenue in media sector:** Approximately $15 million (*Albanian Media Monitor 2004*)

> **Internet usage:** 75,000 (2005 est., *CIA World Factbook*)



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.

to develop in Albania over the past four years, and its most spectacular result is the private television station Top Channel and the platform DigitAlb, although there also have been unsuccessful initiatives. Top Channel is today the most highly viewed television station (about 70 percent of the audience), and the same is true for the platform DigitAlb. However, the licensing regime for digital broadcasting is not developed. The bill proposed by the government has encountered strong opposition, as it was perceived as an act that, in the guise of rendering formal digital broadcasting, aims to strike Top Channel and DigitAlb to reduce criticism against government on one hand, and, on the other hand, to support other pro-government investments in the area of digital broadcasting. The swift and nontransparent proceedings of the bill through parliament led to opposition even from within the majority. In the end, the bill could not gather a simple majority, and the ruling majority was forced to go back to the parliamentary commission on media to reexamine the bill.

OBJECTIVE 1: FREE SPEECH

Albania Objective Score: 2.65/4.00

The objective of freedom of expression was relatively unchanged over the past year. The panelists noted that the problem does not lie with the lack of legislation or inadequate legal protections, but rather with poor implementation of laws. Panelists felt that it also should be noted that social norms in Albania support freedom of expression.

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.

"We do not have any direct crimes against journalists, but in an indirect manner, there are journalists that have been punished for the work they have done—for example, by removing their relatives from their jobs in the public sector if they appear to be critical to government," said Bashkim Hoxha.

"It's not that there are no laws in Albania; the problem is that the laws are not implemented," said Iris Luarasi. To some of the participants the lack of implementation of laws has started to damage professional standards and the media's reputation, due to significant abuses of freedom of speech. These abuses frequently have led to intrusion into citizens' private life. One of the sources of this abuse emanates from the political battles in the country. Political parties have supported the establishment of media, which, guised as "independent" from the political forces they support, often attack the private life of political rivals and critics to the party or government. Often the main casualty of this media blackmail are opposition or independent journalists.

Participants were critical of licensing standards. To Musa Ulqini, a member of the Parliamentary Commission on Media, there has been a deterioration in the transparency in the work of the National Council of Radio and Television (NCRT), the body that allocates radio and television licenses. Even though NCRT is a body dependent on the parliament of Albania, recently there has been a tendency for this institution to make decisions that are not transparent and that tend to overlap with the narrow interests of the executive.

For example, there has been a debate on the licensing of a Tirana local television station by NCRT. In addition to the charges of favorable treatment and corruption in the process, many media that criticize the government believe this license was granted to increase the number of pro-government stations in order to compete with stations that criticize the ruling party (such as independent television station News 24). "We in the Parliamentary Commission on Media have not had any explanation from NCRT directors on this new license that has been granted recently," said Ulqini. Most of the panelists thought that the activity of NCRT and its decision-making are increasingly being affected by political factors. "NCRT, similarly to the Steering Council of Public Television, is the main body that regulates media, and these bodies have experienced for years now pressure from politics; and if the

"It's not that there are no laws in Albania; the problem is that the laws are not implemented," said Iris Luarasi. To some of the participants the lack of implementation of laws has started to damage professional standards and the media's reputation, due to significant abuses of freedom of speech. These abuses frequently have led to intrusion into citizens' private life.

situation does not change, this will not lead us anywhere" said Fatos Baxhaku, one of the most famous journalists in the country.

In the summer of 2006, one of the controversies was an attempt by the government and Prime Minister Berisha to change the structure and composition of NCRT by decreasing the number of members from seven to five. The proposal that NCRT members should not be politically balanced (there would be three nominations from the opposition, three from the government, and one from the President of the Republic) but should originate from civil society and be voted met with strong opposition. This reform, which Prime Minister Berisha justified with the excuse of "small government" and as an attempt to depoliticize the regulatory bodies of the media, was considered by the opposition, as well as from part of the civil society, as a government attempt to better control NCRT's decision-making. For the government's critics, who were considerable, the decrease in number of NCRT members rendered this control even easier. The government was forced to consider the demands of the opposition and civil society and to go back to the previous formula of seven members for NCRT, with a balance among majority, opposition, and President of the Republic. However, even though the agreement has been made for a while now, the parliament has not yet voted on the amendment and NCRT continues to work with five members.

The licensing of digital broadcasting also became a political issue. While being backward in many other aspects, Albania has developed digital broadcasting. The pioneer of this movement has been the media company DigitAlb, which also owns the most powerful private television station in the country, Top Channel. Similarly to analogue broadcasting before it, digital broadcasting appeared in the absence of proper regulations. The government's initiative to pass in the parliament a law for digital broadcasting sparked strong controversy and resistance, not only from the existing operators, but also from the political opposition. According to the critics, under the guise of fairness and the war against monopolies, the government is trying to fight the company DigitAlb by reducing its number of frequencies for the existing digital platforms from four to one. According to the opponents, the government aims to hit one of the most powerful media voices and at the same time to encourage the entry into the market of more government-friendly media. The suspicions increased due to the fact that the government tried to approve the bill on digital broadcasting very quickly, in just a few days, without consulting with all interested groups. It was for this reason that the law could not pass in the parliament and was returned for discussion to the Parliamentary Commission on Media.

The panelists' opinion was that compared to the early years of transition there are no more crimes against journalists, such as murders, beatings, or imprisonment. But this does not in any way mean that there is no hidden pressure or indirect violence against them. "We do not have any direct crimes against journalists, but in an indirect manner, there are journalists that have been punished for the work they have done—for example, by removing their relatives from their jobs in the public sector if they appear to be critical to government," said Bashkim Hoxha. This was also the opinion of Baxhaku when he stressed that "there is a more sophisticated political and administrative violence against journalists, even though this may not qualify as an offense according to the definitions in the penal code." For some other participants, the most frequent crime against the profession of journalists is denial of public information, in spite of this being legally guaranteed. "The most frequent crime against journalists is abuse of duty of some public officials that refuse to provide information and hinder the physical access of journalists in public institutions," said Genti Ibrahimi, a lawyer with expertise in media issues.

The panel also addressed the recent conflict between the government and the television station Top Channel concerning audits of the activities of DigitAlb company that the financial police carried on for more than six months. The government and Prime Minister Berisha have justified this as a routine procedure carried out in the name of the fight against tax evasion. The fact that these controls have been going on for a long time and are taking place only in those companies that criticize the government while excluding any government-friendly media raises the specter of a campaign against unfriendly media, according to many. "It is clear that the fiscal controls in DigitAlb company are selective and have discriminatory political aims," said Genc Ymeraj, a journalist at local television station News 24.

To some of the panelists, the media business does not suffer discrimination compared with other businesses in the country. Newspapers, in particular, are more favored, as they are exempt from value-added tax (VAT) for advertisement or for imported paper. However, with regard to the business of electronic media, the opinions were clearly divided. To Lutfi Dervishi, a well-known journalist in the country, "a common car tire service in Tirana does not pay fewer taxes than a television station," but to Hoxha, owner of one of the most popular local television stations, things are different. "Television stations pay higher taxes than some businesses do: they pay an annual license fee to NCRT, one to the Regulatory Entity of Frequencies (REF), and one to the tax office," said Hoxha. However, most of the panelists agreed that although it cannot be asserted that media business does not suffer discrimination, neither can it be said that it is favored.

Kujtim Porja, one of the managers of a local television station in Mati, said: "No government has ever enabled favorable conditions for local stations, and Mat TV pays more taxes than some other big enterprises in that area do." The panel made it clear that local media face far bigger difficulties and find themselves in a completely different position than that of capital-based media or media based in the largest cities in the country. This is also due to the fact that development of business and market distribution have not been equal in the whole territory. Because of the highly disrupted geographical relief, the lack of roads, and the lack of electrical energy supply, the business is significantly less developed in the northeastern area and significantly more intense in the Western plain next to the coast. The media located in the Western plain have had more ample opportunities to benefit from a much richer advertising market, which is not the case for the media located in other distant areas. In these areas, the "mortality rate" of media is much higher; an indication is the extinction of local newspapers. While the municipalities and communes are gaining more governing competencies, the decline of local media would lead to a vacuum in the information of citizens on the work of local public officials. Ulqini said that the Albanian parliament was familiar with this problem and that it had a project aiming to foster the development of media in the northeastern area, which is expected to start soon.

The panelists said that the public television station, TVSH, is not unduly favored by the government over private media, but it continues to position itself as pro-government to some extent. The appointment of TVSH directors continues to remain a monopoly of the party in power. This leads to a situation where as soon as the political power changes, TVSH starts a process of sacking its employees and journalists and, parallel to this, hiring other journalists or employees who are perceived as being loyal to the ruling party. According to Ymeraj, "More than 80 employees were fired from TVSH, including 10 journalists known to be of leftist convictions, while other people were hired, who were not so much known for their professional standards rather than for their sympathy to the ruling party and the government." This situation was also confirmed by Aleksandër Çipa, a well-known journalist and president of the Union of Albanian Journalists. According to Çipa, "There are numerous lawsuits of the employees sacked from TVSH and Albanian Telegraphic Agency (ATSH) in District Court of Tirana."

Naturally, this change of employees, forced by the change of power, has deeply affected the quality of activities of these public media institutions. It is a fact that due to the decreasing programming quality, the public television station, in spite of enjoying the largest coverage in the country compared with other national commercial stations, has a significantly lower audience. One of the panelists said in disappointment that "commercial televisions are putting down the public television and absorbing all the audience in the same way as supermarkets are putting down the groceries stores dating back from communism and kiosks by absorbing all the buyers."

The panel expressed its concern that the issues of defamation and libel are not yet properly regulated. In Albania, public officials enjoy higher protection than journalists do. The fact that the offended side or the public official does not have the burden of proof for what the journalist has written or said is unfair, and purposefully so. Quite the opposite, the burden of proof rests with the journalist. "A recent survey has shown that the case law of Albanian courts has requested the journalist to prove the truthfulness of what he said or wrote in about 50 percent of the cases," said Ibrahimi. This practice goes against the fundamental principle of the criminal code, which says that the plaintiff (the public official, in this case) also must have the burden of proof. Although Prime Minister Berisha has publicly announced that his administration will not sue any journalists for defamation or libel, this is not a definitive solution to the problem. Meanwhile, in the Albanian criminal code, defamation and libel are not yet decriminalized, although a bill for decriminalization of libel has been resting in the drawers of the Albanian parliament for more than a year.

How accessible is public information? The panelists thought that no faults could be found when it comes to legislation. However, the same is not true for its implementation. "The isolation of bureaucracy and that of the administration is present," said Çipa, indicating that bureaucrats avoid journalists. He added that there have been more than 10 cases when he has signed papers requesting information from ministries and directorates. Not only has he not received the

information he demanded, but he did not even receive an official reply to his demands. However, the participants in the roundtable emphasized that part of the responsibility for this situation also lies with the journalists. They are still unable to properly explore the rights they are entitled to by the law on access to public documents. Public officials' failure to supply public information is a crime, yet there are no cases of lawsuits against public officials. This shows that journalists are not yet aware of how to confront public officials with the law and hold them legally liable when access to information is denied. "If they will be able to properly use the rights the law on access to information grants them, I think it would be easier for them to receive that information," said Andi Tela, editor-in-chief of one of the country's biggest dailies.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Albania Objective Score: 2.36/4.00

The standards of professional journalism have witnessed steady progress since 2001, rising to 2.36 from 1.40 in 2001. However, it is clear that professional standards are not sufficiently sustainable and remain threatened by the interaction of other factors, such as politics and business.

Although it has been more than 10 years since a code of conduct for journalists was approved, few journalists or media refer to this code. In many cases, low salaries encourage journalists to accept bribes and produce commissioned stories. As Dervishi sarcastically said, "There are journalists that do not accept the bribe only in those cases when it is not lucrative enough." Most of the panelists said that one of the main causes of violation of professional ethics must be sought also in the fact that there is not yet an institution that would force its implementation. Even the Board of Ethics, established more than a year ago, does not indicate that there will be any changes in this respect.

It can safely be asserted that media in Albania are free and that journalists are not yet fully free of self-censorship. There might be different causes for this, but the most influential factors may include the interests of media owners, which lately have mingled even more with the interests of the different political wings. To Tela, editor-in-chief of one of the largest dailies in Albania, the situation is alarming: even he, in spite of being editor-in-chief, is forced to apply self-censorship, being aware of the political preferences of the media owners. However, a similar situation is also reflected among the reporters, who start to censor themselves in relation to the news, distancing themselves from the truth. To the panel participants, the threat of firing journalists because of their duty—publishing news and articles not in accordance with the political preferences of media owners—is always present. Journalists have not yet managed to secure the institutional protection that would render it impossible for media owners to retaliate and would force them to agree with the pluralist nature of a free media. However, there are also occasions when journalists are forced to resort to self-censorship, due to the genuine economic interests of the newspaper or station. The classical case is that of the campaign held during 2006 by civil society (the Mjaft movement and the Albanian Coalition against Corruption) against the high monopolistic tariffs applied by the only two mobile telephony companies in Albania. The organizers encountered great difficulties in conveying their public messages through the media. Most of the daily newspapers and the television stations did not agree to publish articles or news on the protests. The excuse was that these two companies are among the biggest advertisers, and as such they threatened the media that they would withdraw the ads. In fact, they did withdraw the ads from those media that dared to report on the protests, as was the case with television station News 24.

The wages of Albanian journalists do not seem to be lower than those of employees in other areas. On the contrary, for some categories of journalists, like columnists, the wages are rather high. However, the panelists could not help but notice a contradiction that was extensively debated: the fact that although the salaries are satisfactory, the change of profession is spread among journalists. "The number of journalists that have 10 to 15 years of experience is decreasing, and this drain of experienced and trained persons cannot help but result in lower professional quality," stressed

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

Dervishi. In fact, the drain of journalists is increasingly being associated with the change of political power after elections. Many of the well-known names of journalism have started working in public administration or have entered into politics. Luarasi attributes this to the challenges of journalism as a profession. One factor is also job insecurity. This is how Çipa explains the drain in journalism: "A recent study has shown that in the last five years the longest job position of an editor in one place did not exceed six months." To many of the panelists, this situation is also due to the fact that the media market is not regulated, meaning that most Albanian journalists continue to lack work contracts. This means they are entirely defenseless, with few legal rights to seek legal redress if the owners violate their rights. The only positive development that gives hope in this area is the establishment of the Union of Albanian Journalists. The Union, after signing an agreement with the Ministry of Labor, is determined to obtain work contracts for all Albanian journalists.

With regard to the level of salaries of journalists as a barrier against corruption, the panel showed different opinions. To some, the salaries are sufficiently high for journalists not to be corrupted; to others, this is not true. In the end, the consensus was that when compared with the majority of citizens, the salaries of journalists are at a level that does not render their corruption a necessity for existence. The existence of this corruption, highly present among journalists, is rather a result of greed, not survival. The panelists also stressed the fact that the salaries of journalists in local media are significantly lower than those of journalists based in the large cities.

In Albanian media, entertainment programs generally do not overshadow news. In fact, news has priority both in print and electronic media. In addition, the panelists noted that the news on political developments still constitutes the main focus in the media. With regard to equipment and technique, it can be said that along with a gradual improvement, there is a widening gap between the technical developments in the capital and some other cities and the technical backwardness in the local media. Even though the local media have experienced some progress compared with a year ago, the media based in larger cities, where the advertising market is larger, are developing at a quicker pace. Panelists said it seemed like the media are subjugated to an unwritten law, according to which the technical level of the media equipment is equally proportionate to the distance from the capital. So, while in a distant area like Koplik you see a television station that still broadcasts in VHS format, in Tirana you see a station like Top Channel that works with digital technology.

The panelists stressed that there is a trend to specialize news reporting in separate beats of politics, sports, culture, or business. However, political news coverage has retained its priority in the country's media, while news such as business and economics needs further professionalization. With regard to investigative journalism, there are some trends of its development, especially of the journalistic investigations related to the abuse of public funds and administration corruption. Presently there are some programs, like the weekly "Hapur," supported by IREX, that are devoted to investigating corruption even in the most remote areas of the country and are broadcast by Albanian public television, News 24 television station, and 20 other local stations. Another program is "Fiks Fare," broadcast by Top Channel. The program is rather successful because it intertwines elements of investigative journalism, candid cameras, humor, and entertainment.

In Albanian media, entertainment programs generally do not overshadow news. In fact, news has priority both in print and electronic media. In addition, the panelists noted that the news on political developments still constitutes the main focus in the media.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Albania Objective Score: 2.32/4.00

The panelists were more optimistic than in previous years during the discussion of problems related to the plurality of news sources and media in the country. However, the challenges to Albanian media remain numerous even in this aspect.

One of the most acute problems that the panelists mentioned was Internet penetration. Internet penetration in the rural areas remains very low, compared with the urban ones. Another old and untreated problem is that newspapers do not reach the countryside. According to Ulqini, member of parliament and member of the Parliamentary Commission on Media, over 60 percent of the population in the rural areas cannot buy a national newspaper every day, since the distribution network cannot reach them. There are also problems with regard to the coverage of the country's territory with television signals. Hence, although the Albanian public television station, TVSH, has a larger coverage than all other private television stations, it does not cover 20 percent of the territory.

"Albanian public television is the continuity of the state (government) television under a new name." He explained that it is paradoxical to see how the public interest is the first to be neglected by a television called "public."

On the other hand, due to the concentration of the most powerful private stations—mainly in the Western plain—about 60 percent of the population cannot even watch the commercial television stations. This situation is upsetting because it concerns the proper informing of citizens; in spite of the significant demographic changes the country is experiencing, a large percentage of the population (about 50 percent) still live in the rural areas.

According to the panelists, generally there is an improvement in citizens' opportunities to contact foreign media, mainly in the rural areas. Meanwhile, strong criticism was aimed at public television. To many of the panelists, there is no progress in transforming the state television station into a genuine public television station. To Hoxha: "Albanian public television is the continuity of the state (government) television under a new name." He explained that it is paradoxical to see how the public interest is the first to be neglected by a television called "public." The news editions of this television station almost cannot be distinguished from the ones broadcast in commercial stations. They start with news on the activities of government and political parties, neglecting the real problems that concern the citizens. The participants in the panel also were concerned about the fact that the public television is forced to change its new management and part of the editorial staff every time there is a change of government. This is another indicator of governments' attempts to take control of public television for their narrow political interests and not to serve the public interest.

The panelists stated that there are no positive developments with regard to news agencies. Only the state news agency, ATSH, is operating in Albania, while some other initiatives to establish commercial news agencies that started some years ago have failed.

Almost all television stations (including the local ones) produce their own news, a positive development. Meanwhile, regress is evident when it comes to radio stations. A majority of them have given up producing news. Out of about 40 existing radio stations today in Albania, only four broadcast their own news. All the rest generally broadcast only music and entertainment. To Luarasi, this is an upsetting phenomenon. According to Luarasi: "The renouncement of many radios from broadcasting news renders the situation of informing the citizens even more severe in those urban areas that are not reached by newspapers or the signals of public or commercial televisions."

With regard to media ownership, what is most worrying is not the ownership itself but rather the nature of financial sources for media in Albania. No transparency has been carried out on the origin of media capital. This has provided ample room for political speculation that is itself damaging to the credibility of the media. The media and politics are still debating Prime Minister Berisha's declaration that the mafia has established its own media. Unsupported by evidence, this declaration led to the rise of strong suspicions among the opposition, but also in a part of the media, that under the guise of the war against mafia the prime minister aims to put pressure on and strike those media that are critical toward him.

Meanwhile, the panelists agreed that in contravention to the stipulations of the existing law on public and private media, there is a tendency toward concentration of the most powerful media in increasingly fewer hands. To some panelists, this concentration is a natural effect of the process of competition in media and will inevitably become more pronounced in the future. As one said, "the strongest media will survive; the weakest will perish." However, for some people, the process in not entirely due to the market's invisible hand, but also to the political support which that derives from the increasing proximity of media owners with different political factions. To Ymeraj, the political debate on the law on digital broadcasting stems from the harmonization of the interests of the party in power with

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.

those of the media owners who seek to challenge Top Media. According to Ymeraj, media close to the government, through the law on digital broadcasting, are trying to eliminate a platform that is at the same time their strongest rival and a strong critic of the government. "Holding the flag of the war against formality in the media, the government aims to strike the independent media and nurture those media that support it," he said.

The panelists stated that there are no obstacles in Albanian law regarding the establishment of local radio stations or television stations in minority languages. The only hindrance is related to financial sources—the lack of investors who would support these media. The situation is better when it comes to the Greek minority in the south, where there are a large number of newspapers in Greek, as well as some radio stations in the minority's villages. In addition, all branches of the public radio station, Radio Tirana, are legally obliged to broadcast at least one hour of news per day in the minorities' languages. So, in implementing the law, Radio Korça broadcasts in Macedonian, Radio Gjirokastra in Greek, and Radio Shkodra in Montenegrin. The situation of Roma minority is even more alarming. There is no radio or gazette for this community; only a magazine is published with an irregular frequency.

OBJECTIVE 4: BUSINESS MANAGEMENT

Albania Objective Score: 2.32/4.00

Although this objective has improved, the panelists' discussions revealed many problems, reflecting continuing difficulties for media to operate as profitable businesses while allowing room for editorial independence. With regard to print media, the problem of newspaper distribution has yet to be resolved. Although the agencies of press distribution have increased (now there are four of them), this has not expanded the boundaries of the press market, especially in those urban areas inhabited by a significant portion of the population. The roots of the problem do not lie solely at the still problematic road infrastructure, but also at the lack of cooperation among the swelling number of newspapers. Hence, some of the press distribution agencies have been established by some powerful newspapers, such as *Shekulli* and *Panorama*, but there is no common investment that would reduce the costs of press distribution per unit. This shows that most media do not yet function as businesses. According to Dervishi, "If the media would have been managed as genuine businesses, then the problems of press distribution would have been solved 15 years ago."

> *"Largest-circulation newspapers are not necessarily the best and most influential in conveying messages of civil education, such as surrender of weapons," said Ulqini, adding that he was still against it, because these purchases cannot help assuming the form of government support with a preferential influence on the media.*

In Albania, there are 25 daily newspapers, and in the capital alone there are about 90 printing houses of different scales. The newspapers are located in Tirana because local press is a species that has been extinct for years now. Almost none of the daily newspapers, including the largest one, which reaches a daily circulation of 25,000 copies, have managed to turn into profitable businesses. The ad revenues for newspapers remain significantly lower than the standards demand, and an ad page in Albania is sold tens of times cheaper than in other countries in the region. Similarly, the revenue from subscriptions remains low. Even the largest newspapers' subscribers do not surpass several hundred per year. According to Tela, editor-in-chief of the largest daily newspaper in the country, *Panorama*: "The largest-circulation newspapers in the country might have at most 1,000 copies in subscription per day, and the others have 200–300 subscriptions per day. However, most of the low-circulation newspapers do not have any subscription at all." However, the number of newspapers in the country continues to rise instead of fall because of bankruptcy. According to the panelists, this is understandable, because although

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 newspapers are not managed by businesses, they are financially supported by businesses that establish these newspapers in order to use them as weapons for attacks or as shields to defend themselves. In this context, where even the independent institutions of the journalists' community (associations of journalists, board of ethics, etc.) that regulate and preserve professional standards are not active, it is very difficult to speak of complete editorial independence.

This explanatory scheme for the media-business relation is also valid for electronic media. However, electronic media, especially the biggest television stations located in the capital, appear to be more successful when it comes to generating revenue from advertisement. In Albania, the advertising market is still about 15 million USD per year, and the lion's share in this market is still absorbed by the largest television stations (Top Channel, TV KLAN, TVSH), mainly based in the capital. This has led to a more stable nature of the balance sheets of these stations and to higher salaries for the journalists working in them. However, the panelists stressed that increasing advertisement in electronic media also has led to an increase in pressure of big companies on their editorial policy. According to Dervishi, there are big companies, like AMC and Vodafone, that advertise not because they need to expand the market (presently they have about 2 million subscribers), but to keep the media quiet from criticizing the high monopoly fees these two mobile telephony companies charge in the market.

State subsidies for the media were also extensively debated. The government's decision to stop advertising in newspapers and televisions for big state companies, such as Albtelekom and the Albanian Energetic Corporation, was debated by panelists. According to the panelists, there is also a ban on government ministries' notifications for job positions and public tenders. In the past, the fact that powerful public companies advertised only in those media that supported the government had been part of the political debate. This was perceived as a disguised government subsidy, consisting of about one million dollars from public funds, a payment by the government for the services it received.

However, some panelists did not assess as positive the fact that the advertising market for the media was now one million dollars lower due to these government decisions. They said it would have been better if public companies would continue to advertise in the media, based not on their political sympathies but on audience research. According to them, following the public interest and that of the public companies, they should buy advertising in those stations and newspapers that offer the largest audience in spite of their stance vis-à-vis the government at the moment. However, this development, which would be normal in a real media market, was also obstructed, some panelists think, by the fact that the newspapers' circulations and television stations' audience shares are not yet transparent and accurate, leaving ample room for favorable treatment by government in allocation of public advertisement to media. Even after this argument, Ulqini, a member of parliament and a member of the Parliamentary Commission on Media, appeared to be skeptical in relation to the public funds' advertising in commercial media. "Largest-circulation newspapers are not necessarily the best and most influential in conveying messages of civil education, such as surrender of weapons," said Ulqini, adding that he was still against it, because these purchases cannot help assuming the form of government support with a preferential influence on the media.

In Albania, studies on the advertising market are made by separate media outlets and remain quite few. With regard to the audience survey, the Institute of Surveys and Opinions (ISO) has started such a project in the past months. However, unlike some years ago, when it was supported by IREX, this institute will no longer publish audience share for all stations, but only for those stations that want to purchase its services.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Albania Objective Score: 2.40/4.00

There is a slight decrease in this objective for 2006, compared with a year ago, but this does not mean that there are no positive developments. One of the main developments is the establishment of the Union of Albanian Journalists (UAJ), which aims to fight the informality in the media market, where most Albanian journalists continue to lack labor contracts. UAJ, which has about 300 journalists from all districts in the country, is the first institution that collects regular membership fees and has distributed regular membership cards. At the end of 2006, UAJ co-signed an agreement with the Ministry of Labor, which also includes a common engagement in fighting informality in the media market. Being aware that without proper work contracts the journalists are helpless against media owners and therefore find it difficult to preserve their professional integrity, the Union has started negotiating with a number of commercial stations and newspapers to employ labor contracts. UAJ also has elevated its public profile as an organization that protects journalists' rights from any kind of violence or denial. The same cannot be said for some journalists' associations that have existed formally for years but do not have any specific activities that support journalists.

With regard to the other institutions that are supposed to support the development of professional media, the panelists addressed one of the most debated problems in 2006: the relation of the National Council of Radio and Television (NCRT) to politics. Some of the panelists stressed the increase of political influence from the government on this body, whose legal competency is the allocation and revision of licenses for radio and television stations. For some of the panelists, the recent NCRT decisions to grant a license to another local station in Tirana—which has been widely covered in many media outlets in the country—is evident favorable treatment of the media close to the government. These decisions were made after the government reduced the number of NCRT's members from seven to five, which caused powerful protests from the opposition, some media, and civil society. These events raised strong suspicions that there is a chance that NCRT will act politically and not professionally when the time comes for deciding on the re-licensing of existing stations. It is a fact that almost none of the television stations have fully respected the licensing terms. However, there is also doubt among many in the media community that NCRT will be fair with those television stations that show greater criticism toward the government.

In Albania, the media continue to receive significant public support. In spite of the cases of violation of personal privacy, the public seems to be one of the most influential factors in protecting free speech and media as the industry of free speech. This was evident some time ago when the media company Top Media found itself under government pressure and called upon the citizens to participate in a protest for the protection of media freedom. The fact that the protest organized in Tirana's main square drew tens of thousands of people, a presence not witnessed in years, indicates the public support that free media enjoy.

Regarding the professional training of journalists, the main source continues to be the journalism branch at the University of Tirana. When it comes to nongovernmental organizations (NGOs), there are two of them that support the development of independent commercial media in Albania. Since 1998, IREX has had an office in Tirana and has implemented many projects supporting free media, ranging from different kinds of training to the improvement of media legislation. IREX is increasingly focusing on building institutions that foster the development of media as an independent power, as well as in assisting development of journalism that echoes the achievements of civil society and investigative journalism that assists the fight against corruption. Another nongovernmental institution that has supported Albanian journalists for years now through training and other projects is the Albanian Media Institute (AMI). In general, this is not sufficient, as AMI and IREX are donor-dependent, meaning sustainable local training does not yet exist.

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.

Participants

Fatos Baxhaku, Journalist, *Shqip* newspaper, Tirana

Andi Tela, Editor- in- chief, *Panorama* newspaper, Tirana

Kujtim Pore, Manager, TV Mati, Mat

Lutfi Dervishi, Freelance journalist, Tirana

Iris Luarasi, Owner, Radio ime; Professor of Journalism, University of Tirana

Gent Ibrahimi, Lawyer, Tirana

Aleksander Cipa, Head, Union of Albanian Journalists, Tirana

Genc Ymeraj, Editor, News 24 TV station, Tirana

Bashkim Hoxha, Owner, Teuta TV, Durres

Musa Ulqini, Member of Parliamentary Commission on Mass Media, Tirana

Moderator

Andrea Stefani, Senior Media Advisor, IREX/Albania

The Media Sustainability Index (MSI) panel agreed, as in 2005, that the most discouraging element of the media sector in 2006 was the underdeveloped market, characterized by the population's limited purchasing power, fragmentation along ethnic lines, little interest among foreign investors, and a large number of outlets continuing to compete in a limited market. This situation was exacerbated by the privileged position of media from other countries operating in BiH.

BOSNIA AND HERZEGOVINA

OVERALL SCORE: **2.90**

BOSNIA AND HERZEGOVINA

The general elections were the most important event in Bosnia and Herzegovina for 2006. Just as in the campaign in 2002, the 2006 election campaign presented the opportunity for Bosnian politicians to use nationalistic rhetoric and obtain more votes. The three biggest ethnic political parties—the Croatian Democratic Union (HDZ), the Party of Democratic Action (SDA), and the Serbian Democratic Party (SDS)—in this campaign had strong opposition in the Croatian Democratic Union 1990 (HDZ 1990), the Party for Bosnia and Herzegovina (SBiH), and the Union of Independent Social Democrats (SNSD). The winner of this election was the SNSD, led by Milorad Dodik. SNSD captured more than 50 percent of the votes from Bosnian Serbs. Dodik, the former favorite of the international community, also used nationalistic rhetoric in this campaign. He claimed that the SNSD would protect the Republika Srpska—the Serb entity of BiH—from centralization to Sarajevo and said he would possibly organize the referendum for independence.

The best electoral result among the Bosniak population was achieved by Haris Silajdžić (SBiH), the former BiH prime minister, who responded to Dodik's claims by saying that the Bosnian Serb entity should be dissolved.

Most all reform processes in Bosnia and Herzegovina have been stalled because of these fundamentally divergent approaches that do not leave room for compromise. The police reform, which has been the main requirement for signing a Stabilization and Association Agreement (SAA) with the European Union (EU), has not yet been adopted.

Another important requirement for signing an SAA with the EU—the Law on the Public Broadcasting System of BiH (JRTS BiH)—was accepted on October 5, 2005, at the state level as well as in the Republika Srpska entity in May 2006, but it has never passed in the Parliament of the Federation B&H (the other entity comprising the federal BiH system).

Negotiation between Bosnian political parties about constitutional reforms has endured for a year under the sponsorship of the American administration and the Dayton Project—a nongovernmental organization (NGO) led by former American diplomat Donald Hays—but has not achieved substantive results. The bill with constitutional changes was rejected in the Parliament, because some parties considered that it does not go far enough.

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BOSNIA AND 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, *CIA World Factbook*)

> **Religions (% of population):** Muslim 40%, Orthodox 31%, Roman Catholic 15%, other 14% (*CIA World Factbook*)

> **Languages (% of population):** Bosnian, Croatian, Serbian (*CIA World Factbook*)

> **GNI (2006-Atlas):** $11.649 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-Atlas; PPP unavailable):** $2,980

> **Literacy rate:** 96.7% (99% male, 94.4% female) (2000 est., *CIA World Factbook*)

> **President or top authority:** Chairman of the Council of Ministers Nikola Spiric (since January 11, 2007)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 7 daily newspapers, 46 weekly and monthly newspapers, 42 television stations, 143 radio stations

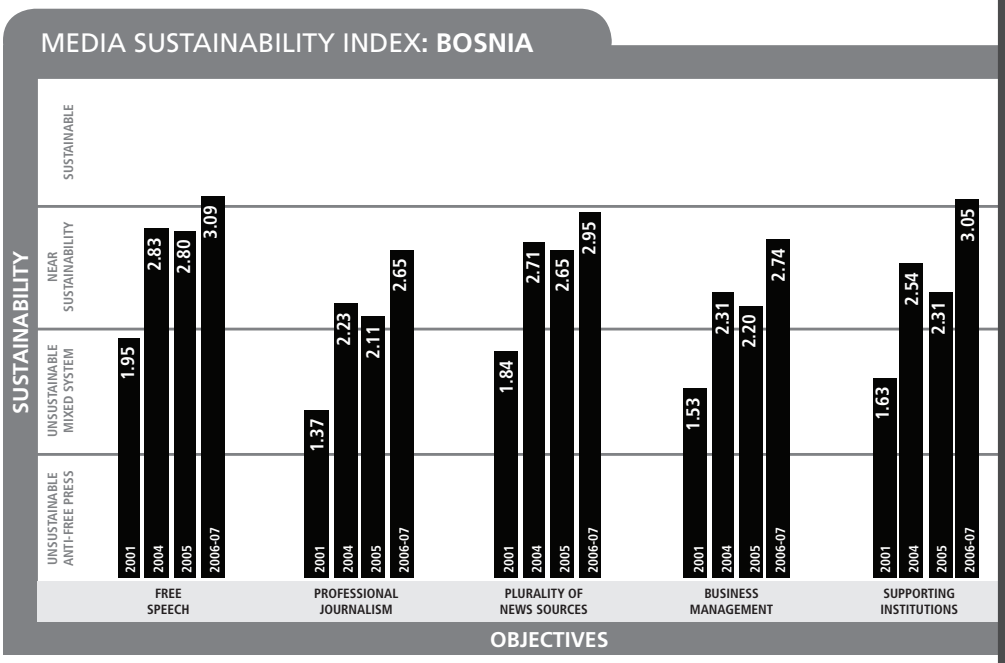
> **Newspaper circulation statistics:** Official circulation statistics are not available.

> **Broadcast ratings:** highest-rated television outlets: Federal TV (18%), Pink BiH (11.6%), Mreza Plus (11.4%) (*Mareco Index Bosnia*)

> **News agencies:** Not available.

> **Annual advertising revenue in media sector:** Not available.

> **Internet usage:** 806,400 (2005 est., *CIA World Factbook*)



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.

The Office of High Representative (OHR) had to extend its mandate for a year (until June 2008). OHR is the institution established by the Dayton Peace Agreement with the mandate to sponsor the democratization process, assume supreme legislative and administrative authority, impose laws, and discharge officials if their activities contravene the peace agreement. The High Representative—German diplomat Christian Schwartz-Schilling—has tried to use its powers as rarely as possible, insisting that Bosnian politicians should take responsibility for running the country. But Bosnian politicians have not assumed this risk. In June 2007, Schwartz-Schilling will be replaced by a new European diplomat.

The Communications Regulatory Agency (CRA) of Bosnia-Herzegovina prescribed the rules for all broadcasters in the election campaign, including a mandate that equal time be granted to all relevant political parties. Unlike broadcasters, the print media were not subject to any regulation regarding the equal treatment of political parties in electoral periods. This definitely allowed the print media to demonstrate their favorites in the election process.

The election campaign also showed that the media market remains fragmented along ethnic lines. Journalists were less critical to politicians from their ethnic group and at times caustic toward politicians from other ethnic groups.

The Media Sustainability Index (MSI) panel agreed, as in 2005, that the most discouraging element of the media sector in 2006 was the underdeveloped market, characterized by the population's limited purchasing power, fragmentation along ethnic lines, little interest among foreign investors, and a large number of outlets continuing to compete in a limited market. This situation was exacerbated by the privileged position of media from other countries operating in BiH.

OBJECTIVE 1: FREE SPEECH

Bosnia Objective Score: 3.09/4.00

The legal frame that regulates the media issues in Bosnia and Herzegovina is based on the European Convention on Human Rights and other major international legal acts. The legislation has been in place for several years, and the framework is stable, which has helped media to plan their activities.

Mehmed Agović, the Director General of the Public Broadcasting System of Bosnia and Herzegovina, says that Bosnia and Herzegovina has "a legal framework of media sector on a high level, maybe the best in region. The reason is the assumption and implementation of all European standards in the media field."[1]

[1] The translation of all quotations in this report has been done by the author of the report.

The Law on Communications of Bosnia and Herzegovina prescribes the regulatory principles of broadcasting that shall include: a) the protection of freedom of expression and diversity of opinion while respecting generally accepted standards of decency, nondiscrimination, fairness, accuracy, and impartiality; b) the development of professional and viable commercial and public broadcasters with the intention of striking an appropriate balance between the two; and c) that broadcasters shall be separate from political control and manipulation, so as to strengthen democratic principles and the foundations of a market economy.

The Freedom of Access to Information Act is also a very progressive law, which came into force in 2000. The Act was created based on leading European standards. "For the first time in this part of Europe, in the Freedom of Access to Information Act all information in the possession of public authorities has been considered as a public property that belongs to all citizens and not just to the government—the Act prescribes that authorities have to provide citizens with all information, even these that belongs to the national security issues. Exceptions are possible only after the 'test of public interests,' if it shows up that publishing of some information could be damaging," said Dunja Mijatović, the Director of the Broadcasting Division of the CRA of Bosnia-Herzegovina.

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.

"Legal standards could be a good ground point for a free speech and information accessibility, but in practice authorities stretch all deadlines and block providing information on time. Access to information is often a battle with a huge and slow administration. So, theoretically it is well-designed, but there are still some problems in practice. The situation is better from year to year," said Kenan Cerimagic

However, the law in many ways has not been tested. There is an absence of public awareness of these legal possibilities. Citizens still do not use all opportunities they have according to the Act.

"An OSCE-sponsored survey conducted in 2004 on a sample of 1,550 respondents showed that 63.6 percent of citizens had never even heard of the Law on Freedom of Access to Information."[1]

The second problem with this Act is the implementation. The Act did not prescribe the fines for the authorities who violate its prescriptions. According to the results of research conducted by the Mediacentar Sarajevo in 2006,[2] 31.3 percent of authorities did not respond to requests for information that have come from citizens and organizations.

Journalists underline that the Act has other weak points, too. "Legal standards could be a good ground point for a free speech and information accessibility, but in practice authorities stretch all deadlines and block providing information on time. Access to information is often a battle with a huge and slow administration. So, theoretically it is well-designed, but there are still some problems in practice. The situation is better from year to year," said Kenan Cerimagic, the news program editor of the Independent Television Hayat.

The CRA is responsible for a protection of free speech in the electronic media in Bosnia and Herzegovina. The print media have been regulated by the Press Code. The body responsible for the implementation of the Code is the Press Council. CRA is responsible for licensing and regulating broadcasting and telecommunications, while the Press Council, a voluntary and self-regulatory body, deals with complaints about the print media.

Since 2002, Bosnia and Herzegovina has fully decriminalized libel and defamation. The most frequent cases of libel before the court are those in which journalists sued other journalists for libel. The biggest problem that panelists see in this area is that according to Bosnian legislation, the jurisdiction for libel cases has been given to the level of the municipal courts. The judges at this level, especially in some rural areas, are not experienced and do not have sufficient knowledge of the law to fairly adjudicate libel and defamation cases.

No crimes against journalists were recorded in the past year.

All Bosnian media have unrestricted access to international news and news services, and all major media use services of international news agencies—Reuters or Associated Press.

The State does not prescribe any restrictions for entering into the journalism profession, so the entry is free for all interested young journalists.

The biggest problem that Bosnian journalists faced in the past year as they practiced their profession was a new practice by some politicians to boycott some broadcasters or newspapers who are, according to these politicians, too critical toward them. The beginning of this is placed in 2006, when Milorad Dodik, Prime Minister of Republika Srpska, traveled to the World Cup in Germany with a public plane. When a correspondent of the Public Broadcasting Service asked him why he had used a public property to travel and watch a football game, Dodik answered that this is not his problem because he (the reporter) comes from the other entity.

This sort of banal correspondence continued, and in January 2007, the Dodik Government decided to cease cooperation with the public television network, BHT1, and later denied its journalists access to governmental press conferences. Additionally, journalists of BHT1 found themselves barred from entering the building where the RS President, Milan Jelić, was holding a press conference. The ban was attributed to allegedly disparaging news coverage of the RS Entity Day on January 9, 2007, and the allegedly "hostile" treatment on BHT1 of both RS Prime Minister Dodik and BiH Council of Ministers Chairman Nikola Špirić on January 11, 2007.

The RS government publicly characterized BHT1's editorial policy as "politicized, malicious, and unprofessional." In response to these allegations, the network's news editor, Amir Zukić, immediately denounced the government's decision as "political interference in the editorial policy of a public broadcaster." On January 16, 2007, the Steering Board of the Public Broadcasting Service dismissed General Director Drago Marić on the very day his term in that post would

[1] OSCE, Public Opinion Pol—June 2004, Democratization Department, (www. oscebih.org), quoted in Transparency International: National Integrity System Study—Bosnia and Herzegovina 2007, pages 216 and 331

[2] Available on http://www.media.ba/mediacentar/documents/Monitoring%20English%20170306.pdf (last visited April 12, 2007)

have ended. The Board has been led by Nikola Deretić, who is a close friend of Dodik, so the dismissal was explained in Bosnian media as a form of political pressure on PBS. The Board has explained Marić's dismissal on his last day as legitimate.[1] Marić was then replaced by Agović. On January 30, 2007, the RS Deputy Premier, Anton Kasipović, and the new General Director of BHT1, Agović, met and decided that the RS Government's boycott should be lifted and relations reestablished with BHT1.

The decision to dismiss the General Director produced debates among the Bosnian public and within the international community in Bosnia. Schwartz-Schilling, the High Representative, and Ambassador Douglas Davidson of the Organization for Security and Cooperation in Europe (OSCE), on behalf of the Steering Board of Ambassadors of the Peace Implementation Council, invited the OSCE Representative on Freedom of the Media to address concerns over the state of media freedom in Bosnia and Herzegovina.

The OSCE Representative on Freedom of the Media, Miklós Haraszti, said that "denying access to a public broadcaster even for a moment poses concerns all the more when the call comes from public officials for it harbors the potential to constitute the first step towards censorship. Interfering with the free flow of information as a retaliatory measure is thus an unacceptable reaction by government officials under the terms of these commitments, even when they feel the media is misinterpreting or distorting their policies and views." In his report,[2] Haraszti wrote that all the high officials that he met stressed that it was an "isolated incident." Several interlocutors from the media world also seemed convinced that "the Government had learned its lesson."

The report stated: "Media reporting is never perfect. This explains the need for mechanisms that redress mistakes and imperfections. Bosnia and Herzegovina is fortunate enough to have one of the most advanced self-regulatory mechanisms in Europe. Complaints about broadcasting are sent to the Communications Regulatory Authority (CRA), which has the right to consider a complaint in any case where a given program, advertisement, or broadcast appears to have been biased, incorrect, offensive, or harmful—to have endangered privacy, harmed the physical, mental, or moral development of children—or to have incited racial, religious, or national hatred."

The salaries at the broadcasters are ordinary, but not sufficient. Many excellent journalists in the past year left their media and found new jobs in public-relations agencies and civil services. The situation is better than the previous years because salaries are paid more regularly.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bosnia Objective Score: 2.65/4.00

The MSI panelists agreed that notable progress has been made in the implantation of professional standards in the media, compared to the past few years.

In general, one could say that all major broadcasters consult all relevant parties regarding the issues they are covering. In the print media, the practice is quite different; sometimes when the opinion of an official or individual differs from the opinion of the media outlet, those with opposing views are often not consulted in the writing of stories.

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

[1] "Državna TV pod udarom kriminalaca i šovinista" (PBS under the attack of criminals and chauvinists), Slobodna Bosna, March 8, 2007; "Dodikov lov na TV vješice" (Dodik's hunt on TV's witches), Dani January 19, 2007

[2] Organization for Security and Cooperation in Europe. The Representative on Freedom of the Media Miklós Haraszti, "The State of Media Freedom in Bosnia and Herzegovina: The Public Service Broadcasting. Observations and Recommendations" March 29, 2007, available on http://www.oscebih.org/documents/7974-eng.pdf (last visited April 12, 2007)

For instance, the biggest Bosnian daily, *Dnevni avaz,* published a serial of articles during the campaign about the president of the opposition Social Democratic Party (SDP), Zlatko Lagumdžija. Lagumdžija was never contacted for these articles; the only sources were his opponents.

The daily *Nezavisne novine,* which for a long time was considered the only daily that tried to cover the whole country in the last election campaign, strongly supported Dodik. The daily published numerous articles about the great economic results of his government (while many argue that the statistics do not indicate such success). During Dodik's conflict with the public broadcaster discussed above, *Nezavisne novine* backed Dodik and did not support the public broadcaster.

The CRA's report for 2006 mentioned that fewer complaints on media coverage, professionalism, and breaking of rules were received in 2006. In 2006, the CRA processed 177 complaints. Most of them were connected with the breaking of rules of license and rules of election campaign coverage. One hundred forty-three cases were connected with program contents, and 34 cases with technical conditions. Citizens initiated 86 of these procedures. The CRA accepted 59 complaints and defined penalty payments in the total amount of BAM 79.500,00 (EUR 40.600).[1] In 2005, the CRA processed 186 complaints, 55 had been accepted, and the CRA defined penalty payments in total amount of BAM 232.650 (EUR 118.952).[2]

Mijatović explains that the reasons for the CRA intervention have changed: "In previous years, we had a lot of complaints because of a hate speech in the media. Now, most of these complaints are about politeness in media programs, and fair and unprejudiced reporting. Most of these protests are caused by unsuitable quotations regarding some third person, when media publish just one side of story."

All MSI panelists agreed that in a lot of cases, there was not "classical malice" at work but rather an attempt to be the first media to publish some exclusive information. The goal of media in these cases is not to harm some person, but to obtain a higher audience.

"Increasing commercial interest, caused by a huge competition, removed the media from idealistic and political interests, which were the most important in the previous period," said Mijatović.

The editors think that the public is tired of political topics, affairs, and scandals. "Between a domestic political scandal and a story about a bear in some Finnish Zoo, our public is more interested in a story about this bear. We spent a few days and lots of money to research some big story, but the audience is more interested in some entertainment story, which could be taken from some news agency's service," said Cerimagic.

The public broadcasting systems produce a lot of news programs. "The news programs are our priority," said Mira Lolić-Močević, manager of the Radio Television of Republika Srpska (RTRS), one of three national public broadcasters. "In 2006, we had 23 percent of our air time dedicated to news programs, 27 percent to movies, 14.1 percent to entertainment, 8.1 percent to music, 6.5 percent to programs for children, 5.2 percent to sports, 3.1 percent to educational programs, and 0.9 percent each to programs for teenagers and religious programs."

Lolić-Močević said that the RTRS produced 54 percent of its own content in 2006. Unfortunately, specialized programs are very rare in Bosnian media. Public broadcasters do have programs on foreign policy (Global – BHT; Paralele – FTV), economy (Pozitiv – FTV), and consumer protection (Džepobran – FTV).

The salaries at the broadcasters are ordinary, but not sufficient. Many excellent journalists in the past year left their media and found new jobs in public-relations agencies and civil services. The situation is better than the previous years because salaries are paid more regularly.

"The most alarming situation is in the public broadcasting sector that ran a debt of some 10 million KM in unpaid salaries and unpaid benefits for their employees as of end 2005.[3] The situation in smaller RTV stations is not any better, as is indicated in the research conducted in 2003 by the Independent Union of Professional Journalists in BiH, which reveals that in BiH, 57.8 percent of journalists work in media outlets with no employment contracts, whereas some 50 percent do not receive regular salaries and have no health insurance."[4]

In the past few years, especially in the print media, journalists seek to protect their owners' interests in the articles they write. There is no real dialogue between persons with different opinions in these newspapers; the dialogue exists only between the like-minded persons. In 2006, the Press Council received 39 complaints on reporting in the print media. The Press Council accepted nine complaints and

[1] http://www.cra.ba/en/public-affairs/pressr/default.aspx?cid=4527 (last visited April 16, 2007)

[2] http://www.cra.ba/en/depts/observ/default.aspx?cid=4288 (last visited April 16, 2007)

[3] N. Krsman, "Za plate i doprinose dužni 10 miliona KM" [KM 10 mil. owed in salaries and benefits], *Nezavisne novine* [Independent Daily], October 21, 2005, p. 5; Z. Perišić, "Duraković: Odliv novca od reklama nerazumna odluka" [Duraković: unreasonable decision to give away advertising revenue], Dnevni avaz, October 25, 2005, p. 10, quoted in Transparency International: National Integrity System Study—Bosnia and Herzegovina 2007 p. 221

[4] Report by the Independent Union of Professional Journalists in BiH, quoted in Media Task Force: 2003, p. 11 and the Transparency International: National Integrity System Study—Bosnia and Herzegovina 2007, p. 221

concluded that media have violated the Press Code. In another nine cases, the problem was fixed by mediation; the media published the letter of the appellant. In 12 cases, the Press Council rejected the complaints, and in nine cases, it was not authorized to decide (the cases connected with the CRA).[1] But as the Press Council is a voluntary and self-regulatory body, nobody has an obligation to send a case to it so some accusations against the print media have been directly sent to the courts.

The general conclusion of the panel is that Bosnian media are making progress in the implantation of professional standards, but there are still many problems, caused by a difficult financial situation, unsatisfactory technical equipment (some panelists said that some media in rural areas do not have even a simple photo camera), and a large number of good journalists who have left the profession.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bosnia Objective Score: 2.95/4.00

There are more than 180 electronic media in Bosnia and Herzegovina. Most of them are local radio and television stations. There are three national public broadcasters (BHRT, RTVFBiH, and RTRS) and three main commercial broadcasters (OBN, TV Pink BH, and Mreza Plus, a network of independent television stations from Bosnia and Herzegovina).

The CRA has issued licenses to 39 television stations (17 public and 22 privately owned). The licenses are issued for a period of 10 years for the privately owned stations and two years for the public stations.

Panelists have in the past assumed that the large number of outlets in the poor and fragmented Bosnian-Herzegovinian market would be reduced in a few years. Panelists agreed that the large number of media outlets does not reflect a vital market with development potential and an ability to offer diverse voices and opinions. They continue to believe that the number of outlets will be reduced by the market.

Although OBN, TV Pink BH, and Mreza Plus are thriving as the three major Bosnian commercial networks, smaller commercial broadcasters face very difficult conditions, points out the OSCE Representative on Freedom of the Media Haraszti in his report on the media in Bosnia and Herzegovina. "It is a puzzle how such a large number of broadcasters are able to survive in such a limited market. All over Bosnia and Herzegovina, many broadcasters exist without any apparent commercial viability and even without any apparent demand for their

[1] http://www.vzs.ba

There are few programs and magazines for different minority groups in Bosnia and Herzegovina. "RTRS has broadcast a specialized program for the ethnic minorities since 2004, but the problem is to prepare the information in their own mother tongue. We have not enough and adequate people nor technical resources to improve this program," said Lolić-Močević.

programming on the part of audiences. In addition, there are several small-size municipal radio and TV stations which are heterogeneous in size, programming, audience, and financial backup. Governmental financial support for local media outlets throughout the country, especially at the cantonal and municipal levels in the Federation and Republika Srpska, respectively, distorts both the market and potentially the editorial independence of these broadcast outlets."[2] All major independent broadcasters produce their own news programs.

Generally, the ownership of media is transparent; the court registration of every company (including media) is a public document. But, in the past few years in the print-media

[2] Organization for Security and Cooperation in Europe. The Representative on Freedom of the Media Miklós Haraszti, "The State of Media Freedom in Bosnia and Herzegovina: The Public Service Broadcasting. Observations and Recommendations" March 29, 2007, available on http://www.oscebih.org/documents/7974-eng.pdf (last visited April 12, 2007)

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 a puzzle how such a large number of broadcasters are able to survive in such a limited market. All over Bosnia and Herzegovina, many broadcasters exist without any apparent commercial viability and even without any apparent demand for their programming on the part of audiences. In addition, there are several small-size municipal radio and TV stations which are heterogeneous in size, programming, audience, and financial backup."

industry, the power has been concentrated in two conglomerates. These conglomerates now control the biggest national dailies. The Avaz Corporation controls the biggest national daily, *Dnevni avaz*, as well as a series of different weeklies and magazines, and a television station, Alfa. This corporation in the past year has shifted its core business; it is not solely a media company but has now entered real estate with a business hotel and trade center to be finished in the next year.

The other large owner in the print-media sector is the *Sarajevska pivara* (Sarajevo brewery), a company that also has a lot of different activities outside of the media sector. In September 2006, the brewery bought the oldest national daily, *Oslobodjenje*, signaling a battle for the Bosnian print-media market. The media owned by the respective companies have used their media to publish numerous negative articles about the other companies.

Each also has its political favorites. Generally, the Avaz Corporation prefers politicians from the SBiH and SDA, while the other Sarajevo-based newspapers in their comments and articles prefer a social democratic option. All major media in Republika Srpska favor the ruling politics of Dodik. In this sense, all political parties have a chance to present their political views, just not equally in every media.

"A little bog with a lot of crocodiles" could be the real description of the Bosnian print-media market. Aside from these two dailies, the competition is enhanced by newspapers from neighboring Serbia and Croatia. There are 13 daily newspapers from those countries and more than 60 weekly and monthly magazines that circulate in Bosnia.

Media from neighboring countries are also a large problem for Bosnian broadcasters. Cable operators have established their infrastructure in all large towns, and they offer substantial programming from Serbia and Croatia. This situation began in 2005, when cable operators began rebroadcasting the programs of Croatian TV Nova, which features highly popular television series. The local television stations, which bought the rights for these series for the Bosnian market, claimed that they have lost hundreds of thousands of euros in advertising revenues because of this situation. The claims have never been fully resolved.

Internet access is much higher in 2006. According to the CRA's information,[1] Internet providers had 237,660 subscribers. Their estimation is that there are approximately 950,000 Internet users in Bosnia and Herzegovina. Internet penetration is at 24.5 percent.

The situation among the news agencies has not changed in the past year. The most important public agencies cover two entities—FENA (Federation of BiH) and SRNA (Republika Srpska). The biggest independent news agency is ONASA.

There are few programs and magazines for different minority groups in Bosnia and Herzegovina. "RTRS has broadcast a specialized program for the ethnic minorities since 2004, but the problem is to prepare the information in their own mother tongue. We have not enough and adequate people nor technical resources to improve this program," said Lolić-Močević.

There are no doubts that the plurality of affordable public and private news sources exists in Bosnia and Herzegovina. There are a lot of public and private broadcasters, with national and local coverage, a lot of print and electronic media with different strategies, and the Internet in the past year became an important news source, especially for the young generation.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bosnia Objective Score: 2.74/4.00

Over the past few years, the public broadcasters have begun to lose their leading positions in the television market. The market share of the three public channels fell to 31.1 percent in 2006 and has continued to decline since then. The market share of the commercial networks, on the other hand, has steadily increased. They now have around 40 percent of the market. The remainder of the audience watches foreign television stations and satellite television channels.[2]

[1] Communications Regulatory Agency, (2007), Survey of the licencees for provision of ISP services in BiH for 2006

[2] Data Source: MARECO INDEX BOSNIA – TV Audience Measurement; Method:Diary: Period: January–June, 2006

According to the research agency Mareco Index Bosnia, the gross value of the media advertising market in Bosnia and Herzegovina for 2006 was 285 million BAM (approximately 150 million EUR). The same organization estimated the total advertising revenues in 2005 as approximately 100 million EUR. The television stations have received the largest share of these advertising revenues—around 130 million EUR. Magazines received just 4 million and dailies around 9 million EUR. Despite the fact that these figures are just rough estimations, it seems apparent that the advertising revenue in the past year was much higher than in previous years. This estimation is based on a regular price list of all media, but it has not taken into account that media give a discount to their costumers. The real revenue is known just to media. Senad Zaimović, from the marketing agency Fabrika, assumes that the real advertising revenue this year is 7–8 percent higher than in 2005.

Panelists have agreed that advertising agencies support an advertising market. The editors and journalists did not have any complaint on their work and said that the advertising agencies have never tried to influence the editorial politics of Bosnian media.

For all Bosnian media, marketing is the major source of revenue. The print media have a low circulation. According to the Press Council, all Bosnian dailies together have a circulation of fewer than 50,000 copies.[1]

Public broadcasters have an obligatory subscription for all citizens in the amount of 6 KM (about 3 EUR) per month, which ultimately is symbolic revenue for these broadcasters.

[1] http://www.vzs.ba/ba/?ID=8 (last visited April 12, 2007)

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.

Panelists have agreed that advertising agencies support an advertising market. The editors and journalists did not have any complaint on their work and said that the advertising agencies have never tried to influence the editorial politics of Bosnian media.

The Association of Electronic Media in Bosnia and Herzegovina last year, for the first time, agreed to organize a survey using PeopleMeters. "We now know the electronic measurement of the broadcasting market, which makes us one of the most developed countries regarding the broadcasting industry," said Zaimović, general manager of leading Bosnian marketing agency Fabrika. However, some media still have reservations about the survey, saying that the markets for survey are not well-defined; thus, a large number of PeopleMeters have been located in large cities, and just a few in rural areas.

Media editors say that they use the market research to formulate their strategic plans, enhance advertising revenue, and tailor products to the needs and interests of the audience. Lolić-Močević said that RTRS has ordered four different specialized researches in the past year.

The biggest problem for all print media in the past year was the law on value-added tax (VAT), which came into force in January 2006 and envisions a single tax rate of 17 percent. The publishing industry was the main opponent of this law. Numerous organizations, such as the Press Council, journalists' groups, and associations of newspaper publishers, requested that press and publishing be exempted from taxation, stressing the particular role of media in democratic societies. All publishers of print media in Bosnia and Herzegovina claimed that the imposition of VAT presented a real threat to their existence. But the state parliament rejected requests for exemptions from VAT. The magazine *Dani* almost immediately started to print its issues with fewer pages because of the increased costs of publishing after VAT. But by the end of the year, *Dani* went back to its full number of pages. No media have been closed because of VAT. The publishers say they have compensated in part with increased marketing revenues after VAT. Zaimović said that VAT helped to avoid double taxation, which was a big problem for media in previous years.

The biggest problem for broadcasters is competition from neighboring countries. While foreign capital has not made a significant entrance into the media market of Bosnia and Herzegovina, it has come via Pink BH (which bought four local television stations) and OBN (which was bought by a tycoon from Croatia). It is assessed that the main reason why foreign

Last year, panelists said that political and business interests of owners of printing companies have resulted in selective approaches to clients. As a consequence, some media outlets, unable to reach agreement with local printing companies, switched to presses elsewhere in the region. Dario Novalić, director of the Sarajevo biweekly Start, last year said that "the printing press always 'breaks down' when an independent newspaper is supposed to be printed." "This is not the practice anymore, which is some improvement."

capital did not enter the local market is that it can achieve its interests to a degree via television companies from Croatia.

Local authorities finance some local media for specific programs of concern to local citizens. For example, the City of Sarajevo in its budget for 2007 has planned the amount of 30,000 BAM (@15,000 EUR) for the NTV Hayat's program designed for deaf people.[1]

The small and fragmented market, the strong competition from neighboring countries via cable systems, and limited advertising revenues are the main characteristics of the Bosnian media market. There were some improvements in the past year. The electronic media have agreed and financed the common system of measuring with PeopleMeters, and the print media survived the imposition of VAT. But, the media industry in Bosnia and Herzegovina remains weak, if growing.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bosnia Objective Score: 3.05/4.00

In 2006, there were no significant changes in supporting media institutions. The organizations that were formed a few years ago are still operating. The Association of Electronic Media (AEM) and the Association of Newspaper and Magazine Publishers have been operating in Bosnia and Herzegovina for several years, promoting the interests of its member broadcasters and print-media publishers.

[1] The budget is available on http://www.sarajevo.ba/ba/article.php?pid=178 (last visited April 16, 2007).

Since December 2004, BH Novinari (B&H Journalists) has been established as the merger of three associations—the Independent Union of Professional Journalists from Sarajevo, the Association of Journalists Apel in Mostar, and the Independent Association of RS Journalists in Banja Luka. The membership is still low, and activities remain rather fragmented. Leaders of this organization still have different opinions regarding key questions. The organization could not publish a joint statement after the crisis between the Government of Republika Srpska and the public broadcaster.

A new organization—the Association of Young Journalists of Republika Srpska—was the only journalists' association coming from Banja Luka that criticized the government's attitude toward the Public Broadcasting Service.

There are not enough NGOs working actively to protect and promote free speech, the MSI panelists said. A few were founded last year, such as Dosta and Grozd, but their main task was the publishing of information relevant for last year's elections.

The most important role in the area of promotion of free speech belongs to the Helsinki Committee for Human Rights. As opposed to the other countries, Bosnia and Herzegovina has two Helsinki Committees, one with a seat in Sarajevo and the other one in Bijeljina. The work of some other organizations in this area is also important, such as that of the Transparency International BiH, Media Plan Institute, Mediacentar Sarajevo, the Centre for Free Access to Information, and Open Society Fund B&H.

In Bosnia and Herzegovina, journalism is studied at five faculties—one in Sarajevo, one in Tuzla, one in Mostar, and two in Banja Luka. These faculties are producing a large numbers of journalists who are not necessarily required

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.

by the Bosnian media market. The MSI panelists, similar to last year's panel, expressed dissatisfaction with the quality of education received at these faculties and stressed that those newsrooms are getting staff that are unable to work independently.

Cerimagic said that "the place for a new generation in Bosnian media exists, but nobody produces quality journalists. There are too many knowing media theory, the protection of the media institution, and yet no practical steps in this direction."

Panelists expressed a concern regarding the fact that excellent short-term journalist training programs, such as the Media Plan Institute's year-long specialized journalism school, which trained students from all over the region, have a very uncertain future. However, Radenko Udovičić, program director of the Media Plan Institute, said that the school will accept new students in September 2007, after the process of transformation. According to Udovičić, the school will become a specialized course for journalism students at Sarajevo University.

Mediacentar Sarajevo organizes training for media managers, as well as short training programs on various aspects of investigative journalism. Of particular significance is Mediacentar's regional project, the Online Journalism Resource Center at www.netnovinar.org, launched in cooperation with Belgrade's Media Centre and the Investigative Journalism Centre from Zagreb.

Although most transmitters for RTV program broadcasts are still owned by the state, some transmitters are owned by commercial stations. Internet access is not restricted by the state or private conglomerates. The CRA is in charge of this area and imposes rules of conduct on Internet providers.

Presses in Bosnia and Herzegovina are mostly in private hands, and some of Bosnian media use the printing houses from neighboring countries. The Sarajevska Pivara has announced that it will obtain new high-quality presses for all Bosnian dailies and magazines that use their services by the middle of 2007.

Last year, panelists said that political and business interests of owners of printing companies have resulted in selective approaches to clients. As a consequence, some media outlets, unable to reach agreement with local printing companies, switched to presses elsewhere in the region. Dario Novalić, director of the Sarajevo biweekly *Start*, last year said that "the printing press always 'breaks down' when an independent newspaper is supposed to be printed." "This is not the practice anymore, which is some improvement," said Novalić.

Panel Participants

Mehmed Halilović, Assistant Ombudsman for Media, Sarajevo

Dunja Mijatović, Director of Broadcasting, CRA, Sarajevo

Dario Novalić, Director, *Start* biweekly magazine, Sarajevo

Borka Rudić, Journalist Association BH Novinari, Sarajevo

Zvonimir Jukić, Chief Correspondent, Television of Federation B&H, Mostar

Mira Lolić-Močević, Editor-in-Chief, Radio Television of Republika Srpska, Banja Luka

Ljiljana Zurovac, Press Council, Sarajevo

Mehmed Agović, Director General, Public Broadcasting System of Bosnia and Herzegovina, Sarajevo

Kenan Cerimagic, News Program Editor, Independent Television Hayat, Sarajevo

Senad Zaimović, General Manager, Marketing Agency Fabrika, Sarajevo

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

Adnan Osmanagić, Director, Radio Stari Grad, Sarajevo

Moderator

Amer Dzihana, Mediacentar Sarajevo

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

The 2006 MSI results reflect the panelists' conclusion that the Bulgarian media have progressed toward greater independence and sustainability and that despite some persistent areas of relative weakness, this development is irreversible and sustainable.

BULGARIA

OVERALL SCORE: **2.98**

The strengthening of Bulgaria's media sector is closely linked to the overall and ongoing economic and social development of the country. Improvement comes as part of the larger process of harmonizing domestic laws and the social environment with European norms, as well as the country's peparations for European Union membership. Global processes, such as changes in broadcast technology and expansion of the Internet, also play roles.

Especially influencing Bulgaria's media sector in 2006 was the resumed licensing of new media outlets. Although the process had a rocky start, there are now a few newly licensed regional outlets. Parallel to that, consolidation and foreign investment gained momentum as global investors such as SBS Broadcasting Group, Balkan News Corporation, and Communicorp entered the market, with the most activity in the radio sector. The advertising market continued to expand, showing not only general increase in revenue, but growth in new platforms such as outdoor networks and online media.

The development of Bulgarian media as independent professional and business entities continued in 2006. The annual Media Sustainability Index (MSI) records an overall increase from 2.3 for 2002 to 2.98 for 2006. The summary ranking of 2.98 for all indicators suggests that Bulgaria has made a significant advance on sustainability levels and that this impovement is manifested under different administrations and regardless of government changes.

For the first time in Bulgaria, multiple indicators and objectives received scores over 3.0 in 2006. With a value of 3.27, the highest-scoring objective is the existence of multiple news sources that provide the public with reliable and objective news. It is also the objective where improvement from previous years is most notable, rising nearly a full point from 2005. The key reason for this positive shift is the way consumers use the media, MSI panelists said. The major change is the growing reach of the Internet to diverse age groups and regions. Coupled with a greater online availability of the main print and broadcast outlets, this expansion moves Bulgaria toward virtually unobstructed access to media.

Also steadily growing are ratings for the existence and performance of supporting institutions. This reflects the evolution of the associations representing and protecting the interests of media owners and journalists, and in particular the de facto implementation of the Code of Ethics of Bulgarian Media. Another objective where sustainability significantly improved is the ability of the media to operate as well-managed businesses, allowing editorial independence.

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):** $30.733 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $10,140 (World Bank Development Indicators, 2007)

> **Literacy rate:** 98.2% (98.7% male, 97.7% female) (2001 census, *CIA World Factbook*)

> **President or top authority:** Prime Minister Sergei Stanishev (since August 16, 2005)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 24 dailies, over 900 other print media, 424 newspapers, 111 radio stations (*Council of Electronic Media Register of Licensed Radio Operators*), 187 television stations

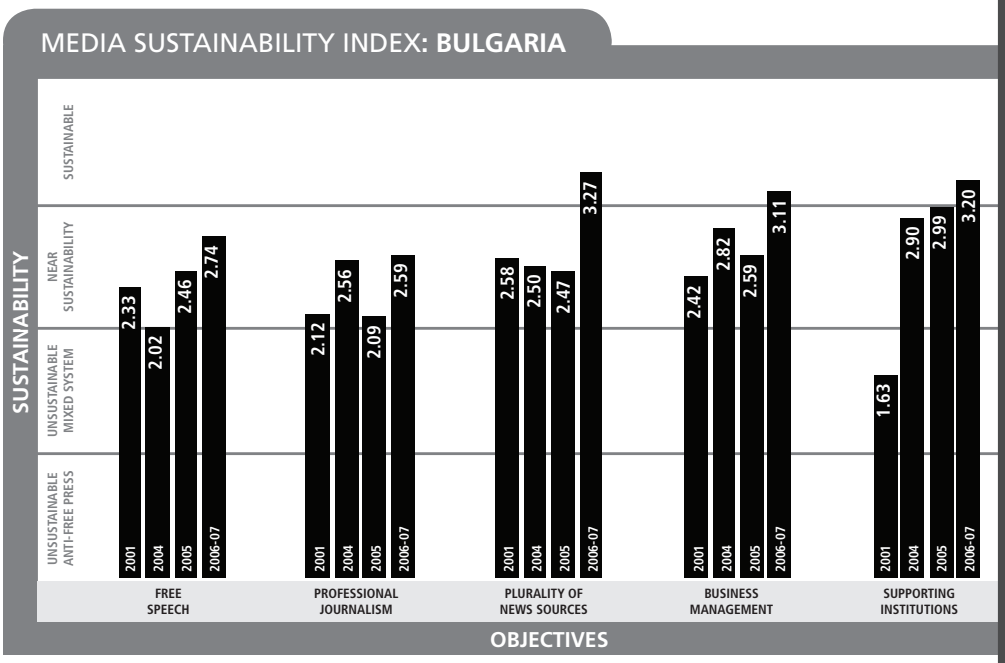
> **Newspaper circulation statistics:** 318,069 (*National Statistics website*). TRUD is the best circulated daily, but the exact figure is unavailable.

> **Broadcast ratings:** highest-rated television outlets: bTV, NOVA, BNT Channel One (public operator)

> **News agencies:** Not available.

> **Annual advertising revenue in media sector:** Approximately $125 million (*MM Links*)

> **Internet usage:** 2.2 million (2005 est., *CIA World Factbook)*



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.

However, although scoring higher than in the past, two objectives still lag. The lowest-scoring objective in 2006 reflects the general legal and enabling environment in which the Bulgarian media operate. Despite increasing from 2.46 to 2.74, the indicator reflected MSI panel criticisms about the way the licensing of new outlets is handled and the tenor of the regulatory environment. Among individual indicators, underachievement is evident in several areas: the economic interests of media owners can be inconsistent with the news function of the outlet; editors and reporters may respond to the environment through self-censorship; and the inadequate transparency of media ownership fails to fully guarantee economic or political independence.

However, the 2006 MSI results reflect the panelists' conclusion that the Bulgarian media have progressed toward greater independence and sustainability and that despite some persistent areas of relative weakness, this development is irreversible and sustainable.

OBJECTIVE 1: FREE SPEECH

Bulgaria Objective Score: 2.74/4.00

The legal environment for Bulgaria media has improved but still lags, with development hinging on economic and social factors. Although Bulgarian law provides enough guarantees for freedom of speech, isolated encroachments still occur. During 2006, for example, a leading journalist was dismissed from bTV, and SKAT TV transmissions were suspended.

The main area of concern for MSI panelists, however, was the licensing of new outlets. The long legal stalemate over licensing may have ended, but discussions continue about what course should be taken in view of pending digitalization and how to treat outlets with expired licenses or permits. MSI panelist Maria Stephanova, a member of the Council on Electronic Media (CEM), said, "The important thing is that CEM has finished work on the regulations: criteria, manuals, and the like. We're ready for the formal issuing of licenses to begin." The process has begun with the first six regional licenses awarded in 2006, and the next stages will be telling, panelists said. "There's rumor of bias in licensing," said panelist Evgeny Todorov, managing director of Plovdiv Public TV. "We'll know if they're true in (2007), when the first new regional TV licenses will be given."

The other challenging aspect is the degree of protection for journalists who are victims of crimes. Also, though rare, there are cases when journalists need to prove their innocence. These are mostly found in the regional media and result from exposing economic or administrative wrongdoing by local institutions or businesses. Panelist Dimitar Sotirov, exective director of the Bulgarian Media Coalition, noted a case involving the mayor of Tutrakan: "Instead of having to prove that journalist Kalina Grancharova was lying, he chose to sue her for slander. She went to court with all the documents proving her case and was still found guilty. There's no second-instance court to appeal at."

Free entry into the journalistic profession and access to international news and sources continued to grow. Bulgaria has achieved a level of unquestionable sustainability that cannot be challenged by economic and political upheaval.

MSI panelists expressed disapproval about the effectiveness of legal proceedings in cases when journalists are exposed to threats as a result of their publications. Although assaults against journalists are not occurring, there have been separate attempts at intimidating investigative reporters, inclucing the case of Vassil Vassilev of Nova TV, at whose residence a bomb was detonated. The investigation failed to reveal the perpetrators, contributing to creating an environment where journalists feel threatened. Young reporters starting their carreers acknowledge that events such as these cause them to reconsider their commitment to journalism.

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.

Panelist Dimitar Sotirov, exective director of the Bulgarian Media Coalition, noted a case involving the mayor of Tutrakan: "Instead of having to prove that journalist Kalina Grancharova was lying, he chose to sue her for slander. She went to court with all the documents proving her case and was still found guilty. There's no second-instance court to appeal at."

The 2006 MSI saw slight decreases in panelists' assessments for two importantant indicators. The first one relates to the accessibility of public information. Journalists continue to be the active side in soliciting information and endeavour not to be discouraged when information is refused. Courts usually rule in favor of journalists in legal action against refusals of information, and the public is aware of this. State bodies, however, persist in refusing information and limit publicity to what is available on official websites of ministries, agencies, and municipalities. As a result, investigating topics of public importance is obstructed, and an environment of inadequate transparency is created. "As regards the access to public information, our legislation is fine, but we fail in putting it to practice. Information is refused even after the court has ruled that the institution in question must provide it," said Sotirov.

Another issue affects the plurality of the media scene. The fees (state-collected transmission fees) small regional outlets need to pay are disproportionate and inconsistent with the limited advertising revenue they can generate locally. Hence, MSI panelists continued to give low marks to the indicator of market and tax conditions in the media.

Free entry into the journalistic profession and access to international news and sources continued to grow. Bulgaria has achieved a level of unquestionable sustainability that cannot be challenged by economic and political upheaval.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bulgaria Objective Score: 2.59/4.00

The observance of international standards and the professional level of Bulgarian journalism received significantly higher scores during the 2006 MSI assessment. The improvement was nearly a half point over the previous year's survey, to 2.59. Movement toward sustainability is steady, with all indicators showing increases from the prior year. However, professionalism still is hampered by sometimes hidden dependencies on political and governmental forces and continues to lag relatively in the context of the overall forward movement of Bulgaria's media sector.

The most notable improvement was in the degree of implementation of self-regulation mechanisms. Following the adoption of the Code of Ethics in 2005, two ethical committees—in broadcast and print—became fully functional in late 2005 and began to address concrete industry issues. Both industry professionals and the general public accept and acknowledge the standards laid by the code.

Another aspect where Bulgarian media approach international journalism standards is in regard to the existence and development of quality niche reporting. Outlets with national coverage have experienced and capable journalists covering specific beats. Investigative journalism is developed as well, adding value to the services media organizations provide to their audiences. However, panelists said, specialized coverage is largely lacking in small-scale regional outlets. It is difficult for smaller media organizaitons, usually struggling with high turnover of skilled staff, to afford the resources necessary for the nurturing of their own specialized beat reporters.

The highest-scoring aspect of this objective is the degree of availability of up-to-date technology in news-gathering and production. Bulgarian media are sufficiently equipped to ensure timely and adequate coverage of events, panelists agreed. In general, Bulgarian outlets have all the needed

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

facilities to access local and international news sources and to put together a quality product.

Also strong is the degree to which main events and issues are being covered. "Journalists are doing everything, covering everything that's in their power," said Petko Georgiev, executive director of BTC ProMedia, a media-support organization. However, while no formal limitations are imposed, there still are topics that media fail to cover persistently or sufficiently thoroughly. "There are events which simply don't get covered," said Sotirov. "Stories about the police, lately. There's pressure against journalists revealing stories, which the interior ministry was trying to cover up."

Local outlets also are likely still to cover government administrations in their regions by simply mirroring official press releases. "PR journalism is everywhere in the local media," said Tzveta Nenova, a journalist from local radio station Arena media in Russe. "Take any radio station and their bulletin is all about press releases of the mayor, district governor, and the like. Same in print. All the local reporter needs to do is sign the story. The public gets used to this kind of product. And if a quality program should now and then be aired, the audience won't respond to it. They'll have lost their reflex to appreciate quality."

Nationwide, the fair, objective, and well-sourced coverage of key events is another aspect of positive development, according to panelists. The increase in the indicator's rating is consistent with efforts to offer the public a variety of perspectives on issues and events. There are still problems in presenting the official standpoint of an institution, however. A large portion of regional media, sometimes even major outlets, literally and indiscriminately convey the announcements made by press offices of official institutions.

No significant change was recorded in the relation between news and entertainment programming, although panelists noted that during 2006, the leading broadcast media increased the share of entertainment telecasts and reality formats in their programs. Moreover, they said, the new formats tended to dominate prime time and to cross over to other categories of programming, such as morning shows and night-time talk programs. Entertainment features also are grafted onto current-affairs and commentary formats. "I think that most of the big media, especially TV and radio, know perfectly well who their audience is and how to reach them," said Assya Kavrokova, chair of the Commission of Ethics in the Electronic Media. "Now, if one topic leaves the traditional current-affairs show and moves to an entertainment program, it is addressed in a new way altogether and reaches a much wider audience."

"Take any radio station and their bulletin is all about press releases of the mayor, district governor, and the like. Same in print. All the local reporter needs to do is sign the story. The public gets used to this kind of product. And if a quality program should now and then be aired, the audience won't respond to it. They'll have lost their reflex to appreciate quality."

These developments were not seen as affecting the news content in such outlets. News programming retained, or even increased, in volume and quality, the panelists said. In local outlets however, interactive "SMS" shows are gaining ground over news and current affairs. SMS quizzes and interactive shows are the main revenue source for local outlets, and they dominate the programming. Even in the newscasts of national channels, which broadcast popular entertainment and reality programs, there are stories that cover the unfolding of the program. The goal is to retain the audience and cater to different targets. As a whole, news kept its weight within the overall programming, but quality commentary formats began to fall short, the panel concluded.

Pay levels for media professionals were an area showing little movement. Panelists regarded earnings as adequate in the big national outlets, but low in small and local media. The situation mirrored the overall state of wages nationwide—high in the capital city, low elsewhere—and the unbalanced development of the advertising market across different regions of the country. Panelists also noted that no matter how high, journalists' pay cannot be the sole barrier to interested parties attempting to pass on or stop a story. Nor could it prevent journalists from leaving the profession to earn better salaries or career prospects in other industries, panelists said.

Self-censorship among journalists and editors continued to be an area of concern for the MSI assessors. The industry's sensitivity to this topic is consistently high, so much so that isolated symptoms tend to be interpreted as usual. Panelists commented that straight and clear proof of self-censorship is hard to identify. Indirect evidence could be in the form of a journalist owning a latest-model cell phone or taking a complimentary trip or awards given by state institutions to those who report on them. "Oh, they do censor themselves, you bet," said Sotirov. "They follow their economic interest. Here's a true story from a respected regional newspaper. The editor-in-chief is welcoming a guest proudly showing stories in the latest issue: 'this is paid, that is paid, and this, and that…'"

A limited number of media outlets are owned by large business structures with big portfolios. They develop a general format and strive to provide objective information. It is still impossible to say that the ties between media and advertising interests, identified in previous surveys, have been resolved.

However, a growing number of outlets are introducing internal rules aimed at limiting the options for indirect repaying of favors: refusal of awards in cash or above certain value, employees declaring property, etc. "There are outlets where journalists cannot accept a journalism award if it comes with a check," said Georgiev. "A statuette or a certificate is OK, but not a check."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bulgaria Objective Score: 3.27/4.00

The plurality of the media environment is steadily evolving. More than a half-point growth has seen this objective move toward sustainability at 3.27, where Bulgarians' accces to multiple news sources is less dependent on current factors and more durable and irreversible.

Achievement is most notable as regards access to local and international media. No formal restraints are imposed on use of the media by the public. The only objective setbacks are the degree of affordability of all available media and the foreign-language limitations.

Near maximum sustainability is achieved regarding the variety of public and private sources of news and information.

The indicator measuring the political plurality in the coverage of state and independent outlets has moved to a higher level. Both state and private outlets are working in the public interest, free of political affiliation, panelists said. The increased scores also reflect the mitigation of tensions at Bulgarian National Television and the increased professionalism of news coverage there.

Independent outlets producing their own news programs is another indicator where sufficient sustainability is achieved. All broadcasters, especially in television, are producing their own bulletins, whether or not equally high production values are observed, the MSI panel agreed.

The degree of representation in the media of various social groups and their interests also is solidly evolving. There are no formal barriers to their existence and development. Their reach is limited only by language, while the overall tolerant inter-ethnic environment in the country encourages the integration of minority groups, panelists said. Journalists coming from ethnic minorities stand good chances for professional development in different media. Despite resistance from opposition parties, the national television and radio are airing Turkish-language news.

The key indicator under this objective where progress is slow involves the transparency of media ownership, rated at only 1.82 and reflecting increased concentration of ownership and foreign investment, panelists said. "I think the monopolies we knew in print are starting to take shape in the broadcast media, too, given all the concentration," said Sotirov, executive director of the Bulgarian Media Coalition. However, Georgiev, BTC ProMedia executive director, said: "We have relatively high, compared to our neighboring countries, variety of media ownership: German, Swedish, Greek. You can't say one or two conglomerates control everything. There are conglomerates, but they haven't cornered the market and created an oligarchy."

Leading outlets with national coverage, like bTV, are officially owned by offshore entities. Some of the new applications for licenses also were submitted by offshore companies. Change of ownership and acquisitions usually lead to change of format, affecting the media plurality in the country, panel members noted.

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 limited number of media outlets are owned by large business structures with big portfolios. They develop a general format and strive to provide objective information. It is still impossible to say that the ties between media and advertising interests, identified in previous surveys, have been resolved.

Panelists said ownership directly affects content in two cable channels—SKAT TV and Channel 3. They have become a platform for a mixture of political and artistic views, striving to produce their own, original shows, which set them apart from the available uniform content and give them a niche of their own. "There are media which now offer a real alternative … by targeting a very specific audience," said Georgiev. "An alternative to having every last cable channel acting like a national broadcaster. These outlets are the first ones to realize that there's no point in doing that. So they choose to specialize—be it nationalistic talk or sheer entertainment." Noted as an example of an outlet giving tribute to a number of journalists who wouldn't get access to the big mainstream media was SKAT TV, which offers prime-time access to the opposition Ataka party leader for a current-affairs program. This reflects a conscientious choice dictated not by economic motives but reflecting the political stance of the owners, panelists said.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bulgaria Objective Score: 3.11/4.00

Bulgarian media continue to develop as well-run businesses with secure editorial independence. The higher level of sustainability, reaching 3.11 for the 2006 assessment, indicates the growing economic effectiveness of the country's media outlets.

Consistent with previous years' levels, the most sustainable indicator of this objective is the independence of private media from the state. Independent outlets do not receive any form of subsidies, which could place them under the influence of the state.

Sufficient levels of sustainability are registered in the functioning of the supporting firms, engaged in distribution and printing. They operate efficiently and are enough to support the work of the media outlets. In 2006, a printing facility owned by WAZ refused to print a newspaper to be circulated free of charge, and that was one reason for this indicator's not reaching a higher rating. "This year there were attempts to launch new publications, but they failed because of the printing house. WAZ are well aware that a free newspaper will undermine their own circulation," said Sotirov, Bulgarian Media Coalition executive director.

The biggest strengthening step is the role of market research in planning, revenue management, and programming. Audience research is increasingly used in shaping the program policies of outlets. "Audience research is becoming increasingly professional. No station would be willing to experiment with their prime time," said Georgiev.

Some regional publications are still printed in distant locations. This, however, is a technical issue, as it does not harm distribution significantly, MSI panelists said.

The biggest strengthening step is the role of market research in planning, revenue management, and programming. Audience research is increasingly used in shaping the program policies of outlets. "Audience research is becoming increasingly professional. No station would be willing to experiment with their prime time," said Georgiev, BTC ProMedia executive director. Reformatting in radio, new entertainment programs, and use of reality formats in television are firmly based on studying audience preferences and taste. However, this process still fails to include smaller regional markets.

Parallel to this, panelists praised introduction of an alternative PeopleMeter system to supply the media and advertising market with reliable information about national audiences. This also will help shed suspicions from the past

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 highest level of sustainability was yet again manifested by the indicator measuring the free, apolitical, and market-determined access to sources of newsprint and printing facilities. Governments have no means of influencing and controlling the activities of privately held printing facilities.

that PeopleMeters worked in favor of selected outlets, panelists said. The indicator still failed to move to a higher level of sustainability, which could be explained by the relatively recent launch of the second PeopleMeter system in October 2006. The situation is somewhat different in the print media. The Bureau for Independent Audit of Circulation exists but still is not providing public information about circulation and sales figures for publications. Reading audiences are not regularly and reliably researched.

Bulgarian media have a variety of sources of revenue. Advertising is the biggest source, with call-in and SMS interactive programs more widely used for generating additional income in the past year.

Panelists gave a positive appraisal of the processes in the Bulgarian advertising industry. The rapid growth is sustained over the years, and the advertising market continues to generate revenue for the outlets, commensurate with the widely accepted standards for commercial media. Advertising agencies and related businesses operate effectively and in line with international business standards for management and allocation of advertising budgets. Small and regional outlets, however, still fail to attract sufficient revenue and other benefit from the growing advertising market. Although too-close ownership ties still exist between media and advertising structures, the allocation of advertising budgets across media is largely professional and in line with the widely accepted standards of efficiency, MSI panelists said.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bulgaria Objective Score: 3.20/4.00

Supporting institutions in Bulgaria have been evolving for years and have a solid record of performing in favor of the independent media. They continued to develop toward increased sustainability and independence from political and social influence during 2006, reaching a 3.20 rating.

The highest level of sustainability was yet again manifested by the indicator measuring the free, apolitical, and market-determined access to sources of newsprint and printing facilities. Governments have no means of influencing and controlling the activities of privately held printing facilities. Intervention by the ownership may affect market policies, however, with panelists citing as an example the refusal of one printing house to produce a competing publication that would have been distributed free of charge.

Sufficiently high levels of sustainability are manifested in the unrestricted and apolitical channels of media distribution.

Trade associations representing the interests of private media owners also are steadily evolving and developing. Organizations of owners in both print and broadcast sectors have been actively involved in the debates and events on the media scene in 2006.

Traditionally strong and influential, nongovernmental organizations (NGOs) have continued to perform as free-speech and media-freedom advocates. "There's now a whole family of advocacy organizations, and they cooperate on a number of occasions," said Georgiev, BTC ProMedia executive director. The criteria of sustainable development are met in this area, regardless of the fact that supporting NGOs did not have to intervene as frequently and vehemently as in the past. Panelists agreed that this should not be interpreted as a weakness but as an indicator of the generally calm media environment and that the well-established legislative framework and improving self-regulation are proving an effective barrier to violations of the freedom of speech.

Still falling somewhat behind the objective average ratings were both academic and short-term qualification programs for journalists. A new academic curriculum in journalism is in

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.

place, but practical training is still mostly unavailable, except for those in student jobs or internships. "Most students get to know about where the profession is going only because they work as journalists during their studies," said Konstantin Markov, chair of the board of ABBRO.

The Media Development Center and the Professional Media Program are the two sources of training of active journalists. These two hubs have sustained a high demand in their service, but staff training is still hard to afford for many outlets, either financially or because they cannot have key members of their workforce taken away from the daily coverage. "If a journalist from a regional outlet is to attend a week's training, there's travel and other expenses on top of the training fee. It's hardly affordable without support," said Dimitar Lipovanski, independent producer with Arena media of Russe.

With the transition from donor-supported to paid qualification programs pending, the number of journalists receiving continuous on-the-job training is likely to fall. However, panelists suggested that the demand might rise as employers become more conscious of the skills of their staff and as journalists realize that personal improvement results in improved wages and better career prospects. "There will be more demand for quality (professional) education," said Sotirov, Bulgarian Media Coalition executive director. "There's need for specialized programs like business reporting, for instance. But such programs for the regional and small outlets will have to be subsidized for a long time to come."

The lowest scores under this objective were again awarded to the indicator of professional associations working to protect journalists' rights. The long-standing tradition of media owners and executives' tacitly discouraging membership in such organizations has been ebbing, panel members said, and the Union of Bulgarian Journalists (UBJ) is becoming more active. "Membership in UBJ is growing. The whole staff of private outlets are enlisting, both print and broadcast," said Rosita Popova, a union board memer. "Even journalists at the *Trud* daily and the *24 Hours* daily are now allowed to be members." Added Sotirov: "That's a big step. Journalists used to be threatened to get fired, if they attended conventions of the UBJ." However, panelists said that the union's overall impact to date is relatively insignificant for both journalists and the broader media environment.

"If a journalist from a regional outlet is to attend a week's training, there's travel and other expenses on top of the training fee. It's hardly affordable without support," said Lipovanski, independent producer with Arena media of Russe.

Panel Members

Danail Danov, Media Development Center

Krassimir Dimitrov, Co-owner, Manager, Mixx Radio, Burgas

Petko Georgiev, Executive Director, BTC ProMedia; Journalist

Assya Kavrakova, Chair, Commission of Ethics in the Electronic Media

Dimitar Lipovanski, Independent Producer, Journalist, Arena media, Russe

Konstantin Markov, Chair of the Board, ABBRO

Tzveta Nenova, Journalist, Arena media, Russe

Rosita Popova, Board Member, Union of Bulgarian Journalists

Dimitar Sotirov, Executive Director, Journalist, Bulgarian Media Coalition

Galya Spassova, Editor-in-Chief, Horizont Program, Bulgarian National Radio

Maria Stephanova, Member, Council on Electronic Media

Evgeny Todorov, Managing Director, Co-owner, Plovdiv Public TV

Moderator

Rumiana Bachvarova, Market LINKS

It is probably because of civil society's higher standards that Croatia's Media Sustainability Index (MSI) for 2006 saw some indictors fall behind the 2005 and 2004 marks. In a country with a stable democracy, a slow but consistently growing economy, and firm expectations for European Union (EU) membership in the near future, civil society is not ready to tolerate a lack of professionalism or lapses into the political servility.

CROATIA

OVERALL SCORE: **2.76**

Late 2006 saw the 10th anniversary of the mass rally in support of Radio 101, the most important independent broadcast voice in Croatia in the troubled 1990s. In late November 1996, the Council for Electronic Media decided to revoke the station's license with the explanation that Croatia did not need the "production format" of Radio 101. By the evening of the day the decision was made, some 100,000 people gathered at Zagreb's central square to give their support to Radio 101 and to express their discontent with the government's policy. Then-President Franjo Tudjman was receiving medical treatment in the United States at the time and ordered the Ministry of Police to use "all means necessary" to prevent the gathering. The Minister of Police, however, refused the order. The next morning, in the wake of the public outrage, the Council for Electronic Media reversed its decision and renewed Radio 101's license. In a way, the Radio 101 case was the announcement of the beginning of the end of authoritarian rule in Croatia.

On the 10th anniversary of the events, Radio 101 received well-deserved compliments for all that the station had done in promoting democratic values and standards in Croatia. Almost simultaneously, the Council for Electronic Media gave a "serious warning" to Radio 101 for a piece in its newscast that was cited as a clear example of hate speech. In today's pluralistic Croatian media scene, with more than 140 radio stations, a completely deregulated and privately owned print sector, a strong public television, two commercial national television channels, and complete openness to foreign print, broadcast, and new-media content, Radio 101 is just another commercial radio station—one that could occasionally lapse into hate speech. Regulatory bodies are independent and do not promote the agenda of the government or any other political force. Croatian civil society is mature enough to punish its former media heroes.

It is probably because of civil society's higher standards that Croatia's Media Sustainability Index (MSI) for 2006 saw some indictors fall behind the 2005 and 2004 marks. In a country with a stable democracy, a slow but consistently growing economy, and firm expectations for European Union (EU) membership in the near future, civil society is not ready to tolerate a lack of professionalism or lapses into the political servility. In the view of the MSI panel, against these standards, some serious setbacks were seen in 2006: hate speech where it was least expected, the government's attempts to "do something" with the central news agency, introduction of dubious provisions to the Law on the Electronic Media, the owner of the renewed independent daily paper sacking eight editors in a day for publishing an article on his own shady financial operations, serious threats to journalist Drago Hedl, and others. New menaces to higher professional standards are on the horizon for the media sector, such as promoting the interests of the business lobbies and predominance of commercial content over balanced news reports and productions in the public interest. With 2007 being an election year, the MSI panel forecast that these lapses into sensationalism or the hidden promotion of political agendas would likely be even more present as the year progressed.

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):** $41.401 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $13,670 (World Bank Development Indicators, 2007)

> **Literacy rate:** 98.1% (99.3% male, 97.1% female) (2001 census, *CIA World Factbook*)

> **President or top authority:** Prime Minister Ivo Sanader (since December 9, 2003)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 14 daily newspapers, 46 weekly newspapers, 19 television stations, 131 radio stations

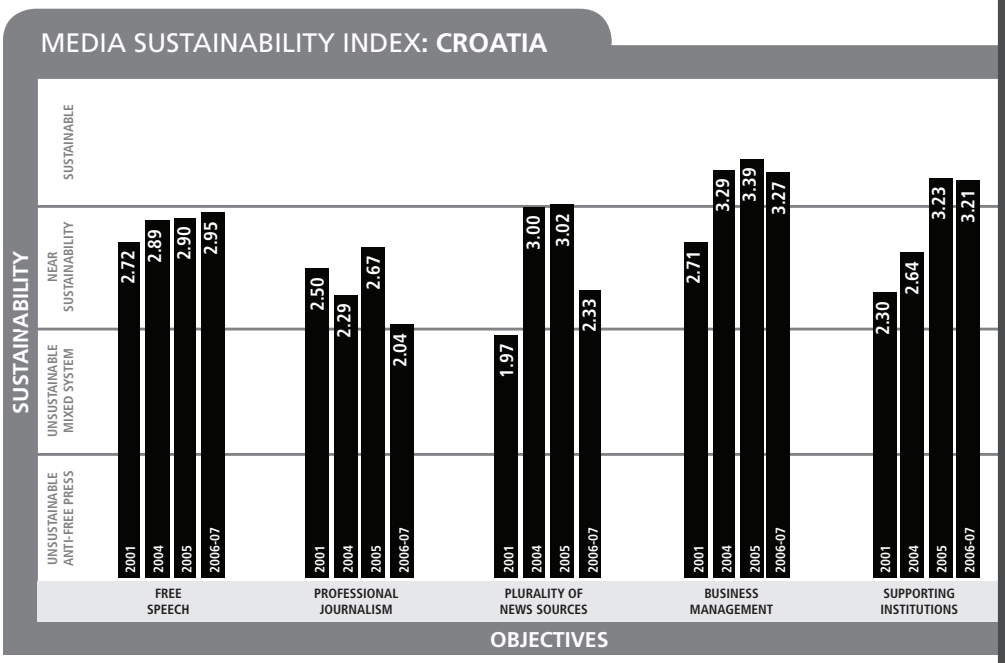
> **Newspaper circulation statistics:** The total circulation of daily newspapers is estimated at 500,000 to 550,000 copies a day.

> **Broadcast ratings:** highest-rated television outlets: HRT 1 (public television) HRTL (Croatian RTL), HRT 2 (public television), Nova TV (private)

> **News agencies:** HINA, STINA, IKA.

> **Annual advertising revenue in media sector:** Approximately $650 million. An estimated 60% of advertising income goes to broadcasters, 40% to print. (*Croatian Chamber of Commerce and Croatian Association of the Advertising Agencies estimates*)

> **Internet usage:** 1.451 million (2005 est., *CIA World Factbook*)



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

Croatia Objective Score 2.95/4.00

Free speech in Croatia is guaranteed and well-protected, although when it comes to legislation, there is always room for improvement. Croatian media legislation and the wider legal framework consisting of the Constitution of the Republic of Croatia, the Media Law, the Law on Telecommunications, the Electronic Media Law, the Law on Public Radio and TV, the Penal Law and the Freedom of Access to Information Law meet high European standards. "There is enforced legislation, and in cases of violation, there is legal protection in general," said panelist Antonella Cerasino of the Organization for Security and Cooperation in Europe's (OSCE) mission to Croatia. "What is very important is that whenever there are violations of free speech, there is public outrage and reaction, so that's a good sign."

Interference with free speech takes place more often on a local level, where municipalities and local government in many cases still directly finance the local media. Panelist Emil Havkić, a lawyer who specializes in media legislation and media cases, agreed there is a high level of legal and social protection of free speech but warned on one legal provision, recently taken from Russian legislation, on protecting the reputation of companies against libel. The biggest oil company in Croatia sued Croatian public television in October 2006, demanding $42 million as compensation for damages "in the company's image and income," after a television journalist made negative comments about the quality of one of the company's gasoline brands. Havkić said he feared that the case could have a deterrent effect, especially on journalists covering business activities.

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.

"There is enforced legislation, and in cases of violation, there is legal protection in general," said panelist Antonella Cerasino of the Organization for Security and Cooperation in Europe's (OSCE) mission to Croatia. "What is very important is that whenever there are violations of free speech, there is public outrage and reaction, so that's a good sign."

All panelists agreed that public protection of free speech is effective, as well as the awareness of civil-society organizations and the public more broadly about free-speech issues.

Frequency allocations, the licensing of broadcast media, and the sanctioning of breaches of the legal, ethical, or financial provisions of the Law on Electronic Media are within the mandate of an independent board, the Council for Electronic Media. Panelists agreed that there had been no indications of direct political control over the Council's decisions but were more critical concerning the competence and professional references of the Council's members. Most of the objections were about the licensing procedure, which panelists suggested still is not transparent enough. Even if it is not politically controlled, the panel said, the licensing procedure lacks sufficiently elaborated criteria, which, in some cases, raises allegations of corruption or plain incompetence.

Nontransparent procedures and lack of fixed criteria were the panelists' main objections on the allocation of funds from the Fund for Media Pluralism, which gives grants of up to $120,000 quarterly in individual grants to commercial radio and television stations for productions in the public interest. The Council dispenses more than $6 million in these funds annually, although "some radio and TV stations appear on the list much more often than others, for no obvious reason," one panelist said. This could indicate corruption or "very friendly relations" between some Council members and some media owners, panelists warned.

However, the most worrisome concern about apolitical and fair licensing was not related to the Council itself, but to an attempt in November 2006 by the government to change important legal provisions without public debate. The Minister of Culture, responsible for the Law on Electronic Media,

sought to change the law and introduced a new function of Director of the Council appointed by the government. This, the panel said, directly interfered with the Council's independence. The attempt was stopped by an efficient action of the civil society with full support from the OSCE Mission and the Delegation of the European Commission and raised many suspicions about the real intentions of the government, which continued to contend that the change represented only "technical improvements of the legislation."

When it comes to market entry and taxation, the media sector is treated equally to all other industries. There are no special requirements to enter the media business, aside from a standard provision defined by the Commercial Law. There are no discriminatory elements regarding taxes, but some panelists said the sector should benefit from positive discrimination. Dragutin Lučić, president of the Croatian Journalists' Association (CJA), said that a different value-added tax (VAT) rate should apply to the print media. "The print media pay 22 percent VAT, just as any other commercial company," he said. "In the EU, the VAT for printed media is up to 7 percent. Our suggestion is to lower VAT on print in Croatia to 5 percent and to implement this lower rate on papers that promote quality content and have signed collective agreements to protect employees."

Market entry for broadcasting media is more complicated than print. Starting a new print media outlet depends almost exclusively on the level of investment. But starting a new radio or television station is far more complicated, not only because of the standard legal provisions and international regulations but also partly because of inefficiency and incompetence at the Telecom Agency, the Council for Electronic Media, and other institutions involved in frequency allocation, MSI panelists said.

Crimes against journalists are relatively rare, especially compared to the 1990s, but not always entirely properly dealt with, said Cerasino. Civil society and public opinion are very sensitive to such cases, but the prevailing opinion of the panelists was that police and the justice system should be more active in both protecting journalists and prosecuting violators. The year saw some of the worst cases of nonphysical threats to journalists of the past five years. Opening an official investigation into war crimes committed by Croatian paramilitary uni ts in Eastern Slavonia, a topic that journalist Hedl had been covering for almost 15 years, has brought him serious and brutal threats. "As long as our colleague Drago Hedl is receiving serious death treats, regardless of how isolated these incidents are, we all have reasons to feel uncomfortable as individuals and restricted as professionals," said panelist Davor Glavaš of the BBC Croatian Service.

It is possible to consider the public subscription fee to public radio and television as "preferential legal treatment," said Havkić. It is not if the public service provides quality content, including cultural, educational, and children's programs, he said. But it is preferential if public funds are used for commercial programming, said another panelist. Panelists were concerned by the great increase in commercial programming in the public media at the expense of quality content, explained as "making the program more competitive on the market."

Editorial independence of the public media is guaranteed by the law. In general terms, independence is part of daily practice. But one recent case—the temporary suspension of two editors of the central news on public television after the airing of a video showing the current President of State's speech from the early 1990s, a speech containing views in absolute contrast to his current public standings—has shown how fragile this independence is. For some panelists, this was an indicator that "public TV will remain under political pressure for many years to come."

Libel in Croatia remains criminalized, although only one person was sentenced to jail—not for libel, but for refusing to pay the fine. The panel could not reach a consensus on this issue. Panelists from international organizations advocated the immediate decriminalization of libel, while a local panelist and legal expert thought that the current situation was completely in line with European legal tradition and legacy. "The offended party must prove falsity and malice; otherwise, the cases should be dropped," said Havkić. The president of the Journalists' Association said consideration should not be only for journalists under the threat of libel, but also for victims of unprofessional journalism. "There were more libel cases against journalists in 2006 than in 2005, and more in 2005 than in 2004," Lučić said. "This indicates higher pressure on journalists, indeed, but I would say it indicates at least as much a lack of even basic professional and ethic standards in part of the journalists' community."

Legal framework for the access of information is well-defined, but the practice far behind it. For journalists, it is still essential to have "sources," even for information that should be public. Access to information is more restricted on the local level, as the result of a combination of a certain degree of "arrogance" on the part of local politicians and the fact that, in many cases, local authorities, in one way or another, finance the local media, panelists said.

Media outlets in Croatia have completely open and absolutely unrestricted access to international news sources. The same goes for the general public. The only objections that could be raised were the high cover price of international papers and relatively expensive online services. The further expansion of high-speed broadband Internet connections

and the introduction of IPTV technologies were expected to contribute to the further openness and affordability of the international news sources.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Croatia Objective Score 2.04/4.00

The MSI panel was more critical on this issue than in previous years. The general conclusion was that the quality of reporting has been deteriorating from 2000 to the present, with no indication of the reversal of this trend. The intrusion of low-quality commercial media, both in print and in broadcast, contributed significantly to offensive, subjective, and sensationalistic types of journalism, panelists said. The introduction of high-circulation free papers on the Croatian market also contributed to frivolous and trivial media content. Is it possible to imagine investigative reporting in free papers, panelists asked, or articles critical to the most important advertisers? In Croatia, only 3 percent of the print circulation is sold on a subscription basis, whereas 97 percent are finding their way to market via kiosks. This fact creates additional pressure on editors. A high percentage sold on kiosks results in "screaming headlines" and tabloid-type graphics, even in the "serious" daily papers, panelists said, and tough competition discourages serious and time-demanding investigative journalism.

As in the MSI 2005 discussion, panelists mentioned "trivialization" as a new and negative trend on the media scene. Media that had reached higher professional standards in the 1990s are faced with blatantly commercial media that are seizing a growing market share. Some of them are fighting new competitors by lowering their own professional level, offering more trivial content to their readers.

"I am often found in moral dilemmas while defending journalists in libel cases," said lawyer Havkić. "It is my duty to protect the interest of my client, but frankly, in too many cases, I am defending journalists who didn't care to find facts, who didn't consult more sources, didn't investigate the story. They just wanted a new front-page scandal." "Croatian journalism has lost its 'middle class,'" said one international panelist. "There is a group of excellent professionals, who meet the highest journalistic standards in every regard. Then there is a gap, a big one, and then we have a mass of journalists who are not educated enough, or simply don't care about professional or ethical standards."

Croatian journalists were 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. But there is also a minority that does not care for any standards. There are no "higher goals" for the promotion of basic democratic values as in the 1990s, panelists said, with journalism today too often only a profit generator or to interested in promoting the interests of business lobbies. Panelists were concerned by the sudden surge of hate speech, sometimes even in media outlets where it would be least expected, and intolerance toward ethnic, social, religious, or sexual minorities.

In such an environment, examining the degree of censorship and self-censorship is becoming ever more important. Although some cases were relatively close to political censorship, such as the temporary suspension of the two editors on public television for running a video clip critical of the president, panelists agreed that political censorship is relatively rare. Self-censorship is more common, however. Journalists are well aware of whom their outlet's editor or, more often, owner is siding with, and this fact could be very efficient in imposing self-censorship. "What is the message sent to the whole generation of young journalists when they see the owner of a decent paper, engaged in promoting higher democratic standards, sacking the whole editorial board for publishing a story on his own shady business deals?" one panelist said. "I am afraid the message is: 'Be aware of owner's interest in any given moment.'"

"Is it common to interview the spokeswoman of a big company on Sunday, in her living room," asked one panelist, reminding the others of what happened when public television had to run a short piece critical of the biggest advertiser in Croatia. A journalist was sent to the

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

spokeswoman's apartment on Sunday, for efficient damage control. "Criticize the prime minister, criticize the government or opposition politicians as much as you want, but don't touch the telecom operators," one panelist concluded.

The corporate world in Croatia has found a way to influence the media, some panelists said, by ensuring their advertising money discourages investigative reporting on big businesses. "Make a list of, say, five of the greatest advertisers, and then try to find critical comments on them. I am afraid that the list of critical comments would be even shorter than the list of the advertisers," one panelist said. In addition, big businesses don't like to see their ads and commercials placed alongside serious social and political reports but instead seek placement near more trivial content. "Even some of the "serious" papers are mixing news reporting with commercial content, making a strange and confusing mix. Is a big interview with the owner of a store chain advertising or serious journalism? I know it is advertising in the form of journalism, but can the reader detect it as such, as well?" asked one panelist.

The MSI 2006 panel agreed that Croatian journalists cover all key events and issues. Information is not equally dispersed in the media spectrum, but there are no deliberately uncovered issues. "It is impossible to hide any facts anymore," a panelist said. "But one could say that there is ever less good investigative reporting or background information explaining some of the key local or international issues. Editors, unfortunately, think that this type of journalism doesn't sell papers or increase audiences."

As usual, the MSI debate on pay levels for journalists and corruption was lively. Panelists agreed that there are no direct relations between salary levels and corruption. No pay level could ever prevent corruption if a journalist is corrupt. It is not about money; it is about individual moral standards. One panelist warned of different forms of corruption in the Croatian media, some not always seen as "corruption." "But what else is it than corruption when car-magazine journalists are driving sponsored cars, when sports journalists are traveling on the expense of the sports clubs, when journalists covering public health are going on a 'study tour' visiting exotic destinations at the expense of the pharmaceutical companies?" a panelist said.

According to Lŭcić, president of the CJA, journalists in Croatia are relatively well-paid, especially compared to other professions. "I make almost twice as much as my wife. She is a doctor with a PhD and—let's be frank—responsibilities that go beyond mine. My pay level is far from the highest ones, but I have no reason to complain," said Lŭcić. Salary levels in the industry range widely, panelists said, with some making $15,000 or more per month; others are earning a modest $600 to $700.

Croatian public television remains the highest-rated broadcaster in Croatia. The panel expressed its concern over more entertainment content in both printed and electronic media as a result of the ever growing pressure of the commercial media. Some media analysts have even suggested the Council for Electronic Media start the process of reviewing broadcast licenses, taking Croatian RTL as an example. "They (RTL) got the license to broadcast after submitting a program projection that includes culture programming, children's and educational content, drama, and documentaries. But the whole program is based on low-quality, commercial programming. It is about time to remind them of their legal obligations," said panelist Lŭcić.

Technical facilities of most of the national media outlets are modern and efficient. A number of media outlets in Croatia—about 960 dailies, weeklies, and periodical editions for a population of 4.5 million—shows that all the market niches are covered at least in a number of editions, if not in quality reporting as well, the panel concluded. The introduction of IPTV or Internet TV (MaxTV) and the first business channel on cable television. Kapital Network, should contribute additionally to the quality of niche reporting, the panel said.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Croatia Objective Score 2.33/4.00

Panelists agreed that media pluralism in Croatia undoubtedly exists in print, broadcast, and online media. More than 3,100 journalists, more than 150 radio and television stations, including four national channels, and a total of about 960 printed media editions are serving a population of 4.5 million. News portals are mushrooming with about 40 percent of the population using online services and 12 percent of all households connected to the Internet via broadband. Metro, the world's largest free paper, has entered the Croatian market as well. Although panelists expressed their concern over the impact free papers have on the quality of "higher" journalistic forms (investigative reporting, for example), free papers could be considered as a development in spreading the news as far as possible, MSI panelists noted. The relatively fast penetration of IPTV—in just the first three months following the introduction of this new service in September 2006, some 8 percent of all households had subscribed to it—also contributed to broadcasting pluralism.

Access to local and international news is absolutely unrestricted. Even in the 1970s and 1980s, a specific feature of Yugoslavian socialism was openness and relatively easy access to foreign media. Foreign press was available, albeit

mostly during the tourist season, and there was no jamming of international radio or television programs. The habit of consuming foreign media was therefore a long tradition, but due to the high prices of international press ($4 to $6 on average for dailies and weeklies), it is limited mostly to free-access media. About 40 percent of all Croatian households have access to satellite television and radio stations, or to cable television networks.

The problem with high prices applies to local media as well. The cover price of daily papers ($1.10) or weekly papers ($2.20) and Internet rates (starting at around $20 a month) are restrictive to some social groups (pensioners, students, unemployed persons) who therefore use television and radio more for news. If it weren't for the affordability issue, MSI panelists said they would have given Croatia the highest ranking for this indicator.

The panel agreed that public media cover the entire political and social spectrum of views, issues, and problems. Panelist Tena Perišin of the public broadcaster said it covers all issues from all points of view, although she is not satisfied with the placement of these productions. "The programming of public interest should be more present in the prime time than it currently is. Sometimes, we create ghettos of sorts for, say, the problems of minority social groups. Management would probably say that we have to compete with the commercial stations, but this shouldn't become our first criteria," said Perišin.

The panel considered where there were still political pressures on public media and specifically reviewed the case of two editors from public television's main news who were suspended temporarily in December 2006 for running a video from the early 1990s showing the current president in an unexpected light. Perišin said, "There no longer are any open political pressures on public TV. What happened with these two editors was more of a reaction of the public TV's general manager, in his own interest, than a result of any political pressure." (The general manger was waiting for the president to issue official confirmation of his appointment as the Croatian ambassador to France.) As in previous years, panelists were more concerned with the situation in the local media, primarily radio and television, who are still dependent on local governments and too often serve political instead of public interests.

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HINA is the leading news agency in Croatia, covering more than 90 percent of the agency news market as a public news agency. The other two agencies are the private STINA agency and the Catholic news agency IKA.

Although the government tried to impose a list of members it preferred to HINA's board in October 2006, the panel agreed on HINA's high standards. A major objection, however, was voiced concerning the affordability of the service, which is prohibitively expensive for some smaller and local media outlets. The biggest national publisher, Europa Press Holding (EPH), is expected to launch a new agency open to the market in 2007, which would certainly create dynamic development in the Croatian agency news market and potentially benefit users' services.

Bigger national media outlets have their own news-gathering teams, including foreign correspondents and niche experts. Most of them subscribe to foreign news agencies as well, mostly to Reuters's general and business services.

All broadcasters in Croatia must have their own news production, which has created a multitude of broadcast news sources. News production is a strict requirement in the Electronic Media Law. As is commonly the case with such general provisions, however, some broadcasters are

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.

Media advertisement represents more than 1 percent of the gross national product, which is relatively close to the standards of higher-developed countries," panelist Lŭcić said. "It is too early to conclude whether this is good for the Croatian media, especially for their content," he said.

finding their own ways to bypass it. On many local radio and television stations, "news" may be superficial and exists only to fulfill the legal requirement but is not a result of the genuine intention to serve the public interest. For that reason, one panelist said that it would be better to amend the Law on Electronic Media in this regard. "The newscasts are still the most watched programs, so even commercial TV stations should have their interest in running them. But it makes no sense to keep it as a strict legal requirement. Should each local TV station have a news production team? Should, say, music TV channels run news on the hour?" asked a panelist.

With regard to media ownership, panelists were deeply concerned by Croatia's largest media publisher, EPH, making further media acquisitions. After buying the biggest local daily paper (*Slobodna Dalmacija*), EPH was poised to buy the best-known independent weekly (*Feral Tribune*), which has serious financial troubles. Panelists agreed that the Croatian print-media sector is very close to the definition of a "duopoly," with the other player being the Austrian publisher Styria, which could be prohibitive to the entry of other market competitors.

The transparency of media ownership is not a problem in comparison to the 1990s, but it is still not transparent enough, MSI panel members said. All media outlets should be registered with a list of owners at the Commercial Court, Ministry of Culture, and, for broadcasters, with the Council for Electronic Media. But this does not guarantee transparent ownership. The register is publicly available, but panelists think that there are still too many "cover names," cloaking the real owners. It is not only about hiding political interests, they said. "Cover names" are used more often in broadcast media on a local than on a national level to bypass antimonopoly provisions that forbid one person from having shares in broadcast media in two neighboring local areas of coverage.

While panelists agreed that the media covered all of the major political, cultural, and international issues, they were more critical about the coverage of social issues, primarily regarding ethnic, religious, social, or sexual minorities. In 2006, there have been just too many examples of hate speech, intolerance, or deliberate spreading of prejudices. "Minority issues have to be covered more broadly by the mainstream media. I also think that better efforts must be taken by the government, by the authorities, to give more money for minority issues. And maybe the Fund Media Pluralism should be better tailored to cover minority issues," said Cerasino.

The debate on minority-language media was a lively one. As in the 2005 discussion, some panelists thought that minority-language information sources could create or increase the minorities' feeling of living in a social or political ghetto. It is very hard to say where this fine line between "informing" and "creating" ghetto in real life is. But some panelists noted the experiences of the Italian and Czech minority media in Croatia, which have supported cultural identity for decades without creating a "ghetto" problem.

OBJECTIVE 4: BUSINESS MANAGEMENT

Croatia Objective Score 3.27/4.00

The Croatian media market appears to be attractive to local and international investors. "Statistics show a drop in circulation of almost all papers in Croatia, but still, I haven't heard of any publisher that has declared bankruptcy," said panelist Lŭcić "This is, I would say, ultimate proof that the media industry is a profit maker." Leading international media conglomerates have entered the Croatian media scene, mostly in partnership with local entrepreneurs or media outlets. Almost all have kept local management or

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.

hired local staff for the highest positions, an indicator of the good level of local management skills. As an example, EPH, the biggest publisher in southeast Europe, was founded by a group of young Croatian journalists in the late 1980s and has been managed exclusively by local managers. EPH has since generated a pool of excellent professionals as well as contributed to the overall favorable business climate in Croatia, with foreign investors recognizing this and profiting from it as well.

In the 1990s, distribution 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. Nowadays, distribution is still largely controlled by one company, Tisak, but is in general terms efficient from the publishers' point of view and a profit maker for owners. There have been no complaints on Tisak's business practice or indications of preferable status of one publisher over the others.

Media in Croatia receive revenue from a multitude of sources. Some of the more traditional sources of income—for example, subscription to newspapers—are still in very low percentages (in many cases, between 2 percent and 3 percent). Some panelists thought that the 97 percent of the circulation sold on kiosks must have a direct impact on the type of journalism, favoring, as one put it, "screaming headlines on the cover page, in order to distinguish the paper on the newsstands, even in more serious papers." Having a very high percentage of the circulation sold on kiosks also creates more problems in predicting company income. Advertising revenue both in printed and broadcast media is constantly growing.

The MSI panelists continued an annual debate on the multitude of income sources for public television. Croatian public television receives about $130 million to $140 million a year from mandatory subscription fees but, on other hand, has the lion's share of the advertising market, estimated at $240 million per year. Perišin, a panelist from public television, said that advertising income is important for the broadcaster, making it less vulnerable to different forms of political pressures and more competitive on the market. "Public TV must have both incomes because, unlike commercial TV stations, public TV must invest in more expensive productions of public interest," said Perišin. Other panelists differed: "It is not a problem to enjoy the best of both of worlds, subscription and advertising. But I see a problem when public TV spends subscription money for commercial programming. A solution is relatively easily implemented, but public TV doesn't want to do it. It would be enough to have two different financial accounts, one for the income from subscription fees [and] the other for advertising revenue, as some Nordic countries have. Then it would be clear where my subscription money was going and whether it was used for what it should have been used for—for the production of programs pertaining to public interest," one panelist said. "Advertising income would be transparent as well, and public TV would be free to use it for any expense they consider would help them to keep public TV competitive."

"Statistics show a drop in circulation of almost all papers in Croatia, but still, I haven't heard of any publisher that has declared bankruptcy," said panelist Lŭcić. "This is, I would say, ultimate proof that the media industry is a profit maker."

Media advertisement represents more than 1 percent of the gross national product, which is relatively close to the standards of higher-developed countries," panelist Lŭcić said. "It is too early to conclude whether this is good for the Croatian media, especially for their content," he said. But the fact that advertising is growing fast supports the market position of the print and broadcast media. As expected, the market entry of the third mobile-phone operator and a few of the biggest chains of superstores have contributed to the further growth of the advertising market. The fastest-growing area is online advertising, which probably would motivate even more publishers to go with online editions. Most of the biggest global advertising agencies have opened branch offices and companies in Croatia, making the advertising sector sophisticated and professional.

The ratio of advertising to circulation revenue in Croatian print media still is lower than in Western countries. Some of the highest-circulated national daily papers are generating up to 60 percent, or even more, of their overall income from advertising, but this percentage is substantially lower in local papers. In many cases, local papers generate more than 80 percent of their income on cover prices, which makes them more vulnerable to market variances.

No subsidies are available for the independent media in Croatia. There are certain forms of "hidden subsidies"—public announcements or advertising and awareness campaigns financed by the government or local authorities, for example—and panelists said there are indications these more often are given to "friendly" media outlets than to the others.

Regarding financial self-sustainability, panelists see the biggest problem in the local media, especially with local radio and television stations. A relatively large percentage of the

local media, especially local radio and television stations, are still partially owned by local governments or dependent on financial and in-kind support from them. So-called contracts on regular coverage of local government's activities are quite often a regular and substantial part of local media budgets. This has predictable consequences for the quality and impartiality of news productions. The local media quite often use office spaces, communications, or other services provided for free or at lower-than-market rates by local governments. The CJA initiated a proposal to stop these practices but was faced with a fierce reaction from the local media. "We wanted to change it, but many local media outlets are afraid that these changes would result in their bankruptcy," said Lučić, president of the CJA.

From early 2006 on, there is an additional source for the financing of independent media. Based on the amendments in the Electronic Media Law, adopted in the summer of 2005, 3 percent of the subscription fee for public television goes to the so-called Fund for Media Pluralism for the "support of productions in the public's interest on commercial broadcasters." Financial support is allocated to the recipients by the Council for Electronic Media. The total amount for 2006 is estimated at $6 million from individual grants of $1,500 to $120,000. The panel agrees that the Council should be more transparent in making grant decisions, and that more defined criteria are needed. Panelist Cerasino from the OSCE Mission to Croatia said that money from the Fund should have been used to support and promote minority issues in the media.

Ratings surveys and market research have a relatively long history in Croatia but are still not used properly and regularly. Market researchers and advertising companies are using sophisticated tools and methods in their surveys, but most local media simply cannot afford to pay for such expensive services. As one panelist said, even for media that can afford to pay, market surveys are now kind of a "fashion" or "must," which doesn't mean that they are properly used to define a company's strategy.

Print and broadcast figures are still not provided by an independent institution, but most of the bigger advertising agencies make a serious analysis of ratings and circulation figures. Panelist Davor Glavaš suggested that surveys are all too often used in advertising and promotional campaigns, especially by national commercial television stations, "in a selective and unprofessional way." "Nowadays, no serious media would go to a national advertising agency with inflated ratings, audience, or circulation figures. But they are deliberately presenting selected figures to the general audience, with no further explanations as what to what they are really for, only to prove their leading market positions," concluded a panelist.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Croatia Objective Score 3.21/4.00

A variety of trade associations are very active in supporting a whole range of interests in the media community. The local media, including newspapers but mostly local radio and television stations, are organized under the Croatian Association of Local Radio and Print (HURIN). Local commercial television stations are organized under the National Association of Local TV Stations (NUT). Jointly with national television stations (Croatian RTL, Nova TV), local television stations have formed the National Association of Commercial TV Stations. A group of local radio stations are organized under AIR (Association of Independent Radio Stations). Publishers have their own association, although tense relations between some of the publishers diminish its efficiency. All of these trade associations are active in promoting the agenda of the associated media professionals. But MSI panelists said that there is no larger framework for their activities. "They are active in protecting their particular interests, but what is missing is their joint action in promoting a common media agenda," said Lučić.

The CJA has a membership body of almost 3,100 journalists, with more than 90 percent of them active professionals. For almost a decade, the CJA was a unique association that encompassed almost all professionals nationwide, working on protecting their rights beyond individual political affiliations. In the 1990s, the CJA had a key role in defending and promoting basic human rights and democratic standards as one of the most important independent voices during the authoritarian regime. Nowadays, the CJA has lost most of its ground in defending basic human rights but is still

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.

a well-organized, financially self-sufficient professional association, promoting and safeguarding higher industry standards. In the current changed socio-political environment, some panelists said they thought that the CJA should disperse its activities into smaller, more efficient fractions or task forces and pressure groups.

The Croatian Journalists' Trade Union (CJTU) is a partner association to the CJA. It concerns itself with protecting and improving journalists' labor rights. The CJTU has been appointed by the International Federation of Journalists as the referral center for trade unions in transitional countries, which indicates the significant results that the CJTU has achieved since the 1990s.

There are more than 10,000 registered nongovernmental organizations (NGOs) in Croatia, encompassing a whole range of civil-society activities. In late 1999 and early 2000, practically all international donors withdrew from Croatia, which had quite a profound impact on the Croatian NGO scene. But as one panelist concluded, this has also helped Croatian NGOs to become even more rooted in the local community and its problems, avoiding the relatively common situation from the 1990s when many NGOs were more in touch donor interest than real local problems. NGOs are generally active in promoting free speech, but still not as active as they should be, according to some panelists. In many cases, one said, "the activities of the NGOs in promoting or protecting free speech cease upon reaching the city limits of Croatia's capital."

The debate on the degree of journalism quality again divided panelists, as in the MSI 2005 debate. There are three full journalism faculties—two in Zagreb, one in Dubrovnik—and a permanent training center in Opatija, the International Center for the Education of Journalists, run by the CJA. The Academy for Media Sciences in Split was scheduled to open in September 2007.

The panel said these institutes should be enough to secure quality education in journalism. Perišin, who lectures at the Faculty of Journalism, said the journalism degree programs are professional, giving students both theoretical knowledge and practical training through well-equipped laboratories.

There is inflation in the number of young journalists with a university degree, exceeding the media market's needs, warned panelist Anja Picelj. On the other hand, mid-career journalists do not necessarily attend workshops and trainings frequently enough. "Media owners and editors are not encouraging their staff to learn more through training or workshops," said Anja Picelj. "Some of them don't want their journalist to become more educated or more aware of their rights, or simply couldn't afford to send a person for a week or longer to trainings or workshops."

Panelist Glavaš said a journalism degree does not fully prepare journalists for the real professional environment: "Journalism degrees are mostly based on traditional professional theory and skills. But they still don't prepare new generations of journalists for challenges of the new media."

Sources of newsprint and printing facilities in Croatia are private, apolitical, and completely deregulated and unrestricted. The market offers more privately owned printing facilities than demanded for this service, which has resulted in the lowering of printing prices. Newsprint and printing facilities allow all daily papers to be in full color, offering many supplement sections for the same price—albeit a rather high one for many—as the black-and-white, no-supplement editions of only a few years ago.

In the 1990s, distribution was monopolized, politically controlled, and used as an additional tool for political pressure, most often in the form of the financial extortion of the independent media. Nowadays, distribution is still largely controlled by one company, Tisak, but is generally viewed as an efficient and profit-oriented company. There have been no complaints about Tisak's business practice or indications of better service given to one publisher vs. another. The other channels of media distribution, including kiosks, transmitters, and the Internet, also are private, apolitical, and completely unrestricted.

Panel Participants

Emil Havkić, Media Lawyer, Zagreb

Geza Stantić, Media Specialist, Croatian Helsinki Committee

Dragutin Lučić, Croatian Journalists' Association

Antonella Cerasino, OSCE Mission to Croatia

Martin Mayer, Delegation of the European Commission to Croatia

Anja Picelj, Media Specialist, U.S. Embassy, Zagreb

Tena Perišin, Public TV, Study of Journalism, Zagreb

Moderator

Davor Glavaš, BBC Croatia

Observer

Krešimir Dominić, Media and PR Specialist, Zagreb

If resolution of Kosovo's status succeeds in easing uncertainty and releasing some of its economic potential, MSI panelists said they saw no reason why the MSI would not continue to improve. Institutions were now in place to support and regulate independent media, making it harder for politicians and others to exert control.

KOSOVO

OVERALL SCORE: **2.56**

Two issues dominated Kosovo's media during 2006: negotiations on the United Nations (UN) protectorate's final status and the political upheaval that followed the death of President Ibrahim Rugova. As the final status negotiations continued in Vienna and preparations were made for the UN envoy's announcement of their outcome to the Security Council, Prime Minister Bajram Kosumi resigned, replaced by Agim Ceku, the former commander of the Kosovo Protection Force, and President Rugova was succeeded by Fatmir Sejdiu, a longtime political ally.

The status talks focused more attention on the position of the Serbian minority in Kosovo and the extent to which power would be devolved to their local communities, issues reflected in the 2006 Media Sustainability Index (MSI). The international community in Kosovo was particularly concerned about the potential for the media outlets that serve Serbs and their ability to provide independent news coverage.

The MSI panel assessment for 2006 reflects a broad range of institutional and other improvements in Kosovo's media sector. The radio and television regulator stopped being an internationally appointed Temporary Media Commissioner and became a fully functioning Independent Media Commission, staffed by Kosovars with a council meeting once a month. Print media became regulated by a Press Council with the power to hear complaints, to impose fines for newspapers breaching the code of conduct, and to force newspapers to print its adjudications. Industry self-regulation protects media from government control, and this result was reflected in the panelists' score for the free-speech objective—2.59, compared with 2.50 the previous year. Panelists' views on the professionalism of journalists continue to be dampened by the media's much-criticized performance during the ethnic riots in 2004, and there was also only a slight improvement in the score for the plurality of news sources.

The scores for the quality and strength of business management and supporting institutions rose sharply, perhaps surprisingly, considering the continued weakness of the overall economy and the uncertain political climate. The reason lay in the formation of a new industry body for the electronic media that planned, among other things, to commission audience and readership research of a higher standard than before. This is expected to boost advertising revenues and for the first time give accurate figures for newspaper circulation.

If resolution of Kosovo's status succeeds in easing uncertainty and releasing some of its economic potential, MSI panelists said they saw no reason why the MSI would not continue to improve. Institutions were now in place to support and regulate independent media, making it harder for politicians and others to exert control. However, the panelists said, much would depend on how Albanian- and Serbian-language media coped with the challenges of reporting on Kosovo's new position in the international community.

KOSOVO AT A GLANCE

Note: Kosovo has not had a census since it became a UN protectorate, and population data are sporadically produced.

GENERAL

> **Population:** 1.9 million (2006 UNMIK est.)

> **Capital city:** Pristina

> **Ethnic groups (% of population):** Albanian 90%, Serbian 6%, Muslim Slavs (Bosniak, Gorani) 2%, Roma 1.5%, Turkish 1% (2006 UNMIK est.)

> **Religions (% of population):** Islam, Catholicism, and Serbian Orthodox are the main religions, but no reliable statistics exist.

> **Languages (% of population):** Albanian 90%, Serbian 6%, other 4% (derived from 2006 UNMIK population estimates).

> **GDP (2006 est.; Atlas GNI not available):** $3.08 billion (Provisional Institutions of Self-Governance Ministry of Economy and Finance)

> **Income per capita (2006; PPP GNI per capita not available):** $1,600 (World Bank Kosovo Country Brief 2006)

> **Literacy rate:** 93%

> **President or top authority:** Fatmir Sejdiu, president; Agim Ceku, prime minister

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 10 daily newspapers, five weekly magazines, 22 television stations, 93 radio stations (IMC)

> **Newspaper circulation statistics:** Circulation data is not available. Estimates place total circulation at between 20,000 and 30,000. *Koha Ditore* is the leading paper.

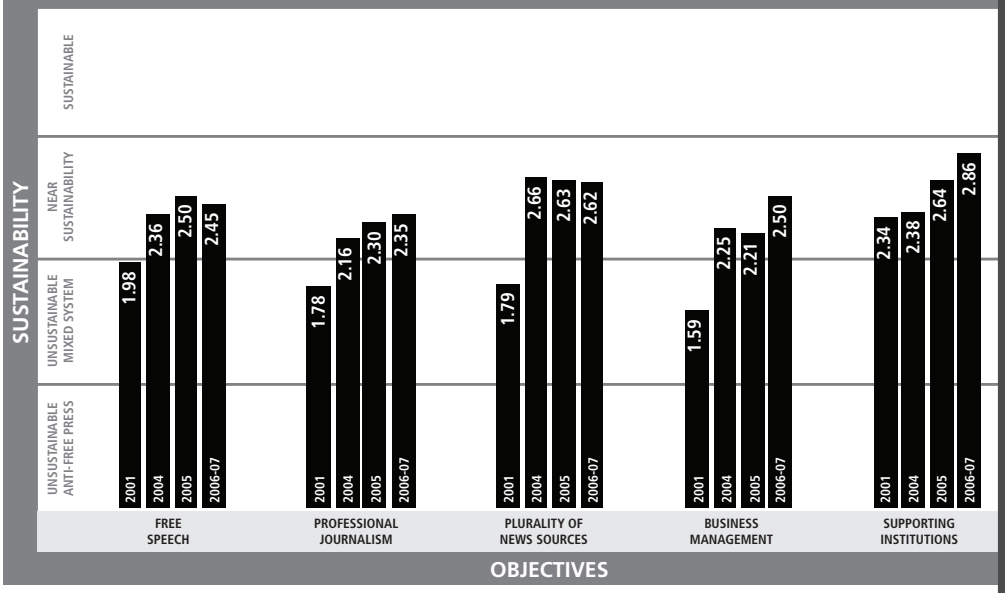
> **Broadcast ratings:** TV21 42%, RTK 29.8%, KTV 12.6% (Index Kosova, August 2006). Data for radio stations do not exist. Leading stations are Radio Dukagjini, Radio Kosova, Radio 21.

> **News agencies:** KosovaLive (independent), Kosovapress (aligned with political party PDK), QIK (aligned with political party LDK)

> **Annual advertising revenue in media sector:** €5 million to €7 million (IREX and advertising agencies' estimates)

> **Internet usage:** Households with internet access: 13%. People claiming daily use of Internet: 15% (IndexKosova)

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: FREE SPEECH

Kosovo Objective Score 2.45/4.00

Free speech is practiced vigorously by journalists in Kosovo. There are few visible restrictions, but barriers remain. For example, MSI panelists said that access to institutions is routinely denied by government and private security guards. Fatmire Tërdevci, a journalist from the daily newspaper *Koha Ditore*, said: "Mostly attacks are coming from police or security guards. We are not seeing that much of journalists being attacked or killed; it is more a question of putting obstacles in the way." Eugen Saraçini, Director of News and Marketing at the Kosovo-wide independent television station RTV21, said sometimes journalists had themselves to blame. "As journalists we forget there are procedures that exist to get information," he said. "When procedures are not respected, you give institutions an alibi not to respond."

The practical limits on free speech when reporting on ethnic issues remain and, if anything, were more acute during 2006 because of the importance of the Vienna negotiations and the attention paid by international institutions in Kosovo. Argjentina Grazhdani, Media and Civil Society Advisor at the United States Agency for International Development (USAID), said the behavior of Albanian-language media had improved, suggesting that "maybe because of these regulations that have been restrictive there has been education among journalists not to use hate speech."

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.

"Mostly attacks are coming from police or security guards. We are not seeing that much of journalists being attacked or killed; it is more a question of putting obstacles in the way." Eugen Saraçini, Director of News and Marketing at the Kosovo-wide independent television station RTV21, said sometimes journalists had themselves to blame. "As journalists we forget there are procedures that exist to get information," he said. "When procedures are not respected, you give institutions an alibi not to respond."

The potential for criminal prosecution for libel remained. The prime minister's office took an initiative to decriminalize the law, but it was not promulgated by the UN Special Representative of the Secretary General, which must be done before the law could come into effect. Although the potential criminal penalty might have a psychological effect on journalists, in practice there are few prosecutions and those that occur end in suspended sentences, said Naser Miftari, Deputy Chief Editor of *Koha Ditore*.

The broadcast license system in Kosovo remains chaotic. The chairman of the Independent Media Council (IMC) has said that there are too many local stations for the Kosovo market and that an early priority would be to look at ways to reduce their number. The IMC is poor at monitoring the performance of licensees, putting those that obey the rules, particularly regarding copyright, at a disadvantage, panelists said. "The IMC does not monitor the conditions of the media market in general, and they are not monitoring if anybody is in breach of the rules of the license that they hold," said Saraçini. "We know for certain that there are breaches of the rules."

Both public and private broadcasters were concerned about the effect of the new law on public broadcasting, which was promulgated and came into force in 2006. The public broadcaster was concerned that the provision for its budget would be processed through the Ministry of Finance and Economy, giving too much opportunity for political control. Nebi Qena, Head of News and Current Affairs at RTK, said, "The legal structure is not favorable in the long run because it takes money through the budget and ties the public broadcaster to the government." He was also concerned that the IMC has been given power to decide every year the proportion of advertising revenue the public broadcaster

The public broadcaster was concerned that the provision for its budget would be processed through the Ministry of Finance and Economy, giving too much opportunity for political control. Nebi Qena, Head of News and Current Affairs at RTK, said, "The legal structure is not favorable in the long run because it takes money through the budget and ties the public broadcaster to the government."

would be allowed to take. He expressed uncertainty about the capacity of the IMC to take complex decisions of this sort. Other panel members agreed that the IMC was under pressure in the early months of its life. The quality of the members of the IMC's council was high, but there are signs that it would be under-funded and would find it hard to recruit quality full-time staff, the panelists said. It is also low on the government's list of priorities. Grazhdani says: "I think it is the last thing on everybody's minds, especially the internationals."

Though a law on access to official documents has been promulgated, its implementation is poor, according to the panel. A recent survey showed that approximately 33 percent of the gatekeepers at the various institutions were aware of nongovernmental organizations' (NGOs) and journalists' right to access information from their organizations. But there were few, if any, processes within these organizations that would allow them to follow through on the requests. In only 1 percent of the cases surveyed was the applicant granted the legally required access to a document. Miftari said: "The law is fairly well-written and well-elaborated, but the bylaws are not there or even if they are there is very little training or expertise among public officials as well as journalists."

Access to international news and news sources is not a problem for journalists in Kosovo. The same is true for access to the profession. There is no restriction on people who want to work as journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kosovo Objective Score 2.35/4.00

Professional standards of journalism in Kosovo, in the opinion of the panel, continue to recover. This category dropped significantly after reports by the Organization for Security and Cooperation in Europe and others showed how poor reporting by some Kosovo-wide media contributed to the ethnic riots of March 2004. Panelists ranked this objective at 2.55 in 2006, compared with 2.16 in 2004. *Koha Ditore* editor Miftari said that by regional and some international standards, Kosovo journalism is largely fair, objective, and well-sourced. "Basically the efforts are made out there to find both sides of the story," he said. "I think we stand in a good position in comparison to the rest of the region."

Concerns remained about the low level of salaries for journalists, although there was disagreement about the impact of the poor pay. Miftari said: "The gate is open for manipulation and for the potential to be corrupted." Qena, Head of News and Current Affairs at public broadcaster RTK, said it is not so much a matter of a journalist receiving a sum of money to do a story in a particular way as a matter of conformity in a small society. "It has more to do with self-censorship, of not wanting to annoy a businessman or political figure," he said. USAID Media and Civil Society Advisor Grazhdani believed that the smallness of Kosovo society works the other way as well: "There are journalists doing this, but the public I believe have a nose for it, because the next day half the journalism community would speak out 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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

The Kosovo status talks in Vienna provided an important test of journalists' ability to cover a complex story professionally and objectively. *Koha Ditore* journalist Tërdevci said the main issues were the sources and getting stories beyond the public statements. He said "the problem was the transparency, not that the journalists didn't cover them." The panel agreed that Kosovars who followed the broadcast and print media constantly to look for information about the process would have been well-informed. But Miftari felt that some of the usual sorts of errors were made by journalists. "You had the Albanian delegation saying that we did good and the Serbian delegation saying that we did good, but in the end you never know what's really going on. I think the media failed there," he said. There was a difference of opinion about whether the Serbian voice had been given sufficient weight in the Albanian-language Kosovo media. Isak Vorgŭcić, manager of Serbian-language Radio KIM, said he felt they were excluded. Saraçini replied that the problem was that they were not integrated, not that they were excluded. Other panel members said that not many Albanian-language journalists went to Serb families to interview them. "We lack stories from the farmer in the Serbian village. What does he think?" said Grazhdani. However, Visar Hoti, director of RTV Tema in Ferizaij, said: "I think they were covered and their opinions got into RTK and the national and local channels. We also mustn't forget the work done by international funding of TV programs this year highlighting communication between communities. I think it's on a satisfactory level."

The panel recognized that equipment restrictions for the electronic media are becoming more of a problem because the life of equipment bought through international donors in 1999 and 2000 is now coming to an end. Donors are helping to re-equip the Kosovo-wide stations, but the situation is reported to be worse at local radio and television stations. "In the last six years we have been using the equipment we got in 2000," said Vorgŭcić. "It has become old, and it is difficult to replace. I have visited most of the Serbian radio stations broadcasting in Kosovo, and the situation with equipment is quite bad." Panelists from local radio and television agreed that international donors are willing to fund programming, particularly on minority issues, but are no longer willing to fund the equipment needed to produce those programs.

Niche reporting remains poorly developed. Tërdevci said there is an improvement in quantity and quality of investigative reporting but that coverage of social issues, like health and education, could be developed further. Mimoza Kusari, director of the American Chambers of Commerce in Kosovo, is not convinced that specialist reporting has much to offer, saying that "in most cases when I read, watch, or listen to these reports I don't hear anything new that I didn't know already."

The panel agreed that the ownership of independent media outlets in Kosovo is transparent. Shareholders must be named in broadcast license applications and in company registrations. However, concern was expressed that newspaper publishers named in the business registration might not be the final owner and that there was no proper check by the IMC of the shareholder details in electronic media license applications.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kosovo Objective Score 2.62/4.00

If "plurality" was the issue, Kosovo would be hard to beat. Albanian speakers have 10 daily newspapers (up from seven in 2005), with three Kosovo-wide television stations, four Kosovo-wide radio stations, 12 local television stations, and 52 local radio stations. Serbian speakers have three locally produced news periodicals, six local television stations, and 29 radio stations. The Kosovo Terrestrial Transmission Network (KTTN) now covers 83 percent of the population (an improvement on the prior year), and local radio and television licensees have their own transmitters.

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.

"Over the last year there is now a better relationship between the media and the advertising agencies than there was in the past with the distributors," Saraçini said. "This is an indication that there is now a better way of doing business which is similar to how it is done in developed countries." Independent electronic media depend on advertising for between 80 percent and 90 percent of their revenues, so a better-regulated market is important for them.

The problems lie with affordability and power supply. Most local stations face daily power cuts during which they cannot transmit and their audiences cannot receive. The panel observed that cuts in some areas regularly break into prime news time. As Grazhdani of USAID said, "viewers may have the signal, but they won't be able to see it."

For print media, distribution remains a problem. Most is controlled by one distributor that has limited capacity and is not reliable, panelists said. Estimates for daily newspaper sales vary, perhaps around 30,000 in total, though readership is higher. For many families, the price of a paper is an expense they can do without. The panel agreed that it is the economy and electric power that deprive people of the information they need.

Television is widely watched. Research shows that approximately 80 percent of the population gets its information from television and, as Saraçini of the independent television station RTV21 pointed out, "audiences get radio and television which is funded by advertising for free."

The panel agreed that the public broadcaster reflected differing perspectives of the political spectrum, but there was division as to whether it served the public interest in other ways. Qena of RTK said he believed his channel did reflect a wide range of views, "maybe even too much because you have a government official saying something and you've got to run off and get the opposition and vice versa." But Grazhdani said that if you looked at the public interest more broadly, RTK performed less well. "Politically it is completely correct, but in terms of how much it serves the public interest in issues like youth, gender, educational programs, less so." Saraçini supported the view that RTK is "one of the best broadcasters in the region" but questioned whether the public broadcaster was spending too much money on sports. "In a survey last year 17 percent of people said they were interested in sports. I ask myself whether hundreds of thousands of euros should be spent on something not many people want to watch," he said.

The news agency KosovaLive was established with donor assistance at the end of the war and continues to provide news coverage to subscribing media. But subscription prices are high. In the past, donors funded local radio stations for buying subscriptions, but that support is ending. "It is expensive for us," said Radio KIM's Vorgŭcić. "Before it was free; now you have to subscribe." Members of the panel felt that the agency provides credible and professional news coverage, but it remains on precarious financial footing.

Independent broadcasters do, for the most part, produce their own news programs, though concern was expressed by the panel at the close relationships between some broadcasters and their local municipalities. This, in some cases, they said, has affected the independence of local news. Twenty-seven Serbian-language radio stations have a network of news providers, KOSMA, that allows them to exchange program material.

The panel agreed that the ownership of independent media outlets in Kosovo is transparent. Shareholders must be named in broadcast license applications and in company registrations. However, concern was expressed that newspaper publishers named in the business registration might not be the final owner and that there was no proper check by the IMC of the shareholder details in electronic media license applications.

In the context of the final status negotiations for Kosovo, the representation of minority-language information sources is an important issue for the province. Grazhdani said that as a viewer, "it is my impression that the three Kosovo-wide TV stations have increased their coverage of minority issues in 2006, and, particularly on RTK, the number of people from minority communities invited to take part in debates has increased as well." Vorgŭcić pointed to the lack of a daily newspaper published in Kosovo for the Serbian community. "All the newspapers we get are from Belgrade, apart from one or two weekly or fortnightly magazines," he said.

OBJECTIVE 4: BUSINESS MANAGEMENT

Kosovo Objective Score 2.50/4.00

The panel marked the objective score for business management higher for 2006 because of the improvement in the organization of the advertising market in Kosovo and the increased prominence of reputable advertising agencies. Until 2006, the waters were muddied by the use by international and regional consumer products companies of local distributors, which controlled the marketing budgets. This money was not used professionally for advertising campaigns and was often held back by the distributors for their own purposes. Saraçini, Director of News and Marketing at the independent television company RTV21, said that this situation has improved. "Over the last year there is now a better relationship between the media and the advertising agencies than there was in the past with the distributors," he said. "This is an indication that there is now a better way of doing business which is similar to how it is done in developed countries." Independent electronic media depend on advertising for between 80 percent and 90 percent of their revenues, so a better-regulated market is important for them.

However, agencies seldom reach down into the local market, where the pool of advertising revenue is very shallow and localized and the number of television and radio stations competing for it unsustainably high. Ardita Zejnullahu, executive director of the electronic media owners' association, AMPEK, used the example of Prizren, with its population of approximately 192,000. "There are four functioning TV stations, but it is a pretty small market for each of them to be able to function if they want actually to rely on advertising," the director said. The same applies to the Serbian communities. "Advertising is connected with production and competition, so there are problems here," said Vorgŭcić. "There is little production, and competition is very weak or does not exist. There are certainly no agencies that connect marketing for Serb radio and TV stations." However, the Serb stations are attempting to improve the market by using the KOSMA network as a means to approach advertisers and agencies jointly, particularly in Belgrade, enabling them to offer a larger available audience.

"We believe we have started a new phase by establishing the GIMEK that will advance the survey quality of the audience research and improve the quality of data we have available to us," said panel member Saraçini, who is also the chairman of the board of GIMEK.

Intense competition among daily newspapers is showing signs of descending into a price war. One of the new additions on the newsstands, *Info Press*, launched with a €0.10 cover price in 2006. It was followed by *Lajm*, which halved its price from €0.20 to €0.10. Its official explanation is that it has cut costs by reducing its size from broadsheet to tabloid, but panel members estimated it was making substantial losses, sustainable only through the wealth of its owner. The two market leaders, *Koha Ditore* and *Bota Sot*, have held their cover prices at €0.30. *Koha Ditore* editor Miftari said: "It is obvious that a 10-cent newspaper is not realistic and sustainable. Most of these media are suffering huge losses on a monthly basis just to ensure that the competition is kicked out." Miftari also was concerned about the dependence of newspapers on government advertising, influencing editorial policy by linking favorable coverage to advertising campaigns. However, there was general agreement in the panel that there is no direct subsidy from the government to independent media in Kosovo.

Because there are no reliable distribution figures for the print media in Kosovo, it is hard to make any assessment of the business effects of this price war. However, decisions were taken by the electronic media in 2006 that will make distribution and readership, as well as television and radio audience data, more transparent. The Kosovo-wide television stations and the advertising agencies set up an industry committee known as GIMEK, which has commissioned diary-based audience research from affiliates of the

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.

Panel members pointed out that the success or failure of the Kosovo Institute of Journalism and Communication would be judged only when it had had more time to prove itself and graduates had found their way into suitable jobs. Miftari, of Koha Ditore, said that students had good conditions in which to operate. "I think in the long term it has been the most serious attempt so far to provide quality training for journalists."

worldwide market leader AGB Nielsen Media Research. It is their intention to include questions about newspaper purchase and readership, so for the first time reliable data about daily print media will be available in Kosovo, as well as for Kosovo-wide television and radio. "We believe we have started a new phase by establishing the GIMEK that will advance the survey quality of the audience research and improve the quality of data we have available to us," said panel member Saraçini, who is also the chairman of the board of GIMEK.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kosovo Objective Score 2.86/4.00

This objective received the highest overall score, as it did in 2005. Panel members remain positive about the associations that represent private media owners and protect the rights of journalists in Kosovo. They took the view that independent media, print and broadcast, can operate freely without restrictions from political and other interests, supported by advocacy from the associations.

The independent media owners' association, AMPEK, is still donor-dependent and collects no subscriptions from members, though its board has agreed they should be charged. Membership increased during 2006, up from 35 to around 60, reflecting the importance of its advocacy as media law was debated by the Assembly and the IMC began its work. The IMC agenda included deciding on a series of operating regulations at its monthly meetings. Most affect the independent media owners directly, in particular the scale of fees to be charged for their broadcasting licenses. All of this was being done in great haste. "One of the board members in the last meeting said that it is better to have bad law than to have no law at all," said Zejnullahu, executive director of AMPEK. "It is all very risky," she said. The panel agreed that AMPEK had been doing a good job of representing independent electronic media under these difficult circumstances. For the first time, there also was the prospect of membership applications from Serbian-owned radio and television stations.

The leading journalists' association in Kosovo is the Association of Professional Journalists in Kosovo (APJK), claiming some 400 nonpaying members. As with AMPEK, it is donor-dependent. Its board has agreed to levy subscriptions, but it has yet to do so. There was criticism from the panel that the APJK is too reactive and doesn't do enough to develop the professional standing of journalists. "They have been quite loud, if I might say so," said Qena, Head of News and Current Affairs at RTK. "Sometimes, before you come out with a statement, you need to check the facts. But it is encouraging with these associations that journalists stick together. That's a good thing."

The panel was more positive than in 2005 about the work of NGOs to support free speech and the independent media. In particular, the panel mentioned the Youth Initiative for Human Rights, which, as Grazhdani said, "has brought some new spirit to the civil-society sector here." Part of this NGO's role is to educate the public on the importance of freedom of expression and to make it known that public information is not the property of any public institution. Hoti, of RTV Tema, mentioned the increasing role of NGOs' monitoring local government performance within the municipalities, saying, "They have been monitoring nonstop local government and the assembly in Ferizaj (where RTV Tema is based) and have been reporting constantly to the media on breaches and problems."

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.

A master's degree program at the Kosovo Institute of Journalism and Communication (KIJAC) entered its second year in 2005. The year's intake included three Serb journalists. Panel members pointed out that the success or failure of KIJAC would be judged only when it had had more time to prove itself and graduates had found their way into suitable jobs. Miftari, of *Koha Ditore*, said that students had good conditions in which to operate. "I think in the long term it has been the most serious attempt so far to provide quality training for journalists." In-service training is available through donors and through independent television and radio stations themselves. Saraçini said that in some ways he preferred to do it this way so that training could be coordinated with the work that editors already do. Vorgŭcić said there had been a number of onsite training programs for Serbian journalists but that there was high turnover of staff; once they were trained, people tended to move on elsewhere.

The panel agreed that sources of newsprint and printing facilities are privately owned and not politically controlled. They were more concerned about control of distribution at the municipal level through the licensing of kiosks. Miftari said this certainly had an effect on the sale of newspapers, especially since the Pristina municipality removed unlicensed kiosks. Television and radio transmission, Kosovo-wide and local, is in private hands. During 2006, the transmission operator KTTN was commercialized and now operates as a limited liability company (LLC). Internet access is unrestricted, with multiple service providers.

Panel Participants

Mimoza Kusari, Director, American Chamber of Commerce in Kosovo

Argjentina Grazhdani, Media and Civil Society Advisor, USAID

Fatmire Tërdevci, News Editor, *Koha Ditore*

Naser Miftari, Deputy Chief Editor, *Koha Ditore*

Ardita Zejnullahu, Executive Director, AMPEK

Isak Vorgŭcić, Manager, Radio KIM

Eugen Saraçini, Director of News and Marketing, RTV21

Nebi Qena, Head of News and Current Affairs, RTK

Visar Hoti, Manager, RTV Tema

Moderator

Andrew Clayton, IREX

In general, the panelists were concerned that the overall environment for the media—the political, economic, and internal media dynamics—has created a situation where the media have stagnated and regressed in some areas.

MACEDONIA

OVERALL SCORE: **2.44**

The crucial media event in 2006 was the implementation of the new law on broadcast under which a new regulatory body was created. For the first time in the history of the country, the body was not chosen based on partisan or political affiliation. In theory, this should significantly improve the independence of the broadcast regulator and regulatory processes.

The elections proved to be a crucial political event for the year, with a change in power. The ruling social democrats lost to the coalition led by VMRO-DPMNE, a right-wing, democratic party. In addition, Macedonia was granted the status of the EU candidate country, but soon after the election the new government was highly criticized by both the EU and US officials for not establishing a political dialogue with the opposition.

On average, the Media Sustainability Index (MSI) scores for 2006/07 showed a drop from last year's scores. The MSI panel considered several factors to be important in this drop. First, the newly introduced law on broadcast is in a critical phase of implementation and is under revision by the new government, creating a period of legal uncertainty at the moment of re-licensing procedures.

Second, the government used the financial turmoil in the state broadcaster to put it more firmly under its own control. The new government also is using a sophisticated model for subsidizing the media through social marketing campaigns and is using these campaigns to affect their independence.

The economic environment also is hurting the media. Overall economic performance remains very low, and the media market seems to be reaching its limit in this market and is in a period of stagnation.

Panelists further saw that supporting institutions, such as journalists' associations and other media nongovernmental organization (NGOs), have lost their momentum of previous years with a resulting drop in performance. In part, the panelists believed this was due to the exit of major donors from support for Macedonian media and the lack of sustainability of these organizations without donors.

In general, the panelists were concerned that the overall environment for the media—the political, economic, and internal media dynamics—has created a situation where the media have stagnated and regressed in some areas.

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 and unspecified 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% (98.2% male, 94.1% female) (2002 census, *CIA World Factbook*)

> **President or top authority:** Prime Minister Nikola Gruevski (since August 26, 2006)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** Approximately 600 daily, weekly, biweekly, monthly, and periodical editions. 161 radio and television stations, 3 television channels, 29 local broadcasters, and 6 radio program services (*Broadcasting Council*, October 2005).

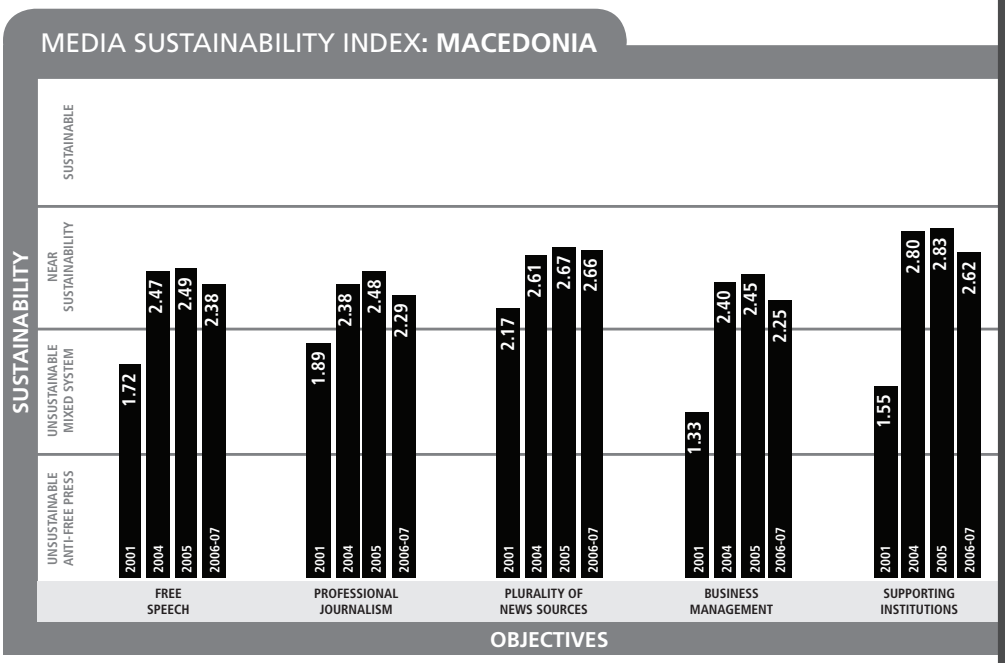
> **Newspaper circulation statistics:** No reliable sources regarding circulation. *Dnevnik* is the largest paper.

> **Broadcast ratings:** highest-rated television outlets: A1 (25.48%), Sitel (12.27%), MTV 1 (8.25%).

> **News agencies:** Macedonian Information Agency (public), MakFax (private).

> **Annual advertising revenue in media sector:** No accurate estimates available.

> **Internet usage:** 392,671 (2005 est., *CIA World Factbook*).



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

Macedonia Objective Score 2.38/4.00

Constitutional and legal standards for the protection of free speech are generally in line with commonly accepted international standards. On paper, the state constitutionally guarantees freedom of expression and access to information. This has been developed in several implementing laws. Most of these laws were developed with the support of European institutions (OSCE, COE, etc.) and were found by these organizations to be of relatively high quality.

However, the panel stressed that the laws are not enough. Poor implementation and a mentality of self-censorship limit their effectiveness. Specifically, the panelists noted that not only is there a culture and history of not using identifiable sources, but there is also a track record of people losing their jobs for being open to the media. This does not create a climate conducive to access to information.

"There is a certain fear among the intellectuals that they may be marginalized or detached from a certain project if they speak freely with the media, and that situation has worsened in the past year," according to Ljubica Mangovska from Tera TV.

The panelists also agreed that there are other, sophisticated techniques used to keep criticism of their activities to a minimum. "We can say that because of the common political atmosphere and because of the pressure of big business, the situation had worsened," said Sarah Broughton of the OSCE.

The panel also stressed that the new licensing procedures under the new broadcasting law have yet to be tested in action. The envisaged procedure under the law guarantees fair licensing procedures. Panelists did note one issue they believed to be unfair: former local public broadcasters that are undergoing the process of privatization are exempt from paying for licenses over the next nine years. The second problem is that the broadcast law itself and licensing procedures have been open to potential change by the new government.

A novelty in the taxation system, introduced in the past year, is a new special tax of 15% that media and other legal subjects are obliged to pay for buying foreign programs. This new tax, combined with a lack of the knowledge of media economics in the public revenue office and among the tax inspectors, can have a negative impact on the financial security of the media. The panel graded this indicator very low, substantially influencing the overall score of the objective.

Crimes against the journalists are rare, but they are not prosecuted vigorously.

Public media have guaranteed independence according to the law, but it is not functioning. "The government used the poor financial situation within the PBS [public broadcasting system] to stop the reform process and through subsidizing schemes has put it back under its total editorial control," said Roberto Belicanec, program director of the Media Development Center.

Libel is still under the criminal code, but it has been "de-penalized." There is no longer a threat of jail but rather fines. However, the real problem in this regard is that there is massive influence on the courts and corruption that affects the legal outcomes. Therefore, journalists rarely win libel cases. "The judges usually feel uncomfortable when they deal with this kind of process and usually insist that the media apologize in order to avoid bringing a verdict," according to Aco Kabramov, editor-in-chief of Channel 5.

The Law on Access to Information was introduced in the past year, but it has not been fully implemented. The law itself also has certain weaknesses that cause it to fall short of generally accepted standards in this field. The commission for access to information does not have access to classified documents. Additionally, a culture of private contacts remains the primary means of gaining access to information, rather than testing the legal means. These sources generally are threatened with losing their jobs if the release of information is verified and in many cases when it seems routine. "Two managers of public enterprises were replaced by the mayor of Bitola only because they gave statements in front of our cameras," said Mangovska.

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 ethical code for Macedonian journalists lacks means for implementation since the ethical commission is not functioning. Panelists felt that this greatly contributes to the breach of the code. "These breaches are not major ones but are numerous," said Broughton.

The media do not have any limitations in accessing international news and news sources, except for their financial resources to pay for such sources. The government does not impose any special licensing for journalists. However, it has influence on the employment policy of the public broadcaster (the largest single media employer) and also handpicks the journalists who may cover certain events. Also, privileges are granted to certain journalists who are in the favor of the government.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Macedonia Objective Score 2.29/4.00

This objective witnessed a drop to 2.29, from 2.48 in 2005. Panelists attributed this decrease to the unsatisfactory level of already downgraded technical abilities, mainly in broadcast, to gather the news; an unsatisfactory level of salaries in the industry that has not kept pace with the growth of living costs; and to the continued low level of the adherence to ethical journalistic standards.

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

The general opinion of the panel was that there has been some progress in the way news is gathered and presented. "The training had helped, in that the newcomers at least respect the basic professional rules, such as 'ask the other side.' The journalists in their everyday work try hard to fulfill the basic standards of the profession," said Kabramov. However, the view was that it has not progressed substantially toward a more sustainable and professional level.

The ethical code for Macedonian journalists lacks means for implementation since the ethical commission is not functioning. Panelists felt that this greatly contributes to the breach of the code. "These breaches are not major ones but are numerous," said Broughton. Naser Selmani disputed that opinion, saying, "There is an awkward situation where you have the spokesperson of the public state-owned company who is at the same time a journalist and a news presenter." Kabramov added: "And on top of it conducts an interview with the prime minister."

Journalists and editors practice self-censorship mostly because of opportunism, not because of fear of prosecution or other threats. Journalists receive benefits for not reporting on certain issues, people, or items. Unfortunately, this opportunistic attitude is increasing.

Journalists do cover daily issues and important topics for society, but they are failing to deliver in-depth reporting on these topics. Therefore, they fail in their job of informing the public debate on important issues. Additionally, panelists feel that international news is covered marginally and important international events do not get satisfactory treatment.

"We were trained to treat the international news that way by the foreign trainers; they were constantly stressing to us that we should focus on domestic events," Mangovska said.

Salaries of journalists were a major concern to the panel. "We got the lowest salary level in the region," Selmani said. Salaries in the profession are not keeping pace with the rise in living costs. Salary levels of journalists are in line with the general Macedonian population—between 200 and 400 euros per month. But the low, real level of the salaries makes journalists vulnerable to accepting payment for reporting or other favors.

News has the highest ratings of all programs; entertainment programs have been closing in over the past year, but they remain second to news. "In our cultural context, news is entertainment. Very often it seems that you watch some Latino soap opera. Long-lost brothers of the ministers caught in the illegal financial schemes, uncles of politicians in the middle of corruption…," Belicanec said.

Media owners claimed that the technical capacity of the media has declined. "There is no significant investment in the media in the past two years; simply the broadcast is not profitable anymore…," Mangovska said. The situation is much better in print media. But the overall poor economy for media is hurting the capacity of broadcasters to invest in modern news gathering and broadcasting equipment.

Niche reporting exists in the major media, especially in coverage of the economy and sports. These two areas are usually covered by teams of reporters. Other areas are covered by the general beat reporters.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Macedonia Objective Score 2.66/4.00

This objective remained essentially unchanged since 2005. Macedonia has an overcrowded media landscape that most observers believe cannot sustain all the outlets currently in operation.

The audience has a multitude of domestic and international sources of news to choose from in broadcast and print. There are six national television stations, three national radio stations, and six major newspapers. The offerings vary in genre, language, and political attitude. Television is the first choice for news, followed by the daily newspapers and then radio. The Internet is not yet a significant news source for the population due to a "digital divide." The penetration of cable networks has reached almost 50 percent of the population.

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.

There are no legal obstacles for citizens to access any of these media. The problem is affordability. Newspapers have prices that are on the margin of their operational costs in order to remain affordable to a solid segment of the population. They are forced to sell at the lowest possible price because of the weak purchasing power of the Macedonian audience. The digital divide is huge and is driven by prices for Internet access that are unreasonably high for the average Macedonian.

International news sources are not limited in any manner. Foreign broadcast programs are present via cable distribution in almost half of the homes in Macedonia, and many do access satellite programming. The problem of affordability of the foreign press is significant due to the high prices of foreign magazines and newspapers. Local distributors price them at almost twice their original newsstand price. The situation is different for the press that is coming from neighboring countries, as that is priced reasonably.

The panelists scored the issue of public broadcasting rather low. The nominal public broadcaster has significantly changed its attitude toward and coverage of the government, reflecting increased government control of the broadcaster. The professional standards on its programming also have been significantly downgraded. In general, it largely fails to reflect the whole political spectrum. More important, in this moment it functions as pure state propaganda.

The increased governmental control came about due to the financial problems of MRTV, which allowed the government to impose strict control over its operations. Panelists found it discouraging that the mentality of the employees did not lead to a struggle against tightened government control. They are not willing to seek editorial independence and do not show that they respect the values of public-service broadcasting in the European sense. "We have changed our roles; the private broadcasters are fulfilling the role of the PBS," Mangovska said.

There are three news agencies, one state-owned and two private. Their existence is considered insignificant, as they are not major news sources for most media.

Major private broadcasters produce their own news. Their news is more dynamic, more informative, and less biased than the PBS news. Major broadcasters consider the newscast the most important program on their menu and devote significant resources to its production.

The transparency of media ownership is considered satisfactory. However, the legal provisions regarding this in the broadcast law do not function yet, and there is no obligation for the print media to disclose their ownership. But the public generally knows the owners of the major media in the country. "It is not a problem to find out who owns certain

Minority issues in both social and ethnic terms are on the media agenda. There are minority media in the minority languages.

media; the problem is to find out who is financing it and how," said Mangovska. "The ownership is a major problem of the Macedonian media—three out of five private national TV stations are owned by the leaders of the political parties," said Erol Rizaov, editor-in-chief of *Utrinski Vesnik.*

There are three major media groups in the country that either are under the same ownership or have established active synergies: the WAZ group (German) consists of three major daily newspapers, one weekly, a distribution network, and a printing plant; A1-Vreme group (the most powerful private television station, national newspaper, and distribution network); Vecer–Sitel–Cetis group (national newspaper, national television station, and printing plant). The ownership problem also exists through the ownership of the media by big businesses. This creates a subsidized media economy that greatly damages editorial independence.

Minority issues in both social and ethnic terms are on the media agenda. There are minority media in the minority languages.

OBJECTIVE 4: BUSINESS MANAGEMENT

Macedonia Objective Score 2.25/4.00

Macedonia's scores declined in business management to 2.25, from 2.45 in 2005. Panelists indicated that the media economy is in a period of stagnation. The growth of the market has been weak, unfair processes in advertising do not promote sound business management, and mistrust of the ratings system contributes to poor business management. Additionally, a new trend of state interventionism in favor of pro-governmental media presents a new problem that threatens market-based approaches to media management.

Advertising agencies are profitable enterprises, but their attitude toward the media is considered by the media to be unfair. "The prices of advertising in countries with a similar size and economy are much higher than in Macedonia. The agencies are using that to report to their clients unrealistically high prices and they keep around 50 percent commission rather than the usual 10–15 percent. If you do not agree on this kind of blackmail, they will cut you loose. I never agreed to such schemes, and I lost many advertising agreements," said Goran Gavrilov, owner of Channel 77. This story was backed up by the other media owner on the panel, Mangovska.

The problems with the advertising market and the poor management of media are derived partly from the lack of a credible ratings system that is accepted by the media, advertisers, and research community. The media are suspicious of most ratings and view them as biased. Broughton said that "the media do not know how to use the ratings and therefore they do not believe in it." Robert Popovski, president of the Association of Journalists, said, "It is normal that media do not trust in the ratings when one media is constantly with highest ratings." The panel generally agreed that the media lack training for the usage of the ratings even as they expressed significant mistrust in the present rating system.

A second problem concerns the structure of the media industry, its ownership, and its relationship with political power. Most of the media are owned by other large enterprises with strong political connections. They usually subsidize shortfalls from the market, making management efficiency less of a concern. This subsidization of private media, together with subsidies for MRTV, leads to a depreciation of the advertising prices.

This weak market structure is further undermined by the sophisticated subsidization through a social campaign that the state has recently started. Payments for this campaign are used to financially support pro-governmental media. At present, the biggest sole advertiser in the country is government. Bluntly said, according to panelists, "broadcast in Macedonia is not a business."

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

Macedonia Objective Score 2.62/4.00

The rating for supporting institutions fell to 2.62, from 2.83 in 2005. The main problem pointed out by the panel was that the supporting institutions have lost their momentum and face a variety of problems that have sapped their effectiveness and led to stagnation in their development.

The media owners' organizations are functioning largely by inertia. The crucial organization, the Association of Private Electronic Media of Macedonia (APEMM), remains vocal in advocating for solutions to the problems of the broadcast media. However, its internal limitations hinder its effectiveness. The decision-making process within APEMM is not structured to allow a coalition of interests to emerge.

For instance, the local and national media have different interests, yet there is no conflict-resolution tool within the association that may be used for settling these differences and allowing APEMM to effectively serve both interests. As a result, APEMM has been dominated by the national television stations. To be fair, it has advocated on issues that are of general importance to the entire broadcast sector, such as copyrights.

Once the general issues are solved, the potential crisis that may emerge from the differences in interests among the different broadcasters may lead to a split in the association, according to many. However, it is uncertain that Macedonia can effectively support two broadcast owners' associations, and if so, whether local broadcasters' voices could be heard in their own association. Therefore, the perceived need is for internal formalization of the decision-making processes and restructuring that will take into consideration the particular interests of each side.

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 journalists' association may be slowly waking up from its hibernation. It underwent an internal process of the reelection of the leadership, but it was almost invisible in the past year. "The level of journalistic professionalism affects the level of the performance of the association," said its president, Popovski. A more serious problem is that the journalistic community itself does not fully agree on or recognize the need for an association. Divided along the lines of political and business interests, journalists also have problems articulating their common interests.

NGOs that traditionally supported the media and journalists have downsized their operations and now pursue activities focusing on one to two smaller projects. The main reason for this is the lack of financial resources due to the donors' exit from Macedonia. Domestic financial sources are considered as highly risky for the NGOs' independence.

Most training that is available is considered unsatisfactory. The state university has journalism studies, and several private universities offer communications studies. However, the courses are highly theoretical. Students find that when they graduate they have to learn on the job. The Macedonian Institute for the Media offers a one-year journalism course. This is considered to be of satisfactory quality.

Printing facilities and distribution networks are in private hands, and there are no restrictions to their access.

Panel Participants

Aco Kabramov, 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, Media Development Center, Skopje

Sarah Broughton, Media Development Unit, OSCE, Skopje

Naser Selmani, Journalist, *VEST* daily newspaper, Skopje

Erol Rizaov, Editor-in-Chief, *Utrinski Vesnik* daily, Skopje

Muharem Zeqiri, Editor-in-Chief, ALSAT TV, Skopje

Moderator

Gazmend Ajdini, IREX, Skopje

Observers

Melita Cokrevska, USAID, Skopje

The Media Sustainability Index (MSI) panel cited the continued lack of unity among media regarding their common business interests as well as the weak state of journalists and trade-union protections for media-sector employees. Some problems also were noted regarding implementation of media laws, although most statutes are seen as in.

MONTENEGRO

OVERALL SCORE: **2.52**

MONTENEGRO

After 88 years, Montenegro reinstated its sovereignty and became an independent nation in 2006. This historic turning point shifted media focus from the political debate leading up to the May statehood referendum to more everyday bread-and-butter issues after the vote.

Media covered all the aspects of the statehood referendum—political events, politicians' statements, and the activities of blocs for and against independence from Serbia—while being clearly in favor of one or the other outcome. The editorial position of the majority of media outlets, including the daily newspapers *Vijesti* and *Pobjeda* and TV IN, Montenegrin National TV, TV Pink, and TV Montena, was supportive of independence, while relatively less influential media, such as the daily *Dan* and TV Elmag, supported the continuation of the Union of Serbia and Montenegro.

Political emotions in Montenegro cooled after the independent state was constituted, and the media returned their focus to issues important for the democratic and economic development of Montenegro. Even the September 2006 parliamentary elections were covered as routine events. Meanwhile, the economy grew at about 5 percent, inflation was on a par with European Union standards at 3 percent, and privatization progressed to include 85 percent of formerly state companies. Unemployment fell as capital and real-estate markets expanded, and for the first time the state recorded a budget surplus. The media focused on economic issues, including scandals that marred business operations at some major public companies and privatization agreements.

Media outlets differed not only on the question of statehood, but also regarding the government. Some were critical (*Monitor, Vijesti, Dan*), while others tended toward more pro-government positions (*Pobjeda*, *Republika*, TV Pink). Most media took editorial stands supporting a Euro-Atlantic political orientation for Montenegro, but a rift remained between the media identified as "pro-Serbian," such as Dan and TV Elmag, and the majority seen as advocating a more multicultural Montenegrin approach.

Whatever their editorial differences, the media shared economic difficulties, although several media companies, including *Vijesti,* TV Pink, and TV IN, demonstrated market vitality. The financial problems regarding the transformation of the national public broadcaster Montenegrin Radio and TV (RTVCG) continued while in other industry developments, privatization started at the oldest Montenegrin daily, *Pobjeda.* A Slovenian investment group took over TV IN. Overall, more private capital was seen in the media sector.

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 (no percent breakdown exists):** Orthodox, Muslim, Roman Catholic (*CIA World Factbook*)

> **Languages (no percent breakdown exists):** Serbian (Ijekavian dialect), Bosnian, Albanian, Croatian (*CIA World Factbook*)

> **GNI (2006-Atlas):** $2.317 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $7,610 (World Bank Development Indicators, 2007)

> **Literacy rate:** Numbers not available.

> **President or top authority:** Prime Minister Zeljko Sturanovic (since November 13, 2006)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 45 print (including many periodical papers), 15 television stations, 43 radio stations, four online media, one news agency (*Montenegro Media Institute*, 2004)

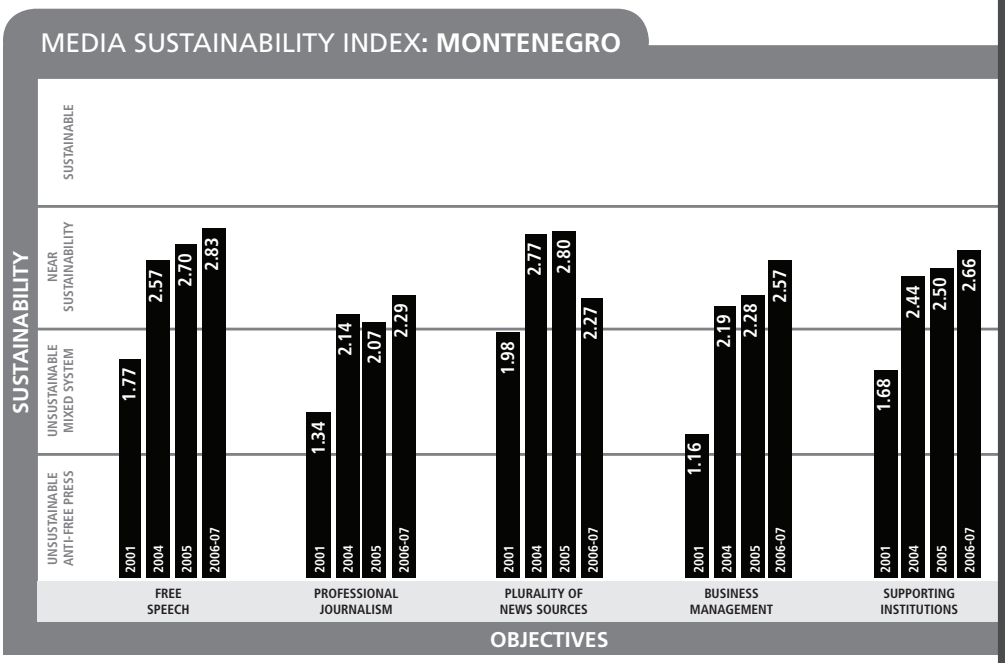
> **Newspaper circulation statistics:** Approximately 55,000 to 60,000.

> **Broadcast ratings:** highest-rated television outlets: TV Pink, TV Crne Gore, TV In (*Strategic Marketing Survey,* September 2004)

> **News agencies:** MINA

> **Annual advertising revenue in media sector:** €7 million to €10 million

> **Internet usage:** 50,000 (2004 est., *CIA World Factbook*)



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.

The Media Sustainability Index (MSI) panel cited the continued lack of unity among media regarding their common business interests as well as the weak state of journalists and trade-union protections for media-sector employees. Some problems also were noted regarding implementation of media laws, although most statutes are seen as in compliance with European and international standards. Although the Journalists' Code of Ethics is not fully enforced, MSI panelists noted positive development of university-level educative institutions with the potential for long-term improvements in the skills of journalists in Montenegro. Also, the Internet market is increasing and producing new information sources.

The overall MSI ranking for the country was 2.53, not much changed from the 2.47 recorded for 2005.

OBJECTIVE 1: FREE SPEECH

Montenegro Objective Score 2.83/4.00

MSI panelists positively rated the current state of Montenegrin media regulations and pointed out progress in the legislative arena. However, they agreed that problems continue with implementation of the regulations and underlined the need for consistency in this regard. Some also called for elimination of regulations that do not reflect the spirit of the law, such as the way in which the Council of National Public Services is elected. "Montenegrin media laws are very much in compliance with international standards," said Drásko Djuranović, chairman of the National Journalists' Self-regulatory Body. "The key problem is not in the legal area anymore, but in practice."

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.

"We don't have problems with laws; we have problems with reality," said Darko Šuković, editor-in-chief of Radio Antena M. "The current legal framework is even too liberal. It is very simple to establish any type of media. For example, in Montenegro, we have more than 70 radio stations ... Simply said, we have a huge number of unprofessional radio stations … (and) through their bad production, they are simply devastating the media environment ... This is opening a dilemma whether to introduce more restrictive norms in the area of electronic journalism."

Panelists rated Montenegro's media sector at 2.83 for this objective, compared with 2.70 in 2005. "We don't have problems with laws; we have problems with reality," said Darko Šuković, editor-in-chief of Radio Antena M. "The current legal framework is even too liberal. It is very simple to establish any type of media. For example, in Montenegro, we have more than 70 radio stations ... Simply said, we have a huge number of unprofessional radio stations … (and) through their bad production, they are simply devastating the media environment ... This is opening a dilemma whether to introduce more restrictive norms in the area of electronic journalism."

Djuro Vučinić, editor-in-chief of the private TV Montena, also warned that the industry must be alert to possible changes ahead. "The government is announcing the implementation of a law that regulates the operations of the Broadcasting Agency, and this might aggravate the position of electronic media," he said. "The media sector must take care and protect independent journalism from legal regulations that might aggravate its position."

Representatives of electronic media stressed weak implementation of the Broadcasting Law as it relates to subsidies to private electronic media. The law provides for 10 percent of public subscription fees to go to commercial broadcasters, especially for programming that serves the public interest but has less commercial potential. However,

territory rather than the importance of programming is used by the agency as the main criteria for distributing the funds, with the result that no differentiation is made between outlets focused on higher- and lower-quality programming. Panelists said the Broadcasting Agency should change this practice, which continues to be criticized. However, they also said the agency has a transparent and liberal approach to frequency distribution and should be praised for that.

With regard to the transformation of the national public broadcaster Montenegrin Radio and TV (RTVCG), Branko Vojičić, program director at the national television station, said that "the law that defines the position of public broadcast services has legalized, in the economic sense, all the wrongdoings of the government policy that was implemented in former state TV." He said that the national public broadcaster cannot support all the programs that were inherited and that these financial burdens, including the surplus of employees, are limiting the potential for recovery. He noted as problems the "complicated" management structure, including a council and a steering committee, and the way in which positions on these bodies are filled.

Dino Ramović, editor-in-chief of Albanian TV, TV Teuta – Ulcinj, said that the state is not providing adequate required financial support to programs intended for minorities. "Private media that promote the public interest in the area of minorities' rights do not enjoy support for their media projects," he said. "This is telling us about shortcomings in legal regulation when it comes to media treatment of minorities in Montenegro. Furthermore, commercial private media are brought to an unfavorable position, compared to politically favored local public services."

Concern about local public broadcasters also was expressed by Vučinić, who said that "in practice they usually transform themselves into political stations of the ruling parties, so I think that this fact raises a dilemma regarding justification of their existence. At the same time, these services are very often the example of unfair competition to private media."

Saša Brajović, information assistant at the US Embassy, noted that the unresolved cases of attacks on journalists, including the assassination of the editor-in-chief of the daily *Dan,* Duška Jovanovića, in May 2004 and the October 2006 attack on the 73-year-old writer and literary magazine editor Jevrem Brković that killed his bodyguard, are "casting a shadow on the media environment in Montenegro … It is obvious that free speech is not protected sufficiently, and we are facing hard work ahead."

MSI panelists noted that judicial bodies continue to react quite conservatively regarding the sanctioning of hate speech or irresponsible public speech, although greater involvement by the prosecutor's office was noted. Panelists also stated that media have a tendency toward unprofessional reporting or irresponsible commentary concerning certain events and personalities that should be sanctioned through adequate judicial processes.

Panelists were pleased that the Freedom of Information Act was finally adopted in late 2005 and said this represented a step forward toward greater accountability and transparency in the work of public institutions. However, they noted that implementation also is an issue in this arena, with public and state institutions responding to only about 40 percent of requests made for different types of information. This response rate has resulted in dozens of charges being brought before the Administrative Court.

"Government institutions are poorly dealing with the issue of spokespersons—the government still doesn't have one—and the public is still slow in reacting to the deficiencies of government institutions," said Djuranović.

The general progress toward a more mature media law was noted by MSI panelists in giving this objective a slightly higher rating of 2.83 over the prior year's 2.70. Panelists concluded, however, that the quality implementation of constitutional and legal provisions is crucial for the future of free speech in Montenegro. The long-term task also includes moving in the direction of a more favorable social climate that would stimulate free speech and responsible public speech, they said.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Montenegro Objective Score 2.29/4.00

While it is clear that Montenegrin journalism has not reached the desired level of professionalism nor complies fully with the proclaimed Code of Ethics, MSI panelists said there were numerous examples of respect for the rules of the trade. They also noted a growing awareness regarding the necessity of investing in investigative journalism, as well as in appropriate solidarity in cases when the credibility of journalists' profession must be defended. Overall, panelists scored Montenegro at 2.20 for this objective, up from 2.07 in 2005.

"To have free media we need time," said Esad Kočan, editor-in-chief of the weekly *Monitor.* "After the lack of freedom in communism, we are often witnessing irresponsible journalism in today's democratic Montenegro. On the other hand, the social and financial status of journalists is weak, resulting in the journalism profession becoming unattractive, and risky. Therefore, it is only logical that media companies

are faced with the problem of quality professionals and professional behavior."

Vučinić, editor-in-chief of the private TV Montena, commented: "I believe that professionalism of journalists is not that bad. With the new School of Journalism in Podgorica (opened at the university in 2003), the situation is much better than before. Preconditions are now being met for the strengthening of journalists' profession." However, he added, "nothing bad that happened in journalism in the past 15 years was punished. Lustration was not carried out in this profession, although that had to be done, bearing in mind warmongering journalism and hate speech that were actively carried out during years of disintegration of the former Yugoslavia."

Problems in creating responsible editorial policies and implementation of professional standards are obvious, especially in the absence of formal obstacles to media freedom, panelists said. Publication of false or half-true information is too frequent and directly affects public confidence in media companies and journalists, a finding borne out by public-opinion surveys showing low approval ratings for media when it comes to professionalism. "We still have the practice that media, which breach professional norms, are not eager to admit the mistakes, and this is bringing into question the objectivity of those media," said Draško Djuranović, chairman of the National Journalists' Self-Regulatory Body.

"A special problem is the influence of new owners on the professional status of media, because we are seeing a dangerous trend of marginalization of the profession due to different business interests," said Djuranović. "Newspapers are more and more in the service of business, in a way that is vulgarizing the very profession, so we are now faced with the issue of how to defend the independence of the profession from negative financial influences."

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One particular concern is the Journalists' Self-Regulatory Body's lack of influence on the media community, especially as regards the Ethics Code, panelists said. Duško Vuković, media adviser of the Montenegro Media Institute, said violation of ethical standards is "reflected in paralysis of professional journalists' organizations. No doubt about it, we are faced with a crisis of the journalistic profession, and this, in turn, reflects on the very purpose of journalism."

"Free speech is threatened by journalists' political self-censorship," said Djuranović. "But it is realistic to expect that after restoration of the Montenegrin state, this will be reduced. Therefore, the key problem of the media sector remains the disparity between good regulations and still unsatisfactory journalists' practice."

A shortcoming of electronic media mentioned by panelists is the focus on commercial and entertainment programs to the detriment of educational, cultural, and news programs. It was underlined that professional standards must be protected by making journalists meet certain educational requirements and paying greater attention to issues of public interest. It also was noted that journalism must have a constant link with real life, meaning a probing spirit and an understanding of real-life social problems. Panelists said support to democratic processes, Euro-Atlantic integration, civil-society development, and promotion of the rule of law should be priorities in editorial policies.

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

Vojičić, program director of National TV Montenegro, underlined "the importance of investigative journalism, which is asking for maximal efforts and which represents the biggest shortage of Montenegrin journalism. Bearing in mind the overall professional and financial status of our media, it is hard to expect them to develop investigative journalism."

Šuković, editor-in-chief of the private Radio Antena M, said the "key place where the good professional journalist is being shaped is the strong editorial office, and that is often the one thing missing even in the best of Montenegrin media. Things are particularly bad when it comes to radio stations."

Panelists emphasized the need for continuous training of journalists and technical modernization of editorial offices. The first generation of journalists will graduate from the School of Political Sciences in Podgorica during 2007. It also was stressed that the long work of the Montenegrin Media Institute has contributed to an overall increase in journalists' practical skills. Another cause for optimism noted by Kočan was that resolution of the statehood issue "has relaxed journalists from their key political partisanship."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Montenegro Objective Score 2.27/4.00

The general view is that the Montenegrin media environment is saturated with electronic and print media. The some 150 media companies that clutter the small Montenegrin market do not produce a proportional degree of quality or successfully stimulate pluralism, MSI panelists concluded. They ranked the country's media sector at 2.27 for this objective, largely due to panelists' beliefs that much of the news is the same and much is from the same agencies or sources of information.

A plurality of news and information sources is not achieved despite the number of outlets because the news media are usually using the same agency sources and have poorly developed networks of correspondents, panelists said. "We have a lot of media companies in Montenegro, but the problem is with the quality information sources, because it often happens that almost all news media are publishing or broadcasting identical news items," said Vojičić. "The lack of investigative journalism and of efforts on the side of correspondents in order for media to perform its public function with quality is evident."

There is just one local news agency, MINA, which is competing on the market with several news agencies from Serbia. Along with a small number of better-organized electronic and print media, including the public broadcaster, TV Crna Gora (TV CG), TV IN, *Vijesti*, and *Dan*, MINA represents a crucial source of daily news for citizens. However, panel members said it is clear that Montenegro still lacks a news agency with sufficient financial and professional capacities to ensure it is the dominant source of checked and responsible information.

"Regarding the work of news agencies, the biggest problem is how to survive on the market," said Vučinić, editor-in-chief of the private TV Montena. "The example of the only Montenegrin news agency, MINA, is confirming how difficult, from both the financial and professional aspects, it is to maintain a private agency service."

Access to local and foreign media is not restricted, except from the financial limits of the potential audience and of the media outlets themselves. This relates in particular to the ability of readers to buy daily and periodical press and to use of the internet, which is put at 20 percent of the population, as well as the often expensive price of foreign news agency services for media outlets.

Panelists said that transparency of ownership relations within media companies is better than before, although there are still doubts and speculation about who the real owners are in some cases. "We have non-transparency regarding ownership as an issue within the media community," said Vučinić. "However, for the majority of well-known media we know the owners."

In addition, the overall sustainability of the crowded media market was stressed, especially with the lack of significant private investments in the Montenegrin media. That trend was reversed somewhat in 2006 with the sale of the strong

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.

TV IN to a foreign investor from Slovenia. Panelists concluded that for the most part, private investors do not want to comply with professional journalist standards but only to support their business interests and achieve public influence through media. This, panelists said, represents a potential threat to free speech and the overall credibility of journalism in Montenegro.

The MSI panel predicted that the future likely will bring a reduction in the number of media companies because of their poor viability and the shift away from donor-funded models. But panel members said the shape of this "economic transition" remains an open question, as does its potential consequences to a true plurality of information sources.

OBJECTIVE 4: BUSINESS MANAGEMENT

Montenegro Objective Score 2.57/4.00

MSI panelists agreed that the media business is still not sufficiently profitable in Montenegro. With several exceptions, including *Vijesti*, *Dan,* TV IN, and TV Pink, the majority of local and national media outlets are experiencing problems in business operations to one degree or another. The MSI assessment for this objective was 2.57, up from 2.28 in 2005.

These market difficulties are influencing the profitability of the media companies as well as the status of the journalists and other staff working at them. For the companies, most are barely surviving and are experiencing problems with liquidity that directly influence their developmental plans. For journalists and other company employees, an estimated 3,500 people across the industry, the relatively poor financing means average journalists' salaries range from $400 to $550 per month, and very often employees lack insurance coverage.

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 majority of media doesn't have any realistic chances for long-term survival on the market," said Šuković, editor-in-chief of the private Radio Antena M. His outlet, he said, "is an example of a leading radio station which still manages to survive thanks to foreign donors."

A certain number of private media are surviving thanks to foreign donors, but this income does not cover all costs and is decreasing in availability. "The majority of media doesn't have any realistic chances for long-term survival on the market," said Šuković, editor-in-chief of the private Radio Antena M. His outlet, he said, "is an example of a leading radio station which still manages to survive thanks to foreign donors."

Most outlets are fiercely fighting on the competitive market. The advertising market is worth some $13.5 million annually, according to estimates, but this sum is too small for the number of companies to cover operating costs and become profitable. Therefore, without an expansion of the advertising sector and with a decrease in donor support, it is likely that many media will fail.

"Media are getting some money from the public subscription fee, and this sum is very important for their survival, while money from advertising is insufficient for any serious business," said Šuković. "Furthermore, electronic media are disadvantaged when it comes to advertising, compared to printed ones."

Rajko Šebek, news editor of TV IN, said, "Competition on the advertising market is big and the market is small, so it is definitely difficult to make money in journalism. Still there are some changes, like the recent interest of a foreign investor in TV IN."

The situation is particularly complicated for the electronic media due to the number of television and radio stations—close to 100—covering the Montenegrin market.

Some MSI panelists noted the unwillingness of media companies to agree on mergers, although such steps would significantly raise their survival chances and allow further development.

Media report no critical problems with the distribution companies—except that media are sometimes faced with being offered impractical distribution and printing is in varied private hands, with no monopolies. Most major newspapers have their own presses and distribution systems, and some also have their own kiosks.

Others called for more government contributions to the media. "The state must provide financial support for production of news and cultural programs, which are of public interest. In this way, quality media projects would be supported, and the media would stand better chances to survive in an unstable and limited market," said Djuranović, chairman of the National Journalists' Self-Regulatory Body.

"The situation in media covering minority communities is even worse," said Ramovic, editor-in-chief of Albanian-language TV Teuta in Ulcinj. "Without donor help it would be impossible to survive, and therefore the state must intervene financially in this part of media sector."

A different view was offered by panelist Brajović, information assistant at the US Embassy, who said: "Demands for the government to finance private media are questionable. Media must rely more on the market because foreign donors will be less present in the future."

Overall, the congestion that faces the media sector is, to a great extent, shared by other business groups in Montenegro. For the media, this instability is reflected in the quality of editorial policies and professional standards. Additionally, media do not regularly or reliably use market or audience research to enhance their business prospects. Donors, who had financed market and audience research and training in business management, are withdrawing or scaling back programs, and the gap has not yet been filled.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Montenegro Objective Score 2.66/4.00

In the view of the MSI assessment, professional journalists' organizations are largely paralyzed, and the Montenegrin media community is suffering due to their inefficiency. Panelists said that associations formed in recent years either do not function or are reduced to advocating the interests of their core management. However, according to panel members, organizations established to advocate for the business interests of media companies offer positive models. As an example, they pointed to the Association of Electronic Media as able to promote the needs of its members during the past several years. As a result, the rating for this objective was 2.66, up from 2.50 in 2005.

For those panelists who ranked the credibility of professional associations within the media community as very low, the view was that bad practices were carried over from year to year. They said the causes of this poor performance merit careful examination because Montenegro needs stabile and quality professional organizations for the media sector. The same was said about the establishment of strong trade unions.

Vojičić, program director of National TV Montenegro, said, "Journalists are inactive regarding protection of their rights. Professional associations are not functioning, and that is a huge problem." Djuranović, chairman of the National Journalists' Self-Regulatory Body, acknowledged that "the biggest institutional problem for journalists is the paralysis of professional associations. Unlike some experiences in the past, professional associations are poorly engaged, especially the ones advocating the interests of printed media. Other types of institutional support are better."

The panelists underlined the importance of the Montenegro Media Institute, which they said contributes greatly through its educational and professional programs to the development of the media community and the strengthening of individual journalists' skills. In addition, the establishment of the Journalism Department at the School of Political Sciences was praised, and large expectations are placed on the first crop of graduated journalists expected in 2007.

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 controversial role of the Broadcasting Agency in respect to electronic media also was emphasized. This institution, in the view of electronic media representatives, still had not managed to produce financial support to quality programming among the private media. However, the role of the Agency was recognized regarding the implementation of the plan for distribution of frequencies and the identification of national interests when distributing the frequencies.

As far as relations between nongovernmental organizations (NGOs) and the media sector are concerned, the general view of the panelists was that there is quality communication between the two, with the media ready to cover NGO activities that are of importance for the wider public.

Media report no critical problems with the distribution companies—except that media are sometimes faced with being offered impractical distribution and printing is in varied private hands, with no monopolies. Most major newspapers have their own presses and distribution systems, and some also have their own kiosks.

Progress is evident in the online arena, with some outlets, including Vijesti and MINA, charging for access to their websites.

Panel Participants

Esad Kočan, Editor-in-Chief, *Monitor*, Podgorica

Duško Vuković, Media Adviser, Montenegro Media Institute, Podgorica

Branko Vojičić, Program Director, Montenegrin TV, Podgorica

Darko Šuković, Editor-in-Chief, Radio Antena M, Podgorica

Rajko Šebek, News Editor, TV IN, Podgorica

Djuro Vučinić, Editor-in-Chief, TV Montena, Podgorica

Miloš Pavićević, Editor-in-Chief, *Republika*, Podgorica

Dino Ramović, Editor in-Chief, TV Teuta, Ulcinj

Draško Djuranović, President, Self-Regulatory Body, Podgorica

Saša Brajović, PDA Information Assistant, US Embassy

Moderator

Rade Bojović, Media Ltd., Podgorica

In all, Romania has witnessed continuing improvement in its media sector, and this year's Media Sustainability Index (MSI) shows an average score of 2.78, a small but significant improvement over 2005 and an even better improvement over 2004.

ROMANIA

OVERALL SCORE: **2.78**

Romania has followed a variable evolution since the fall of communism. Economic reforms were slow, and democratization met numerous obstacles. Political life was dominated by the social democrats (the descendents of the former communist party) until 1996, when a center-right coalition came to power. In 2000, the former communist Ion Iliescu and his Social Democrat Party (PSD) returned to power. Press freedom became a problem despite economic growth. Many in the media felt that media freedoms were particularly affected by the approach of the prime minister, Adrian Nastase, who tried to control the media using both political and economic leverage. During 2003 and 2004, media freedoms in Romania became a growing concern for international organizations.

At the end of 2004, Nastase lost the presidential race in a dramatic run-off against Traian Basescu. The PSD, however, maintained a strong position in the parliament, and the new government remained weak throughout 2005. The new authorities pledged support for media freedoms and did stop the previous negative practices that affected the media market. Following this, Romania entered the European Union on January 1, 2007. Immediately after this important achievement, the country traversed a dramatic political conflict. The president's party was excluded from the government, and the prime minister remained in power with the support of PSD. The new anti-presidential majority in parliament impeached the president, despite the fact that the Constitutional Court did not find him guilty of violating the Constitution. A referendum in May to approve or reject the president's impeachment led to a victory for the president.

Despite these political dramas, the situation for the media remained relatively stable during 2006. The main source of concern in the previous period—the power monopoly held by the PSD and Nastase—disappeared after 2004. Perhaps because the new governing power is weaker and divided, it is not able to implement strategies against media, as was the case in 2004. But the Romanian media have systemic threats to face: an opaque ownership structure, the concentration of ownership, and the proliferation of publications and stations without clear economic resources to support them. Professional ethics remains a problem, not because of the lack of such codes, but because they are not properly implemented. Public debates on sensitive issues, such as the relation between journalists and owners, represent important steps forward, but they have yet to produce practical effects.

In all, Romania has witnessed continuing improvement in its media sector, and this year's Media Sustainability Index (MSI) shows an average score of 2.78, a small but significant improvement over 2005 and an even better improvement over 2004.

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 (including all sub-denominations) 86.8%, Protestant (various denominations including Reformate and Pentecostal) 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):** $104.382 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $9,820 (World Bank Development Indicators, 2007)

> **Literacy rate:** 97.3% (98.4% male, 96.3% female) (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:** Over 1,000 print outlets; according to the National Broadcasting Council, 519 radio stations and 189 television stations were licensed (2004), but not all of these actually function.

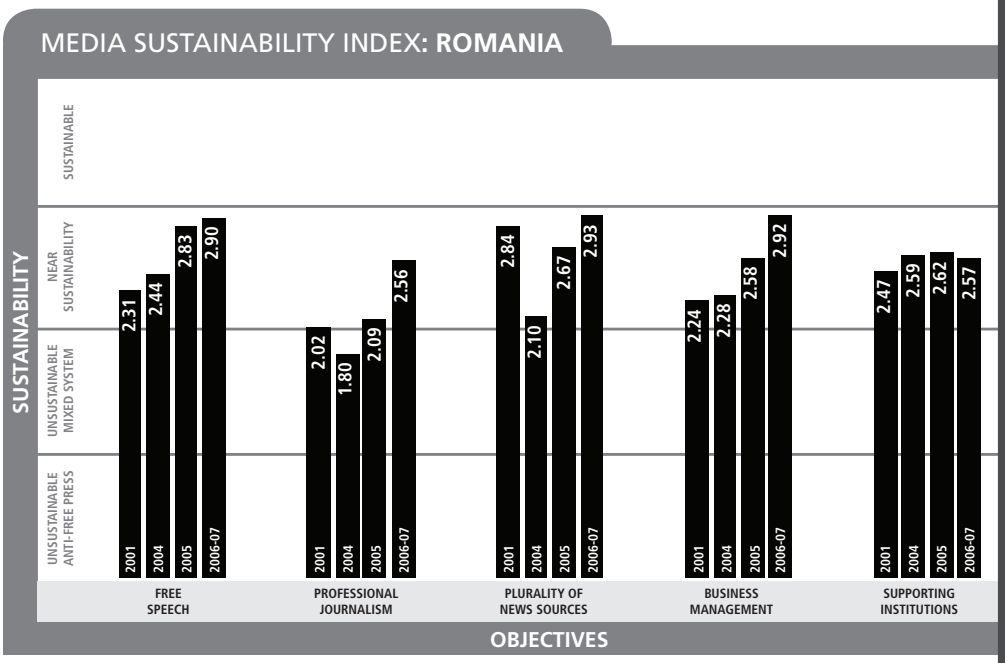
> **Newspaper circulation statistics:** The newspapers registered by the Audit Bureau of Circulations (BRAT) in 2005 sold a total of 1,051,189 copies each day. (*Audit Bureau of Circulation,* October 2005)

> **Broadcast ratings:** highest-rated television outlets: Pro TV, Antena 1, Acasa TV, *TNS-AGB*

> **News agencies:** Mediafax, Rompress, AM Press, Romnet, AMOS News

> **Annual advertising revenue in media sector:** €200 million (television €130 million, print €40 million, radio €10 million, other €20 million) (*Mihai Vartosu, director of Romanian Association for Measuring Audiences*)

> **Internet usage:** 4.94 million (2005 est., *CIA World Factbook*)



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

Romania Objective Score: 2.90/4.00

Romania continues to witness improvements in this objective. Although slight since last year, when compared against previous years, substantial improvement is seen.

The National Council of Broadcasting (CNA) controls broadcast licensing and is nominally an autonomous body subordinated to the parliament. The 11 CNA members are appointed by the president, the government, and the parliament. 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. The current president of the CNA, Ralu Filip, protested and threatened to resign. His position received wide support among most prominent nongovernmental organizations (NGOs) supporting freedom of speech. However, the activity of the CNA was blocked by the inability of the parliament to appoint new members. Ioana Avadani, director of the Center for Independent Journalism, criticized the political parties that "tend to see in CNA membership just good jobs for their clientele."

Panelists were skeptical of the process for granting licenses. While they recognized that the number of scandals concerning this process sharply decreased over the past few years, they also point out that the media community has adapted to the system and no important licenses were granted in this period. At the beginning of 2006, the CNA did grant some local television and radio licenses. One media investigative report in *Evenimentul Zilei* (May 31, 2006; "Coalitia audiovizuala") said the process was supportive of some local politicians, especially those with the governing coalition. This story led to discussion of the informal policy of the CNA to satisfy all political forces. Catalin Tolontan, editor-in-chief of *Gazeta Sporturilor* and an independent media observer, said, "CNA has this impression that it is objective if it treats everybody on preferential grounds. But this is not independence." Catalin Moraru, editor-in-chief of *Monitorul de Botosani,* also explained the lack of public scandals by the fact that "people who would have complained do not go public anymore; they adapt to the system." His company tried to receive a local radio license, but it was forced to look for political support in order to achieve it. "We cannot discuss the CNA in terms of fairness; it is an institution dominated by shadows," concluded Moraru. Avadani does believe the current composition of CNA functions more independently, although "this seems to be more an exception; CNA remains basically a politically subordinated body." Also, Avadani praised the initiative taken by the current president of the CNA to change the broadcasting law.

> *Avadani said, "Everybody considers that it is OK to beat a journalist. The authorities react late, and the public opinion considers this normal. I related on my personal blog the case of a TV team filming a burning house. The owner of the house assaulted the journalists. My readers commented that it was normal; they blamed the journalists."*

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.

Market entry for a media business is no different than for other businesses, and panel participants agreed that this was not a problem for Romania media. However, Razvan Martin, program coordinator for Media Monitoring Agency, did point out that current law excludes NGOs and community-based organizations from registering media but a law pending in parliament removes this problem.

While the violence against media in Romania became less spectacular over the past several years, harassment continues. While there were no direct attempts to assassinate journalists, a number of cases occurred when reporters and cameramen were physically assaulted while

Moraru, working also in local media, said: "We protested just because the police entered a newspaper headquarters, confiscated the computers, and practically shut down that media outlet. For me, the political motivation is evident. The journalists should not have been arrested; they can be investigated without being arrested. I am afraid that this could be possible with all of us."

gathering information. The panelists considered the lack of public outrage over such cases as a worrying sign. Avadani said, "Everybody considers that it is OK to beat a journalist. The authorities react late, and the public opinion considers this normal. I related on my personal blog the case of a TV team filming a burning house. The owner of the house assaulted the journalists. My readers commented that it was normal; they blamed the journalists." Tolontan considered that the sport journalists are the most jeopardized: "The investigative and politic media were the main targets in the past years, but this is changing now. The sport media took the first places. It is a major problem." Martin confirms this conclusion, "Half of the cases we registered in this period were connected with soccer."

The panelists expressed mixed opinions about the authorities' reaction to this trend. Tolontan was critical: "The authorities do not treat journalists as citizens that need protection. The general hostility towards media is becoming indifference of the law-enforcement officers when an individual journalist is attacked." Tolontan gave us the example of one cameraman from public television attacked by soccer supporters while filming them. The police said in an official press release that the cameraman should not have been there. But Moraru had a more favorable opinion of law-enforcement agencies: "I think the authorities react faster. At least they seem to be worried about these cases."

In 2006, a controversial action of the state prosecutors raised the issue of judicial actions against journalists. Two reporters (Sebastian Oancea and Marian Garleanu) were arrested in Vrancea County for possessing and publishing secret information. Both men said they received a CD-ROM with some military information and refused to reveal their sources. This case was embarrassing to the Army and the secret services. The entire media community reacted against the arrest of the journalists, and they were finally freed. Martin expressed the idea that although they are free, the journalists can still be pressured by the prosecutors and their access to justice is blocked. "They do not have the possibility to defend themselves. The prosecutor keeps the file for more than one year, and nothing happens," he said.

A much more spectacular case occurred in the Transylvania region. The entire management of Gazeta regional network (10 newspapers) was arrested by the prosecutor and charged with corruption, blackmail, and extortion. The reputation of this network among the journalistic community was quite controversial. As media monitoring by the Center for Independent Journalism showed, the central media reacted critically to their colleagues, almost praising the prosecutors for their actions. The most powerful media organization, the Romanian Press Club, immediately released a statement saying that this case could not be considered an attack on freedom of speech.

The reactions to this case among the panelist were mixed. Moraru, working also in local media, said: "We protested just because the police entered a newspaper headquarters, confiscated the computers, and practically shut down that media outlet. For me, the political motivation is evident. The journalists should not have been arrested; they can be investigated without being arrested. I am afraid that this could be possible with all of us." Tolontan was much more critical of the arrested journalists: "That was not a media business. We all knew that. What happened is a problem for all of us. We cannot hide under this idea, that the state is always a gangster and the journalists are victims by definition."

Public media include Romanian Television—TVR (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. More recently, a dispute occurred within the governmental coalition on naming new members of the boards. President Basescu refused to name its representatives before changing the law. Despite this, new boards were installed by other coalition members and opposition parties.

All the stakeholders agree that the old law has to be changed, although this change was seen quite differently. Not less than three different drafts were submitted to the parliament. Looking back over the entire process, one can be amazed that nothing actually changed. In 2007, the public television still functions after the old and outdated 1995 law. Meanwhile, its limits of this law became evident once again. The 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 had made the controversial decision to announce publicly the dismissal of 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. Avadani said that "this was bad management, not political pressure." Also, Avadani blamed external forces for the conflict within TVR. "The reaction against Giurgiu came from outside, but using persons from inside." Martin blamed more directly the politicians for creating the reaction against Giurgiu: "It is a sort of cross-party agreement to fire Giurgiu. There is no political will to let TVR be free."

Tolontan discussed the problem of funding TVR from the public budget: "This is against competition on the market. One of the biggest competitors, TVR, receives funds based only on the needs it has."

The Romanian parliament passed a law in 2006 that eliminated prison terms for libel. However, the Constitutional Court reversed this decision. The Court's decision cannot be overruled, and it makes it compulsory for the parliament to maintain libel in the Penal Code. Panelists sharply criticized the Court's decision. Adrian Voinea, manager of *Gazeta de Sud,* the most powerful local newspaper in Romania, said, "This proves nothing is stable here and the worst is always possible." Avadani was also cynical: "In 2006 we did not have libel in the Penal Code. Now we do. This is even worse, because any improvement that is reversed sends a negative signal." Despite the problems with the issue, some participants found improvements in practice: "fewer journalists are actually taken to courts for libel. The situation with the laws being so unclear, people don't file suit." Tolontan praised the judges: "They tend to judge better the libel cases. I could say that those who apply laws are wiser than those who make the laws."

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. This aspect was raised in previous reports, and this improvement was noted by the participants. Also, a new law for public procurements includes a special transparency clause that makes all procurement files accessible to the public. Nonetheless, the implementation of the law still encounters problems. Avadani said, "There is some laziness of authorities and some restrictive interpretations. The Timisoara tribunal, for instance, decided that the salaries of judges are secret."

Without any legal restrictions, panelists did not consider access to international media to be a problem. There is no need for a special license to practice journalism in Romania. Some voices from the industry are requiring special certificates to be issued by professional organizations, but this idea was rejected until now. Avadani concludes that "everybody can be a journalist in this country."

Tolontan agreed that "journalists know now how to make the difference between what is permitted and what it is not. Those who break the rules are doing it intentionally, knowing that it is not good."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Romania Objective Score: 2.56/4.00

Panel participants generally expressed dissatisfaction with the quality of reporting, yet they did rate it fairly high in comparison with past years. This came in part because of improvements due to the political situation. Tolontan was optimistic: "The media is splitting into two sides. Those who do their job are doing it better and better. And this is important for the public." Voinea was less content: "I do not see an increase in quality. From my point of view, we have only entertainment. Serious issues are dealt with as if they were entertainment." Moraru observed that the quality of new journalists is decreasing, but Tolontan explained that by changes in the job market, "the opportunities for a good

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

Avadani observed that in some cases the salary is so high that "it becomes coercive. I spoke with people that told me they got used to the standard of living and it would be difficult to leave." Tolontan said he was afraid this wage inflation was unrealistic.

young beginner are better now in other industries, compared with a few years ago."

Another problem identified by the participants was the involvement of rich businessmen in the media, who have no immediate interest in obtaining profits but who use it as a political weapon. Moraru said that "they are not interested in audience and profit, but they take my best people, offering them good salaries." Thus, quality is not an issue for them.

Romania has many different professional codes developed by various organizations and associations. The journalism community started a series of debates in 2005 to adopt a unified code, but little progress has been made. The most prominent existing codes are the codes adopted by the Convention of Media Organizations (COM) and by the Romanian Press Club (CRP). 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 over the profession to date.

Although she was optimistic for long-term progress, Avadani said the ethical standards are known by the journalists, but they do not refer to these standards in solving day-to-day practical dilemmas. Tolontan agreed that "journalists know now how to make the difference between what is permitted and what it is not. Those who break the rules are doing it intentionally, knowing that it is not good."

Panelists agreed that politically motivated self-censorship has decreased since the last elections, when the powerful Social Democrat Party went into opposition. The main source for self-censorship now concerns the relationship between journalists and media owners. In September 2006, three experienced journalists from *Ziarul de Bacau* (a local newspaper) resigned, accusing the owner of pressuring them to not publish an article about local authorities. This case was rather exceptional only by its public exposure. One of the most powerful media owners in Romania is Dan Voiculescu. He is also the president of the Conservative Party, and according to many journalists and analysts, he uses his four television stations and several publications to "sell" a good image of himself and his party. At least one article (*Cotidianul,* October 24, 2006; "Cum isi face Voiculescu stirile despre el insusi") claimed that he has special employees at his media outlets who report and arrange news about him. Another case involved *Jurnalul National* daily—also owned by Voiculescu—and the columnist Dorin Tudoran. Tudoran wrote an article criticizing Voiculescu for his political actions. Then Voiculescu's daughter, formally in charge of the newspaper's management, asked the editor-in-chief to fire Tudoran. Panelist Tolontan, editor-in-chief of *Gazeta Sporturilor,* which is also owned by Voiculescu's media network, criticized the decisions in Tudoran's case. "It was a stupid move for the owner to intervene and for the editorial staff to accept this intervention."

However, not all blame was laid at the feet of the owners. Avadani blamed the journalists as well: "There are people who know very well the owner's agenda and act accordingly." Voinea, himself a media owner, said, "It is normal, the owner should establish the editorial policy, and the journalists should follow it." Tolontan responded that "it is happening, but it is not normal."

The panelists criticized the Romanian media for not covering some issues. Tolontan said there is little reporting on new technologies, the pharmaceutical industry, and other subjects that could affect business. Moraru provided an example: "We wrote about a vaccine that affected the women in two villages. We saw powerful reactions from the medical community, and the advertisements for medical products disappeared from our pages. The reporter that wrote the piece has difficulties in gathering information now." Avadani also observed the lack of consumers' reporting in Romanian media, which focus too much on politics.

Panelists observed a rapid increase in journalists' pay. However, the difference between Bucharest-based and local media is still appreciable. Panelists estimate pay ranges for entry level to editor at 300 to 1500 euros in Bucharest but 250 to 400 euros in the regions. The inflation of journalists' salaries was visible in Bucharest. More and more media outlets are being opened as rich businesspersons try to create or to develop their media empires and need experienced journalists. Avadani observed that in some cases the salary is so high that "it becomes coercive. I spoke with people that told me they got used to the standard of living and it would be difficult to leave." Tolontan said he was afraid this wage inflation was unrealistic.

Panelists complained about the increased amount of entertainment in media products. But some of them observed the importance of news-oriented television stations. There are three news stations in Bucharest at this moment. Realitatea

TV is the most prominent, while the second one in terms of audience is Antena 3. These news-oriented media outlets increased the interest for news and have gained ratings at the expense of other large television stations.

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 the panelists was that some media outlets, especially at local level, still use illegal software.

The market of 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.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Romania Objective Score: 2.93/4.00

This objective increased slightly from last year as the market continues to offer many choices to citizens. More than 15 Bucharest-based daily newspapers are on the market, and one can get three to four local daily newspapers in the main cities. Public television has four channels. Private broadcasters have established themselves, including news channels. Urban areas receive a variety of television stations via cable, and in recent years, more cable firms have penetrated the rural areas.

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 transparency is good, but it does not help us too much. It's more important to know what it is happening within a TV station." A legal problem that persists is the lack of control over cross-ownership that has encouraged the development of media conglomerates.

The concentration of the ownership in media is a problem. Voiculescu, the owner of Antena 1, the second-largest commercial television station and leader of the small Conservative Party, was discussed above. He also owns the second news station, the second newspaper in terms of circulation, the first sports-oriented newspaper, a weekly magazine, and a radio station. Another media conglomerate was formed by Sorin Ovidiu Vantu (the first television news station, two newspapers, one weekly magazine, and a news agency); Adrian Sarbu (the first commercial television station, several newspapers and magazines, and a news agency). Dinu Patriciu, the owner of the biggest private company in Romania (in the oil industry), has recently entertained ambitions in the media industry and bought one daily newspaper and several magazines.

As a result, the majority of the central media has been reduced to several conglomerates. Some of our participants expressed concern because the people controlling media concentrated their actions in key moments in order to influence political decisions. Manuela Preoteasa, editor of EurActiv.ro, said there was "an unspoken alliance between media moguls. They all bark in the same direction." Tolontan also observed media moguls' tendency to synchronize their voices against the president, Traian Basescu, at the beginning of the current political crisis.

Panelists agreed that 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 prohibitive prices, but this could be overcome by the Internet, where Romania leads in Eastern Europe for broadband connections.

Although they are set back by the failure to change the law for public radio and television, the panelists observed some progress in the past year on the editorial side of public television. Martin noted improvement in its editorial content, especially by bringing independent producers, with limited contracts. Also, in Martin's view, "TVR fills the gaps uncovered by the private outlets, concerning the culture, young people, minorities." The participants were more critical of public

Voinea, manager of a local newspaper, said, "You can make money from media, but you have to reinvest permanently to keep pace." He explained this situation by the large amounts invested in media from other business to obtain or influence political power

radio, where the changes were less significant and the quality of reporting remained low.

The state-owned news agency is formally controlled by the parliament, but its market position is rather poor. Panelist Moraru said, "Rompres is a weak agency, professionally speaking, without resources. They see themselves as the government's news agency and work accordingly." The most important news agency is the privately owned Mediafax, which has been the only real competitor on the market for the past decade. But a new agency, NewsIn (owned by Vantu), has entered the market. Voinea said he made a contract with NewsIn because he was unsatisfied with the political bias of Mediafax. Moraru also remarked that NewsIn triggered a decrease in prices and that Mediafax became more flexible in negotiating contracts. Participants also observed that the Internet decreased the importance of news agencies in setting the public agenda. "The agencies lost the monopoly over rapidly transmitted news."

All television stations produce their own news programs. Most radio stations do also. Avadani did note the trend of stopping local news by the local cable companies after they are bought by bigger companies.

A comprehensive study by the EU Monitoring and Advocacy Program in 2005 revealed that a major problem was the lack of transparency regarding the capital behind television stations. After pressure from the National Broadcasting Council, Vantu acknowledged in February 2006 that he owned Realitatea TV, the most influential news-oriented television station. Transparency by itself was not considered a problem anymore by the panelists. The Center for Independent Journalism developed the project Media Index—a Web portal with details about the official ownership of all media outlets. "The transparency is good, but it does not help us too much. It's more important to know what it is happening within a TV station." A legal problem that persists is the lack of control over cross-ownership that has encouraged the development of media conglomerates.

Avadani described in Romania what she called "herd journalism—when you find the same story everywhere, with exact the same approach." Martin complained in last year's MSI about the way media reported the first gay parade in Romania. In 2006, the situation improved, said Martin: "We had some good surprises, and the media was more tolerant." Avadani was worried about the situation of media in minority languages: "They are just newsletters for the community; dialog with the majority is missing." An exception could be the media in Hungarian, the largest ethnic minority. In this case, the real problem is the control of the Hungarian Party, which represents the minority in parliament. This control is evident both for state-owned and for private media (and for the outlets created with funds from Hungary).

OBJECTIVE 4: BUSINESS MANAGEMENT

Romania Objective Score: 2.92/4.00

This objective showed small but significant improvement over last year. Panelists note that the Romanian media are more market-oriented, but gradually evolving. Only a few newspapers function as real businesses. Panelists believed that at most 10 local newspapers function as self-sufficient businesses, which is a small percentage of the more than one hundred local papers. For Bucharest-based newspapers, several of the key papers appear profitable, such as *Libertatea*, *Jurnalul National*, and *Evenimentul Zilei*. The panelists considered that besides the above-mentioned papers, the others were losing money. Voinea, manager of a local newspaper, said, "You can make money from media, but you have to reinvest permanently to keep pace." He explained this

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.

situation by the large amounts invested in media from other business to obtain or influence political power.

The print media 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, and Rodipet still delays payments, causing financial problems for many publications.

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, the proportion of advertisement in total revenues was estimated by our panelists at around 50 percent. Some local newspapers also reached this level—for instance, *Gazeta de Sud*—but these are exceptions. The state radio and television stations have three sources of funding: state subsidies, subscriptions, and advertising.

There are many advertising agencies active in Romania. Among them are: McCann Ericsson, Grey, Saatchi & Saatchi, Leo Burnett, BBDO, Young and Rubicam, and so on. Despite a large number of indigenous agencies, some 80 percent of advertising money is circulated within these international agencies. Preference is given to large media outlets with national distribution and to television stations.

The general opinion among participants was that television stations are attracting an exaggerated percentage from the total advertising pool. Panelists estimated that 300 million euros went to television, compared with 80 for print and 5 million for radio. Tolontan notes that television still is a higher-valued media for advertisement agencies.

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 passed a law in 2005 to establish a more transparent and competitive means to place and pay for state advertising. As an indirect result, the total amount spent by the state on advertisements in 2005 decreased to 4 million euros, from 14 million in 2004. Although the new system is not completely functional and some authorities abuse it, the panelists considered that the problem of state advertisement was no longer jeopardizing the media industry. Tolontan said, "The industry is no longer polluted with public money. Some media owners are not happy with this change, because they were winning easy money from the state. But the overall situation has improved now."

The panelists noted that market research is increasingly used by media outlets to shape their product and content. Moraru gave the example of his own newspaper, which

Tolontan said, "The industry is no longer polluted with public money. Some media owners are not happy with this change, because they were winning easy money from the state. But the overall situation has improved now."

was rebranded following market research. However, other panelists, such as Preoteasa, felt there still was a real lack of "professional media managers."

The Romanian Audit Bureau of Circulation (BRAT) was founded in 1998 as an independent, non-for-profit organization. Many advertising agencies have a precondition for allocating any advertising contract the existence of a certificate issued by BRAT. Through the broadcast law adopted in 2002, the state interfered with the broadcast rating system by allowing the 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.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Romania Objective Score: 2.57/4.00

This objective has witnessed relative stability over the previous two years, as there have been few major advancements in supporting institutions.

Although the journalistic community in Romania remains generally skeptical of joining a union, important steps for having a united and powerful union were made in 2004 and 2005. MediaSind is a federation of different unions that has over 8,500 members. Some critics observed that many of these members are not journalists but technical staff from state radio and television, as well as the staff of printing facilities. Despite this, MediaSind is more active. 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 for 2005 and 2006.

In October 2006, MediaSind supported the strike organized by the journalists working for *Kronika* newspaper (addressing the Hungarian minority). This case was rather exceptional, as journalists do not organize such protest movements in Romania.

Avadani raised the problem of social dialogue in the media industry: "We have trade unions, but no owners` associations." Under the Romanian law, the trade unions have to negotiate with owners' associations, organized in a particular legal manner.

Avadani raised the problem of social dialogue in the media industry: "We have trade unions, but no owners` associations." Under the Romanian law, the trade unions have to negotiate with owners' associations, organized in a particular legal manner. The most powerful organizations are organized as NGOs and are not able to negotiate with the trade unions. The Association of Local Editors and Owners (APEL) contains the most important local newspapers in terms of circulation. At the central level, the Romanian Press Club (CRP) contains the most important media outlets and journalists. CRP encountered an internal crisis in 2006, and it will be split into two separate organizations: one for journalists and one for media owners. The only association organized as an owners' union is ROMEDIA, a marginal organization with little credibility within the industry. Broadcasters have their own organization called ARCA, but it does not deal with editorial matters. There are many journalists' associations, but most of them are low-profile, inactive, or immature. Several exist only on paper.

The Convention of Media Organization (COM) was established at the initiative of the Center for Independent Journalism (CIJ) and the Media Monitoring Agency (MMA) to create a functional community to discuss the profession's problems. The director of CIJ, Avadani, said she was disappointed in the progress made by the COM in the last period: "It did not grow."

The most important NGOs are the CIJ, the MMA, the Romanian Helsinki Committee, and the Pro Democracy Association. They acted as an informal coalition and on numerous occasions defended press freedom. The group also kept international observers informed and succeeded in placing media on the agenda of international organizations.

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 journalists with a diploma flood the market every year. Avadani said, "There are enough faculties, but most of them are too theoretical." She continued, saying, "A good example is the Faculty of Journalism in Iasi, which has its own news agency, magazine, Web portal, radio, and television station, and the students work there." Tolontan estimated that around 20 percent of the people newly hired in media graduated from a Journalism Faculty.

After the closing of the BBC School in 2001, the CIJ remained the only short-term training provider. The CIJ provides courses for journalists and journalism students but also for students in related fields, such as political science, economics, and law. The Center also provides targeted assistance to media outlets. Visiting professionals from abroad (mostly from the United States) also provide instruction at the Center. According to 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 to the imported paper because it sells paper about 10 percent cheaper.

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.

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.

Voinea said that Rodipet does not work better, despite its privatization. Tolontan raised the general problem of distribution firms: "They are not properly managed; it is total chaos there." All panelists directly involved in their media business complained about the fact that distribution firms are delaying payments.

Panel Participants

Ioana Avadani, Executive Director, Center for Independent Journalism, Bucharest

Razvan Martin, Program Coordinator, Media Monitoring Agency, Bucharest

Adrian Voinea, Editor, *Gazeta de Sud*, Craiova

Manuela Preoteasa, Editor, EurActiv.ro

Catalin Moraru, Editor-in-Chief, *Monitorul de Botosani*

Catalin Tolontan, Editor-in-Chief, *Gazeta Sporturilor*

Moderator

Cristian Ghinea, Journalist, *Dilema Veche,* Bucharest

The pressures on the media took varying forms during the year, from the failure to implement legal protections to direct, sometimes brutal, interference in editorial practices through the judicial system, corruption, and political influence, according to MSI panelists. They were particularly critical of frequency allocation and said the regulatory Republic Broadcasting Authority was not meeting its mandate, while also citing the improvement of media

SERBIA

outside the capital, Belgrade, and the withdrawal of the state from local media, national dailies, electronic media, and the news agency Tanjug as important tasks ahead.

OVERALL SCORE: **2.47**

Parliamentary elections in early 2007 capped a year of dramatic political events that played out across the media. In March 2006, former President Slobodan Milošević was found dead in his prison cell at a UN detention center while on trial for war crimes. Then in May, the European Union called off talks on closer ties with Serbia because of its failure to arrest war-crimes suspect Ratko Mladić. Montenegro voted for independence, and the state of Serbia and Montenegro ceased to exist; and the last stages of the dissolution of the former Yugoslavia played out in the continuing international negotiations on the final status of Kosovo. Meanwhile, in October, Serbia voted for the country's first Constitution in the post-Milošević era, followed by parliamentary elections in January 2007.

The political conflicts behind these events caused renewed pressures on the media's independence and professionalism. The Media Sustainability Index (MSI) panel viewed the strong influence of the ruling coalitions on the media as key to the sector's stagnation during the year, with the MSI score effectively unchanged from the previous year at 2.47. The MSI assessment contrasted this situation with the relatively quick improvement of the media sector just after the toppling of Milošević in 2000 and traced it to the political changes in Serbia after the assassination of the first democratic prime minister, Zoran Djindjić, in 2003.

The pressures on the media took varying forms during the year, from the failure to implement legal protections to direct, sometimes brutal, interference in editorial practices through the judicial system, corruption, and political influence, according to MSI panelists. They were particularly critical of frequency allocation and said the regulatory Republic Broadcasting Authority was not meeting its mandate, while also citing the improvement of media outside the capital, Belgrade, and the withdrawal of the state from local media, national dailies, electronic media, and the news agency Tanjug as important tasks ahead. However, panelists noted that progress in some other aspects of the media sector, including development of the advertising market, prevented the overall MSI score from dropping significantly.

The MSI assessment of legal protections for free speech showed a drop from 2005, when new media laws were implemented. The panel said the high expectations were not met, especially in the areas of political influence on broadcast media licensing and lack of prosecution in cases of crimes against journalists. Professionalism showed a modest rise, due to what panelists saw as good coverage of key events and the multiple news programs on broadcasters with national coverage as well as a number of local media covering local events. The third objective, the plurality of news sources, deteriorated somewhat, mainly due to virtually no transparency in the ownership of a number of outlets, including some with national coverage. The fourth objective, connecting business results with media independence, show good improvement due to the increasing role of the market in media income, with advertising agency activities improving for the fifth year in the row. The fifth objective assessing media-supporting institutions was unchanged again.

SERBIA AT A GLANCE

GENERAL

> **Population:** 7,432,000 (SMMRI)

> **Capital city:** Belgrade

> **Ethnic groups (% of population):** Serb 82.86%, Hungarian 3.91%, Bosniak 1.82%, Roma 1.44%, Jugoslav 1.08% other 8.89% (Federal Statistical Office)

> **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)

> **Languages (% of population):** Serbian 88.3%, Hungarian 3.8%, Bosniak 1.8%, Romany 1.1%, other 4.1%, unknown 0.9% (2002 census)

> **GNI (2006-Atlas):** $29.011 billion, not including Kosovo (World Bank Development Indicators, 2007)

> **GNI per capita (2006-Atlas; PPP not available):** $3,910, not including Kosovo (World Bank Development Indicators, 2007)

> **Literacy rate:** 96.4% (2003 est., *CIA World Factbook*)

> **President or top authority:** President Boris Tadic

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** approximately 1,100 total

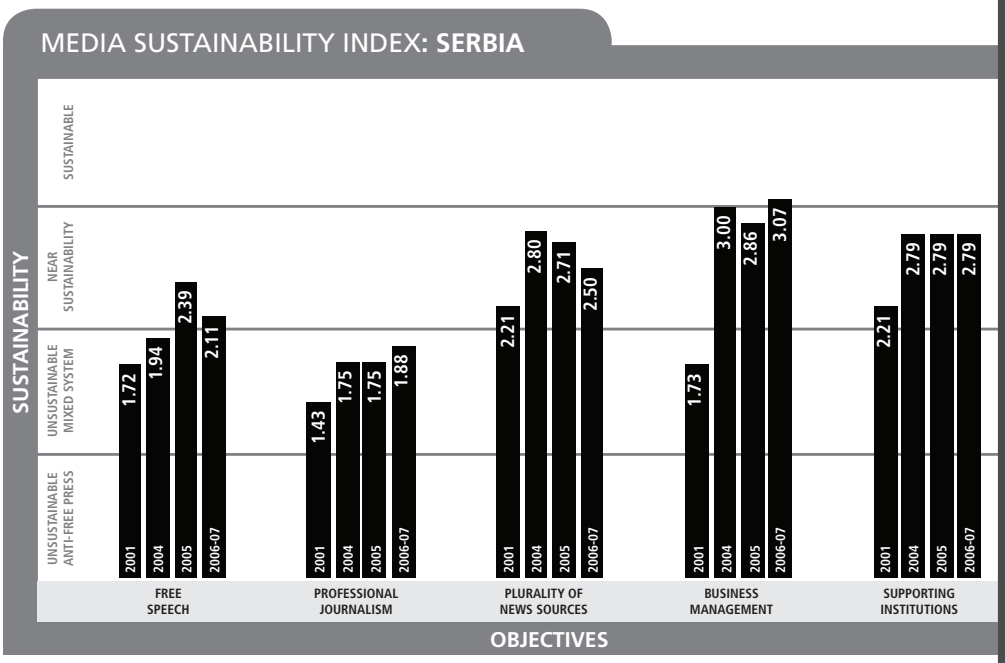
> **Newspaper circulation statistics:** No statistics are available, but Blic, Vecernje novosti, Kurir are considered to have the largest circulation (IREX/SMMRI research data)

> **Broadcast ratings:** TV stations: TV RTS 1, TV PINK, TV B92; Radio stations: Radio Beograd 1, Radio B-92, Radio S (IREX/SMMRI research data)

> **News agencies:** BETA (private), FONET (private), TANJUG (state)

> **Annual advertising revenue in media sector:** $115 million (estimated real value for 2006 by AGB Nielsen)

> **Internet usage:** 1.4 million (CIA World Factbook, 2006 est.)



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

Serbia Objective Score: 2.11/4.00

The expectations that followed the 2005 implementation of new media laws have not been met, in the view of MSI panelists. Among the hoped-for improvements included fair treatment for the media and fairness in the media. What actually happened, panelists agreed, was that although most norms defined by laws were suitable and free speech was guaranteed by the regulations, the laws were not put into practice effectively. They cited as an example the Republic Broadcasting Agency activities in the controversial area of issuing of licenses. They also noted the misuse of free expression protections in the form of hate speech, especially against minority groups, which they said was not uncommon in some media and in a number of politicians' speeches. The sanctioning of such practices is ineffective due to the lack of reactions from prosecutors and injustice in the implementation of the rule of law, panelists said. As a result, Serbia's score for this objective dropped significantly from 2.39 in 2005 to 2.11.

The licensing of broadcast media finally started in 2006 after long delays, but panelists were highly critical of most activities of the Republic Broadcasting Agency. They said licenses for national frequencies were determined under various pressures, with the result being that licenses went to nonexistent television stations but not to some well-established television and radio broadcasters. According to panel members, one license winner, FOCUS radio, was prone to use of hate speech. The second tender for regional frequencies left out bidding on some important towns in Serbia, panelists said. Also, the prices for frequencies determined by the agency were considered unjustifiably high.

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 panelists said that the prosecutors were not interfering in cases of hate speech and said the situation was especially bad in small localities where municipality authorities, prosecutors, jurisdiction, and police have very close ties. "I don't remember when a single attack on journalist was adequately sanctioned," said panelist Slobodan Kremenjak, a Belgrade lawyer.

The market entry and tax policy is not discriminatory toward the media in Serbia, although panelists said they thought that there should be positive discrimination for print and broadcast media in minority languages.

There were a number of serious crimes against journalists, including attacks, serious threats, and break-ins at editorial offices, but panelists said the state was systematically ignoring crimes against journalists or media outlets. The panel cited the cases of journalists Slavko Ćuruvija, killed in 1999, and Milan Pantić, killed in 2001, as not having been resolved to the media community's satisfaction, although the police continued investigations in 2006. The panelists also said that the prosecutors were not interfering in cases of hate speech and said the situation was especially bad in small localities where municipality authorities, prosecutors, jurisdiction, and police have very close ties. "I don't remember when a single attack on journalist was adequately sanctioned," said panelist Slobodan Kremenjak, a Belgrade lawyer.

Overall, the MSI assessment concluded, there is strong interference by state structures into media, and media privatization has not proceeded. "If there were improvements in this year that was more the result of circumstances than the result of politicians' wishes to diminish influence on media," said panelist Voja Žanetić, marketing specialist for the MOSAIK Marketing Agency in Belgrade.

Politicians choose managers and editors-in-chief at the more than 100 state-owned media in Serbia, and the state news agency Tanjug is financed from the state budget and is competing with private independent agencies. The strongest pressure is on regional state media by local politicians and

Panelists noted, in particular, municipalities where the Radical party is in power, such as in Novi Sad, where practically the party is the "editor" of the local state-owned electronic media, and in Novi Pazar, where some media are under direct local party control.

businessmen. "Self-censorship encouraged by economic pressures happened more often than one induced by political pressures," suggested panelist Dragoljub Žarković, director and editor-in-chief of the *Vreme* weekly in Belgrade.

Panelists noted, in particular, municipalities where the Radical party is in power, such as in Novi Sad, where practically the party is the "editor" of the local state-owned electronic media, and in Novi Pazar, where some media are under direct local party control. The panelists also said there are some positive examples where local municipalities are not pressing state-owned media and are helping them to privatize as soon as possible.

Libel remains under the Criminal Code. However, the newly introduced criminal law abolished imprisonment and introduced financial penalties. Panel members expressed concern that this new solution will be worse for journalists. They said no journalists were sent to prison for libel on the basis of the old law because judges did not want to get the reputation of exerting pressure on media. However, Željko Bodrožić, editor-in-chief of the newspaper *Kikindske* from Kikinda was sentenced by a local court to huge fines after being accused by local politicians and nationalists whose activities he was describing in his newspaper. The UN Committee for Human Rights ruled against the verdict in late 2005, but the Ministry of Justice refused to act.

Serbia has adopted a Law on Free Access to Information of Public Importance. However, implementation remains problematic. The Independent Association of Journalists asked the public prosecutor for information on the cases of Željko Bodrožić and the unexplained 1994 death of Dada Vujasinović, a journalist who was writing on war crimes, but the answer was that the association is not an institution to whom it will respond. However, panelists noted that the independent Commissioner for Information of Public Importance is doing his best to improve practices, although the obstruction from state institutions is very strong.

There is unrestricted access to international news sources, and there are no restrictions on entering journalism as a profession.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Serbia Objective Score: 1.88/4.00

Traditionally, professionalism of journalists has received the lowest overall rating for any objective in the MSI for Serbia. For 2004 and 2005, the ranking was the same at 1.75. This year, marginal improvement was observed, with a rise to 1.88. Lingering problems remain: no quality specialist journalism, very low salaries, aggressive "tabloid" journalism, and lack of coverage for some important themes. A large percentage of the journalists working in the more than 1,000 Serbian media outlets are not educated in spite of a number of active journalistic faculties, schools, and professional-development options. Lack of professionalism in media also produces vulnerability to political or other pressures, panelists said. Journalistic ethics in a number of cases are ignored due to ideological prejudices, neglecting of responsibility, corruption, or general lack of professional competence, they said. Economic conditions at media outlets and among journalists themselves also negatively impact professionalism in the media.

MSI panelists unanimously agreed that reporting generally is not fair, objective, or sourced on relevant information. "Serbian editorial offices are full of journalists of doubtful moral credibility, so objective reporting we could recognize only when mentioning a small number of real professionals," said Goran Vladković, editor-in-chief of OK Radio in Vranje.

Panelists said that in a number of media outlets there are repeated cases of unethical behavior and systematic ignoring of ethical standards. The print tabloids and some magazines

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

are most problematic, they said, but there are cases of similar behavior among broadcast media. Panelists placed responsibility on editors and said there have been lapses among media otherwise known for keeping ethical standards. They cited cases in which questionable practices are allowed, such as publishing the names of children in trouble, misusing children for political promotion, and others.

There are cases of self-censorship, panelists said, but it is not a dominant practice. Sometimes it could be positive. Most self-censorship in Serbia is motivated by economic interests, and rather less by political interests. It is not a product of direct pressure. "The journalists are not forced to practice self-censorship; it is more a question of a specific media environment and a long tradition of self-censorship," said Žarković, director and editor-in-chief of the *Vreme* weekly in Belgrade.

Panelists were supportive of the progress in terms of the scope of coverage. They said that all key events are covered regularly and fully. Only media in minority languages or for minority populations, such as Albanian, Hungarian, or Roma, have problems with this because of very low financial resources at their disposal.

The salaries of journalists in most media in Serbia are extremely low and do not discourage corruption. "Hidden advertising" in paid-for articles is considered by many advertisers as a more efficient method of marketing, and journalists too often see this as an opportunity to secure extra earnings to better support their families. Panelists noted with concern that pay is low on average at all media outlets, including those that are financially viable. "The amount of money entering into media is rising, and we are faced with an increasing number of invisible ordered texts by different subjects," said Žarković. "This is paid apart from normal salary. Editors are not always able to recognize them."

The proportion of information programming in the total schedule of most electronic media is satisfactory. Several new and "old" television houses extended information programming, the competition among them is strong, and panelists unanimously thought that they are of good quality.

Technical equipment continues to age, and few media outlets succeed in renewing it. Media companies have problems in acquiring new equipment because of non-eligibility for banking guarantees.

Quality niche reporting is not widespread, but there are good examples. The leader mentioned by panel members was TV and Radio B92, with several good investigative and specialized journalism pieces. The television program "Insider" contributed significantly to the improvement of investigative journalism, panelists said. However, overall the quality of investigative journalism is one of the Serbian media's problems, with few journalistic specialists. The panel citied the inadequate coverage of dire air pollution in the town of Pančevo and of financial and banking themes in its generally low assessment.

> *"State-owned media are tragic regionally," said Vladković. "In local municipalities, they are loudspeakers of local authorities. They are not informing; they are advertising authorities that are paying them."*

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Serbia Objective Score: 2.50/4.00

The plurality of news sources available in Serbia was diminished by a number of factors, including a decline in scientific and educational programming, discrimination by news agencies, nontransparent ownership in most media, the very low economic potential of local broadcasting media to produce good programs, and the unresolved question of long-term financing of media in minority languages. Panelists found that state or public media did not reflect the views of the entire political spectrum and often did not serve the public interests of minority groups. This contributed to a drop in the overall rating for this objective to 2.50, from 2.71 in 2005. Most

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.

An understanding of the role of public-service media continues to evolve, and panel members criticized the degree to which money is spent for market competition with commercial media. They attributed the situation to failures by personnel, rather than the system. "The question 'What is the role of public service?' still waits for an adequate answer in Serbia," said Nadežda Gaće, president of the Independent Journalist Association of Serbia.

highly assessed for this objective were the affordability of news sources, the unrestricted access to media, and the performance of independent news agencies. The lowest mark reflected the lack of transparency of media ownership.

Unquestionably, there is plurality in the affordable public and private news sources in Serbia. There are no restrictions on domestic or international media, although the relatively low circulation of print media is a consequence of the circumscribed buying power of citizens. Key dailies such as *Politika, Danas, Blic,* and *Vecernji Novosti* and weeklies such as *Vreme* and *Nin* offer a wide choice in print media to complement the less robust regional and local print market. In broadcasting, the public RTS and private stations such as Pink, B92, and Fox Televizija represent a large broadcasting sector.

A more important question is raised by the position of public-service media, panelists said. The number of state media is diminishing, and the news program is viewed as improving at Radio Television of Serbia (RTS), with more diversified viewpoints included. However, panelists said that other purportedly "public-service" programs are not as good. An understanding of the role of public-service media continues to evolve, and panel members criticized the degree to which money is spent for market competition with commercial media. They attributed the situation to failures by personnel, rather than the system. "The question 'What is the role of public service?' still waits for an adequate answer in Serbia," said Nadežda Gaće, president of the Independent Journalist Association of Serbia.

Among the viewpoints raised were that radio is generally well done and, on the whole, the situation with public-service media is improving, but more effort is needed, especially in the areas of cultural and educational programming. The problem posed by overstaffing at state media continues, with the surplus put at approximately 1,500 employees. Some panelists suggested that there was room for further objectivity at RTS TV news and that RTS's financing system is inadequate even though it is privileged as the only station with three different income sources—the state budget, obligatory subscriptions, and commercial advertising. "Further survival of the imbecilic financing of RTS will force public service to commercialization," said Žanetić, marketing specialist with MOSAIK Marketing Agency.

The MSI panel focused on local areas, saying that too often the state media were not reflecting the views of the entire political spectrum or the activities of civil society but mainly the local ruling party or coalition interests. "The problem is… the too-crowded media environment and state ignorance about programs of interest for citizens," said Vladković, editor-in-chief of OK Radio in Vranje. "The problem is not in differences among the media; it is more in their similarities. In local areas, they are all transmitting the same news." The evaluation of RT Novi Sad, the public-service broadcaster of Vojvodina, was similar to that of RTS, with commercial considerations high on the agenda.

The performances of the independent news agencies BETA and FONET were considered strong, with their main challenge being the difficulties that many potential media-outlet customers had in being able to pay for agency services.

Independent national broadcasters are producing high-quality news programs, panelists agreed, but local media in the regions are more often producing low-quality news programs under the heavy influence of local authorities. "State-owned media are tragic regionally," said Vladković. "In local municipalities, they are loudspeakers of local authorities. They are not informing; they are advertising authorities that are paying them."

The lack of transparency in ownership was due to inadequate regulations, panelists said. According to provisions in the media law, no foreigner can have more than 49 percent ownership of media in Serbia. As a result, a large number of lawyers become the owners of media, listed in the public register to mask the real ownership. This is especially true in the case of two new television stations that get licenses from RBA: TV FOX and TV AVALA. The lack of transparency leads to a general mistrust and lack of credibility of media outlets, also opening them to criticism of their editorial policies.

Though the laws are good in defining minority interests, the implementation is not adequate. MSI panelists suggested that there is no real interest in minority problems among media or among politicians. RTS was cited as being especially prone to ignore detailed coverage of minority concerns, while TV Novi Sad was considered somewhat better in this area.

OBJECTIVE 4: BUSINESS MANAGEMENT

Serbia Objective Score: 3.07/4.00

Serbia's media sector is showing significant improvement in its business-management practices, and the MSI panel raised the rating for this objective to 3.07, from 2.86 in 2005. About 15 percent of the country's media outlets are public-service and state-owned; the remaining private media are showing improved results, and the competitiveness of the market is growing. There remain some private media that do not have independent editorial policy and depend heavily on the subsidies of an interested backer, with the related drop in professional standards. But for the most part, the private media market is maturing, and income from the media business is growing steadily. The marketing activities of advertising agencies are expanding, especially in urban centers. Research on the performance of media outlets in terms of reach and audience share, supported through media-development programs for eight years, has became an instrument of media management used equally by media managers and advertising agencies.

The media sector's business infrastructure is fair, without discrimination in terms of print media distribution and expanding through mergers and acquisitions that bode well for a more efficient functioning of the industry, MSI panelists agreed.

Media are financed from multiple income sources. For several years, the Serbian advertising market has set the pace for expansion in southeastern Europe. The impressive growth rate continued in 2006, when the real market turnover was $155 million, compared with $121 million in 2005. "Advertising agencies are much more active than previously," said Žanetić, marketing specialist at MOSAIK Marketing Agency in Belgrade. "The newest trends are good, the prices are rising, and TV will earn more with diminished advertising time."

The structure of advertising spending also is improving. It is expanding beyond television, with more money going to print media, which are increasing the number of pages devoted to advertising. "The revenue from advertising is growing much better than revenues from selling of newspapers and magazines," said Žarković, director and editor-in-chief of the *Vreme* weekly in Belgrade. The drop in the number of television stations with new frequency allocation practices and the limitation of advertising time imposed by the new media law has served to divert advertising investment to other media forms and also has increased the price of advertising. Expansion of advertising to local markets also is ahead, panelists said.

Independent media do not receive government subsidies. Most state-owned media are financed from the government budget, although there are municipalities that do not provide financing to media they own. Panelists said there should be more clarity on financing of minority-language media.

Market research is used to develop media company strategies, and more progress was recorded by the MSI panel. In 2006, as in previous years, the number of media actively using research results for their business operations increased.

The registration of circulation figures still does not exist in Serbia. Most print media do not publish figures or are thought to be manipulating the market with incorrect data. This contrasts with the situation in broadcast ratings both for radio and television, which the MSI panel thought to be much better, reliable, and developed with transparent methodology.

Independent media do not receive government subsidies. Most state-owned media are financed from the government budget, although there are municipalities that do not provide financing to media they own. Panelists said there should be more clarity on financing of minority-language 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.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Serbia Objective Score: 2.79/4.00

The functioning of the supporting institutions for Serbia's media sector continues to be stable, with the MSI rating for the objective unchanged from the three previous years at 2.79. This covers media industry associations, NGOs, supporting the media, and distribution channels. The education of journalists is improving, although it is far from perfect and still in need of serious reform, panelists said. Several participants suggested that the media-support institutions are the parts of the Serbian media environment that function the best. There are several efficient organizations that supply media with different services, such as legal help, professional education, and marketing services. On the other hand, panelists said, media institutions are defending the media environment from further deterioration. The problem is the absence of syndicated representation of journalists.

Several associations, including ANEM and the Independent Association of Media (NUNS), are seriously lobbying for media interests, improved legal provisions, and prevention of monopolization. Another positive trend observed by panelists is that media are pushed into associations more to protect their common economic and industry interests than for political reasons. Observed Goran Vladković of OK Radio, "not only are media associations honestly advocating for media interests, they are also the guarantee that the Serbian media will not fall further into the abyss."

Clear improvement in the activity of NUNS was recorded by the MSI assessment. The activities of the ethics council were a great leap forward. Also, the prompt reaction to attacks on journalists and active involvement in public debates on media realities made NUNS an even more useful association than before, panelists said.

Panelists were divided in assessing the role and support of NGOs. Some thought that the NGOs were not adapting to the real world, which is not so black and white anymore. There is an essential difference between NGOs in Belgrade and those in local municipalities. Any weakness observed in NGOs should be understood in the context of the fact that there are 5,600 NGOs in Serbia, and most of them, especially in local areas, are representing civil society well and cooperating effectively with media, panelists agreed.

The Faculty for Political Sciences is still producing journalists without practical knowledge, according to the MSI appraisal. Vesna Sladojević, deputy editor-in-chief of Radio Television Serbia, said "young journalists coming from the Faculty for Political Science-Journalism department are not capable to work on any complicated task." Some improvement is evident, and some educational institutions are using professionals from media to teach students on practical aspects of journalism. Also, there was good improvement in equipping faculties, and students are now using modern equipment in the learning process. In the past year, significant interest among young people for journalism study was recorded, however Dragoljub Žarković of *Vreme* noted "In the last year, there was a huge interest of young people for journalism study, but most probably for the wrong reasons."

Short-term training is the traditional form of educating journalists in Serbia and is mainly financed by donors. Those trainings introduce new professional skills to many journalists and media outlets in Serbia, panelists said.

There is no apparent discrimination in newsprint supply or in printing services, and there are many sources of both.

Channels of distribution are functioning on market criteria, except where there is a state or business monopoly. RTS continues to dominate transmission of broadcasting through its infrastructure, with continuing concern over this state of affairs.

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.

Panel Participants

Svetlana Kojanović, Director and Editor-in-Chief, *Cacanski glas,* Cacak

Nadežda Gaće, President, Independent Journalist Association of Serbia, Belgrade

Zlata Kures, Deputy General Director, BETA News Agency, Belgrade

Marina Fratucan, CEO, Independent TV Production Group URBANS, Novi Sad

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, Zivkovic & Samardzic law firm, Belgrade

Dragoljub Žarković, Director and Editor-in-Chief, *Vreme* weekly, Belgrade

Darko Broćić, Director, AGB Nielsen, Belgrade

Goran Vladković, Editor-in-Chief, OK RADIO, Vranje

Moderator

Nebojša Spajić, Senior Consultant, Executive Group, Belgrade

Observers

Goran Cetinić, Media Advisor, IREX ProMedia, Belgrade

Dragan Kremer, Media Advisor, IREX ProMedia, Belgrade

CAUCASUS

The World Bank noted positive changes in all economic indicators for Armenia during 2006, and the Armenian government signed a Millennium Challenge Corporation compact that will shape US assistance to the country for the next five years in a program focused on alleviating rural poverty.

ARMENIA

OVERALL SCORE:
1.60

Politics and the economy continued to dominate Armenian life as parliamentary elections approached in 2007 and the country marked 15 years of independence. Armenians faced steeply higher gas prices and a drop in the value of their currency against the US dollar, armed with an average monthly salary equivalent to $138. On other hand, the gross domestic product (GDP) marked an unprecedented increase of 13 percent, primarily due to a nearly 42.3 percent increase in the size of the construction industry. The World Bank noted positive changes in all economic indicators for Armenia during 2006, and the Armenian government signed a Millennium Challenge Corporation compact that will shape US assistance to the country for the next five years in a program focused on alleviating rural poverty.

Against this backdrop, the Armenian media industry was little changed, according to the Media Sustainability Index (MSI) panel assessment. Its overall MSI ranking fell slightly—to 1.60 from 1.65—indicating a media sector not yet strong enough to ensure media freedom, journalistic professionalism, and a plurality of information sources for its people. The professional-journalism objective did show improvement, increasing to 1.80 from 1.66 the previous year. The plurality-of-news-sources objective rating also rose, to 1.81 from 1.69. However, some declines were recorded with regard to press freedom, the supporting institutions available to the media sector, and the management of media businesses.

MSI panelists attributed the business-management objective rating's decline to 1.34 from 1.50 to the availability of elections grants during what is referred to as the elections "harvest." Panelists from regions where only a few media outlets are able to survive as pure businesses noted that many still largely depend on grants and other supporting businesses. In the capital, Yerevan, panelists said that the majority of outlets are print media and that they rarely are solely businesses in Armenia. The supporting-institutions objective rating again demonstrated a steady decline, moving from 1.94 in 2004 to 1.49 for 2005 to 1.16 after 2006. Panelists noted that the nonexistence of trade associations and quality journalism degrees were still issues requiring redress.

In notable events for the media noted by the MSI panel, Armenia's first independent Television Audience Measurement diary system was introduced, generating Yerevan TV channel ratings data and making it available to the industry. Data certification and repeated assessments by an international accounting firm fostered increased advertiser confidence, established ratings as a common currency, and facilitated the adoption of audience-based management. This then boosted the television advertising market from 3 million to an estimated $38 million, which, in turn, attracted a world leader in the production of ratings, AGB Nielsen, to install cutting-edge-technology "PeopleMeters" nationwide to provide national ratings. These steps led to the first independent and self-sustainable television ratings system for Armenia.

ARMENIA AT A GLANCE

GENERAL

> **Population:** 3.2 million

> **Capital city:** Yerevan

> **Ethnic groups (% of population):** Armenian 97%, Yezidi 1.3%, Russian 0.5%, Assyrian 0.11%, Kurd 0.05%, Greek 0.04%, other 0.3% (Ukrainian, Jewish, Oud, etc.)

> **Religions (% of population):** Armenian Apostolic 94% (the head of the church, the Catholicos of all Armenians), other (Armenian Catholic, Armenian Protestant, Russian Orthodox, Jewish, Greek Orthodox, Assyrian Nestorian)

> **Languages (% of population):** Eastern Armenian 96% (official), Russian 2%, other (Western Armenian, English, French, German, Kurdish, Greek, Hebrew-Yiddish)

> **GNI (2006-Atlas):** 5.799 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $5,880 (World Bank Development Indicators, 2007)

> **Literacy rate (% of population):** 98.3% (age 15 and above)

> **President or top authority:** President Robert Kocharyan

MEDIA-SPECIFIC

> **Number of print outlets, radio stations, television stations:** 30 print outlets, 21 radio stations, 18 local television stations in Yerevan, 3 Russian relay channels (Channel 1, RTR, Kultura) and 1 relaying CNN, 31 television stations in regions

> **Newspaper circulation statistics:** The average circulation for most popular newspapers is between 4,000 and 5,000 copies.

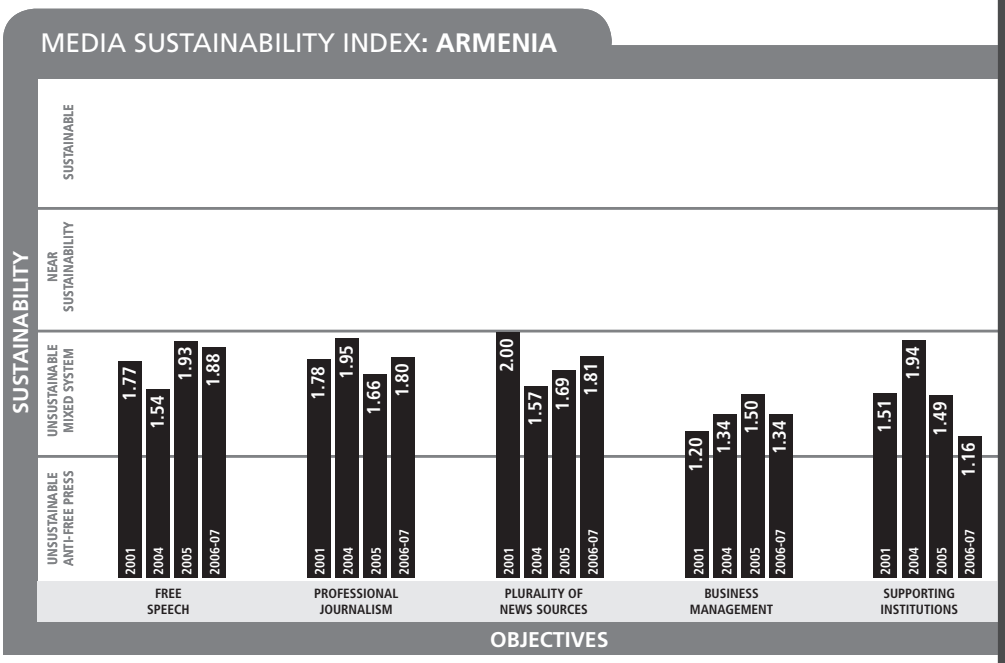
> **Broadcast ratings:** The top three ranked stations are H1, Shant TV, and Armenia TV (1st channel)

> **News agencies:** Armenpress, Noyan Tapan, Arka, Regnum, ArmInfo, Mediamax, Photolur, New Image, Spyur

> **Annual advertising revenue in media sector:** $38 million

> **Number of Internet users:** 80,000

Sources:
> World Bank
> European Commission against Racism and Intolerance (ECRI) Report on Armenia
> UNDP Human Development Report
> United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics
> International Monetary Fund



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.

On the negative side, violence against journalists continued, including the attack on the editor of *Iravunk* newspaper, Hovhannes Galadjyan, and the threatening and abuse of a freelance journalist, Gagik Shamshian.

OBJECTIVE 1: FREE SPEECH

Armenia Objective Score: 1.88/4.00

The MSI assessment found no significant changes among the indicators for this objective, with the exception of access to information, which panelists said has become more a norm than a rarity.

Legal norms protecting free speech correspond to internationally accepted standards, with the Republic of Armenia Constitution providing for free speech through Article 27 and the Law on Mass Media guaranteeing protection of the reporter's professional-duty performance. Article 164 of the Republic of Armenia Criminal Code provides for punishment, including for public officials, in case of hindrance to the lawful professional activities of reporters. "I have the impression that the laws are copied from elsewhere, other Western country laws," said Mnatsakan Harutyunyan, director of Hrazdan TV in Hrazdan.

However, there is no real freedom of speech in Armenia, panelists said, with the possible exception of print outlets that are "allowed" free speech because of their little impact due to low circulation. Crimes against journalists are not rare, and with few exceptions the offenders escape punishment, panelists added. Armen Sakhlyan, president of Lori TV, brought two examples just from his media outlet: "We had our director, Narine Avetisyan, have his car tire torn with a knife on one occasion and windows broken on another." Both incidents followed critical reports and went unresolved by authorities. Panelists agreed that the violations do not cause public outrage and that their number has risen: the editor of *Iravunk* newspaper, Galadjyan, was attacked by two men outside his home, supposedly prompted by the paper's criticism of the authorities; Gagik Shamshyan, a freelance journalist reporting for *Aravot* and *Chorrord Ishkhanutyun*, was threatened and abused, and a reporter for *Zhamanak-Yerevan*, Arman Babajanyan, was sentenced to three and one-half years in prison for avoiding military service by means of falsifying documents. "Reporters are often prosecuted for activities not connected with their professional activity—other felonies are being 'discovered' with them," said Avetik Ishkhanyan, editor-in-chief of *Ditord* magazine and chairman of the Armenian Helsinki Committee.

> *"I have the impression that the laws are copied from elsewhere, other Western country laws," said Mnatsakan Harutyunyan, director of Hrazdan TV in Hrazdan.*

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.

All panelists rated the broadcast media licensing system low, agreeing that it is not fair, competitive, and/or apolitical. The members of the National Commission on Television and Radio (NCTR)—formed to regulate the broadcast sector, including issuance of broadcast licenses—are named by the president, which doesn't guarantee the NCTR's independence. The decisions made are neither transparent nor explained, panelists said. "Previously, the voting was done in front of you, and you could at least see the members' votes. Today, they just separate themselves in a private room and come up with the decisions," said Shushan Arevshatyan, director of Radio Van, Yerevan.

Libel remains a criminal offense under Articles 235 and 236 of the Criminal Code, and although this has not been enforced to date, the threat remains.

Panelists agreed that there are no special barriers to the public information, which is available and largely equally so for all media. In fact, panelists said access to information had gotten easier by the end of 2006, with officials aware of the Freedom of Information Act and cooperating willingly. In cases when journalists did not receive information, they

"Reporters are often prosecuted for activities not connected with their professional activity—other felonies are being 'discovered' with them," said Avetik Ishkhanyan

were able to apply to the courts successfully. These cases were not rated, and the courts agreed that the authorities were obligated to provide information access according to the law.

Panelists also agreed that access to international news and news sources is unrestricted. "There are many villages around Vanadzor that use satellite dishes as their source of TV broadcast," said Haykaz Simikyan, president of *Vanadzoryan Khchankar* newspaper. Other panelists had additional examples, but they also noted that most were in the northern part of the country and that elsewhere poor villages do not present the same picture.

Finally, panelists were unanimous in that entry into the journalism profession is free and that the government imposes no licensing, restrictions, or special rights for journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Armenia Objective Score: 1.80/4.00

MSI panelists continued to see weakness in Armenian journalism. They said the mass media are polarized and that there are very few independent media outlets. The majority of outlets are either pro-government or oppositional, with very few regularly offering multiple points of view from all sides of an issue. In fact, the panel members said, comments often are solicited primarily to provoke strong comments and make stories more provocative.

Information generally reflects the view of an outlet's benefactor and generally is not checked against multiple sources—either because of bias or for lack of time in the rush to broadcast a story as quickly as possible. "To beat the competition, we have to air the story as fast as possible, even when there are few sources or just one, because if we don't, the competitor will air it anyway, without consulting a wide variety of local and/or international sources, and we'll lose to him our ratings," one panelist said. "We can always come back at a later date and correct the information as needed." However, there are certainly cases whereby not checking the facts is mere negligence, rather than time-pressure control. "I had to fire the reporter and the editor when they aired a story on one of the local businesses that happened to be one of our advertisers, where they had a factual error which damaged the good name of the company, and we lost an advertiser," said Margarita Minasyan, president of Tsayg TV in Gyumri, the second-largest city in Armenia.

Panelists agreed that the commercial content in the majority of outlets doesn't prevail over the news reporting. They said some outlets mark outright that content is publicity, while others present it as news. Half of the outlets had developed their own ethical norms in written form and even have penalty provisions for violations. Others have their "unwritten codes." There also are quite a few ethical standards developed by journalists' organizations, most of which are in line with international standards but none of which are widely accepted or followed in Armenia. Violations of these ethic standards are not infrequent. One of the panelists, asking not to be quoted by name, described refraining from airing a story about an accident because one about another similar accident also had not been aired due to the involvement of an employee. "They (viewers) would spit on my face if I aired this one, because they would say 'if you didn't air that one, how could you air this one?'" Journalists generally do not accept payments in exchange for certain types of coverage, since most of the private outlets are tightly controlled by the owners and managers. However, there are cases when they accept favors and/or gifts in exchange for some favors, panelists said.

Journalists and editors do practice self-censorship, and sometimes even in cases where the authorities wouldn't really care, panelists agreed. The fear of offending certain political circles or officials or the need to conform to certain business

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

interests do lead to widely spread self-censorship. "The devil is not so terrible as he is painted," said Minasyan. "They [authorities] try you to see whether they can easily break your will by causing consternation," she said, noting as an example her station's broadcast of a film about an opposition-party leader irrespective of concerned calls not to air it.

Key events and most key issues are covered by journalists, panelists said. However there are many taboos as well, including security issues of local and international concern and the activities of business oligarchs. Niche reporting does exist, and although the need for improvement remains, panelists were increasingly optimistic about the prospects.

Pay levels for journalists and other media professionals are not high and differ from sector to sector and from outlet to outlet. Higher pay is common at television stations, followed by radio stations and lastly print outlets. The difference is vast between the capital and the regions. Differentiation also must be made between the two large cities after Yerevan—Gyumri and Vanadzor—and the rest of the country, panelists said.

Entertainment programming doesn't eclipse news and information programming. Rather, panelists said, each has its audiences, and entertainment programming is the main content of many outlets that capture ratings with widely watched shows about stars and sports.

Technical facilities and equipment for gathering, producing, and distributing news are close to modern in the capital. However, panelists said that often this equipment is not fully used due to untrained personnel. "I remember an instance when the reporters from a capital television company could not use their super-modern satellite equipment to air live from a European city and had to go on air through a regular cell phone," said one of the panelists, wishing to remain anonymous. The situation is completely different outside the capital, where the need is felt in all three stages—news gathering, producing, and distribution.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Armenia Objective Score: 1.81/4.00

Despite the relatively high number of the outlets, the Armenian public is not provided with varying views and news sources, MSI panelists said. Rather, there is a sort of "cloning." "The same news is presented across the channels, and even the sequence of the stories is the same," said Ishkhanyan, editor-in-chief of *Ditord* magazine and chairman of the Armenian Helsinki Committee. "Reporters follow instructions on which events to cover and which not to cover; therefore, many events are not covered at all," he said. "The picture is slightly different for newspapers, and they present more or less varied information. However, that's due to their being so to speak 'out of control' because of their low print runs, which have little impact."

> *"To beat the competition, we have to air the story as fast as possible, even when there are few sources or just one, because if we don't, the competitor will air it anyway, without consulting a wide variety of local and/or international sources, and we'll lose to him our ratings," one panelist said.*

Panelists agreed that people in the capital and the next two largest cities (Gyumri and Vanadzor) have greater access to media sources, compared with people in villages and smaller towns. Most rural areas are deprived of print media entirely. The situation is somewhat better with television, compared with radio, as there are relatively many local private television stations and several national channels, such as the public H1, Armenia, H2 and ALM, are relayed to 70–80 percent of the country. However, in the radio sector, there is only the newly formed Radio Hay network, which is said to be expanding to 20 stations nationwide but now is being limited to nine stations, with one additional private station in Gyumri and one in Vanadzor.

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.

Panelists said that often this equipment is not fully used due to untrained personnel. "I remember an instance when the reporters from a capital television company could not use their super-modern satellite equipment to air live from a European city and had to go on air through a regular cell phone."

Internet access remains at a low level even in the capital. Because of the low quality, most people only read online print publications. Those who do have better connections cannot afford to view online broadcast media because of extremely high prices per downloaded streams.

All panelists agreed that citizens' access to domestic or international media is not restricted and access to foreign news sources on the Internet is not blocked by the government. It is legal to listen to foreign broadcasts and read foreign news. Foreign print editions, other than Russian-language ones, are available only in selected places, and their affordability is a challenge. However, many Russian newspapers are available and relatively affordable.

Panelists also agreed that the public media throughout the country are not open to alternative views and comments. The only exception, they said, is during the pre-election period, when the public media try to look balanced because of numerous international monitoring initiatives. Interestingly, panelists noted that the public media fill a gap not filled by commercial broadcasters—namely, they go far beyond the level of questionable language and content some consider closer to obscene than that aired on commercial stations.

All of the panelists agreed that independent news agencies gather and distribute news for print and broadcast media and that there is no selectivity on their side as to the distribution of news. The services are affordable and in some cases even free of charge, and they are used by media outlets and cited as sources for the information presented.

Many private broadcast media, both local and national, produce their own news programming. However, it does not significantly differ from that produced by public media. Their ownership or affiliation to political, business, or other interests doubtlessly affects the type of news produced, panelists said. "All people know who factually owns which channels, or which channels are owned by which forces and/or people. However, it doesn't mean that the official ownership is transparent," said Ishkhanyan, editor-in-chief of *Ditord* magazine and chairman of the Armenian Helsinki Committee.

Panelists noted the effect of the law that ostensibly prohibits political parties from owning television outlets. Some cited Yerkir Media as controlled by the Dashnakcutyun Party, ALM as factually controlled by People's Party and its leader Tigran Karapetyan, and so forth. The law also bars one entity from owning multiple channels, although panelists said this is often circumvented in practice. With regard to ownership transparency, Sara Petrossyan, a reporter from the Association of Investigative Journalists, said: "It's not only that they are not transparent officially, but also that the authorities won't let an uncontrolled stranger own a TV outlet, or won't let an owner abandon or sell his station voluntarily. It again has to appear in the hands of such people that are under [authority] control."

Journalists writing about national minority issues are not harassed, and minority-language media do exist and are legal. However, such media are mainly distributed among the representatives of those minority groups solely. Arevshatyan, director of Radio Van, said that the law requires broadcasts be in Armenian, with the exception of programs designed for national minorities. "We use this clause for airing our Russian-language programs, but we constantly have all kinds of problems with the Language Inspection," the panelist said.

OBJECTIVE 4: BUSINESS MANAGEMENT

Armenia Objective Score: 1.34/4.00

All panelists agreed that few media outlets operate as efficient, professional, and profit-generating businesses. Media face significant distribution problems, MSI panelists said, and only recently has market research been introduced for television.

Among the industries serving the media sector, printing facilities, concentrated in the capital except for those in Gyumri and Vanadzor, are private, not subsidized by the state, and could be said to operate as profit-generating businesses. Distribution firms are neither sufficient nor efficient in supporting the media, however, and pose a significant challenge, panelists said.

There is one major press distribution agency, Haymamul, the functioning of which panelists did not rate as efficient; the only other option is Haypost, the post office administration. Print outlets try to find their own ways of distribution. "Haymamul sells only 25 percent of our newspapers, and another 25 percent is sold by Haypost," said Simikyan, director of *Vanadzoryan Khchankar.* "For the rest of the copies we have developed our own mechanisms. For example,

we sell around 1,000 copies in regular food stores. If you sell through only one distributor, you are badly dependent on him and he can dictate you his conditions. But we have reached such a state that they turn to us to distribute our paper so that they can also have their profit from selling our newspaper." The monopoly distribution agency owes money to all of the newspapers and "if tomorrow it goes bankrupt in the court, all of the newspapers will go bankrupt," said Petrossyan, from the Association of Investigative Journalists. "Few Yerevan newspapers also have made such attempts (not to distribute through Haymamul) every now and then, but they all failed." Another panelist said, "We try to solve the distribution-options problem by posting an announcement to invite individual salespeople, and there have been cases when our salespeople were just beaten," said Anna Satyan, a reporter for the Russian-language newspaper *Novoye Vremya*.

The financing of private media actually depends on the type of the media and the content, panelists said. The revenues of television guides and classified-ad newspapers come mostly from print copy sales and advertising. Other print outlets must depend on other sources, such as grants, government subsidies, political funding, or oligarchs' support, because they cannot survive by solely copy or ad sales due to low print runs. For FM radio stations, the revenues come from advertising airtime sales, sponsorships, and in-house production studios where they produce ads and, in some cases, other programming. "In our station, the breakdown is as follows: 25–30 percent come from ad sales; 20–30 percent from production of ads for ad agencies, production of programming for stations in Moscow, Kazan, Saint Petersburg, Kiev, airtime sales (commercial programming); and around 10–15 percent are grants," said Arevshatyan, director of Radio Van, Yerevan. With the rise of the advertising market, many television stations can get revenues from ads, sponsorship and production of commercial films and commercial, in addition to other benefactor sources. "For example, our station revenue from advertising totaled to 45 percent during the year 2006, commercial films and ads produced in our production studio account for another 20 percent, and the rest is announcements, airtime commercial sales, and so on," said Sakhlyan, president of Lori TV in Vanadzor.

"Reporters follow instructions on which events to cover and which not to cover; therefore, many events are not covered at all," he said. "The picture is slightly different for newspapers, and they present more or less varied information. However, that's due to their being so to speak 'out of control' because of their low print runs, which have little impact" said Ishkhanyan.

Panelists agreed that advertising quality in Armenia is quite low. "Armenia is perhaps the only post-Soviet country among CIS where there are no advertising festivals or contests conducted," said Arevshatyan from Radio Van. "The quality of ads is often influenced by the advertiser's taste," said Harutyunyan, director of Hrazdan TV in Hrazdan. Arevshatyan agreed but contended that they have found the solution for that: "I tell them we can place the ad the way you wanted it to be produced, but you'll see that it will have little impact, and if we do it our way, the sales will go up significantly. And it happens exactly that way, so they eventually yield to ours." Ad agencies work with outlets, but mostly with the ones in the capital and the two largest cities and almost exclusively with broadcast outlets. In the capital, ads take up a large portion of broadcast programs, and some prime-time shows include close to 30 minutes of ads in an hour, instead of the 10 allowed by law, panelists said. Some programs lasting 20 minutes have 10 minutes of ads in between.

Panelists noted that ad revenue as a percentage of total revenue is not in line with widely accepted international standards at commercial outlets, and the worst case is the print outlets, where the main source is subscription and distribution rather than advertising.

Private television stations do not receive government subsidies, but newspapers do, although panelists said their content is not heavily influenced by this. The sums are relatively low, though not insignificant in Armenia.

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.

With regard to ownership transparency, Sara Petrossyan, a reporter from the Association of Investigative Journalists, said: "It's not only that they are not transparent officially, but also that the authorities won't let an uncontrolled stranger own a TV outlet, or won't let an owner abandon or sell his station voluntarily. It again has to appear in the hands of such people that are under [authority] control."

In most regions, market research has not been conducted. In the capital, television ratings are produced by AGB Nielsen, which was introduced under a program of the US Agency for International Development (USAID) implemented by IREX. Circulation figures, by contrast, are available only from the newspapers themselves and are not independently reviewed.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Armenia Objective Score: 1.16/4.00

Little changed during the year with respect to the trade associations that represent the interests of private media owners and provide member services, the MSI panel concluded.

There are professional associations that work to protect journalists' rights, but the panelists agreed that their help is limited. "Other than using their space for press conferences, I wouldn't say there's much assistance from them," said Sakhlyan from Lori TV, Vanadzor.

There also are nongovernmental organizations that work in cooperation with media outlets to support free speech and media independence to the extent possible. These organizations provide legal assistance to the media outlets, get involved in reviewing legislative changes on media, and try to serve as watchdogs.

The situation with quality journalism degree programs that provide substantial practical experience remains poor. There are relatively many institutions, state and private, offering journalism degrees, but the quality of the programs is considered extremely low across the board. Young people are not prepared during the four to five years of study to enter the profession upon graduation, and the majority of them cannot put together basic stories when hired by media outlets, panelists said. "Graduates that have just left the school come to us, and they don't know even basic things; they don't know anything at all," said Arevshatyan from Radio Van. "We have to train them at our stations for at least another year after graduating [before they can produce material fit to be broadcast]," said Harutyunyan from Hrazdan TV.

Short-term training opportunities for practicing media professionals are quite accessible and are, for the most part, set up by international, rather than local, organizations. Most are free. IREX, through the Core Media Support Program for Armenia supported by USAID, extends an ongoing training opportunity for practicing media professionals through its workshops. On-site consultancies also are offered to all media outlet departments, including editorial, advertising, programming, marketing, and business management.

Panelists agreed that the sources of newsprint and printing facilities are in private hands and not restricted and are managed as profit-making businesses. "I have my printing house, and we print around 13–14 newspapers," said Simikyan, director of *Vanadzoryan Khchankar* newspaper and its affiliated press. "Many of them have large amounts of outstanding payables, and I told them, 'Let me get this right—is your sponsor the mayor or the head of the marz administration, or am *I*? If I am, then at least put my name on your paper as the sponsor."

Similar to the previous year's MSI, panelists again agreed that channels of media distribution are not apolitical. Access to the Internet it is not controlled by the government. One positive change has taken place: the Commission for Public Services of Armenia limited the monopoly of ArmenTel for Internet services, and, according to the changes to its license, the company no longer will have a monopoly for transfer of the Internet data and international services for voice transmission.

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.

Panel Participants

Mnatsakan Harutyunyan, President, Chief Editor, Hrazdan TV, Hrazdan

Karen Arshakyan, President, Chief Editor, Fortuna TV, Stepanavan

Arevhat Amiryan, Editor-in-Chief, *Vorotan* newspaper, Sisian

Anna Satyan, Reporter, *Novoye Vremya* newspaper, Yerevan

Shushan Arevshatyan, Director, Radio Van, Yerevan

Margarita Minasyan, Director, Tsayg TV, Gyumri

Armen Sakhlyan, President, Lori TV, Vanadzor

Haykaz Simikyan, Director, *Vanadzoryan Khchankar*, Vanadzor

Avetik Ishkhanyan, Editor-in-Chief, *Ditord* magazine; Chairman, Armenian Helsinki Committee, Yerevan

Sara Petrosyan, Reporter, Association of Investigative Journalists, Yerevan

Moderator

Artashes Parsadanyan, Deputy Chief of Party/Media Development Division, IREX, Core Media Support Program for Armenia

For the most part, the "haves" live in Baku, and the "have-nots" live outside of Baku. The same holds true for the media, with the nationally telecast television stations originating their signals from the capital city, the major newspapers based there, and the only radio stations in the country located within the confines of Baku's borders.

AZERBAIJAN

OVERALL SCORE: **1.74**

AZERBAIJAN

The Chinese have a wonderful adage, "We live in interesting times; we just wish they weren't so interesting." As far as the media are concerned, Azerbaijan is an interesting country.

The country is divided into "haves" and "have-nots." For the most part, the "haves" live in Baku, and the "have-nots" live outside of Baku. The same holds true for the media, with the nationally telecast television stations originating their signals from the capital city, the major newspapers based there, and the only radio stations in the country located within the confines of Baku's borders. Estimated advertising revenue is somewhere between $26,000,000 and $32,000,000, according to two surveys[1], and less than 2 percent of that money reaches beyond Baku. The average regional television station in the regions subsists on $1,500 per month, discounting grants from donors. The regional television stations, while not exactly independent, were originally owned by individuals. But it is reported that the Heydar Aliyev Foundation, a nongovernmental organization (NGO) named after the former leader of the country and the father of the current president and administered by the wife of the sitting ruler, is purchasing equity positions in some of the stations.[2] In a country as wealthy as Azerbaijan, it is surmised by many that the Foundation is not buying these stations to improve its financial position, especially when one considers the lack of revenue.

Newspapers in Baku are divided into pro-government (meaning in favor of Heydar Aliyev's party, YAP) and the opposition, with one or two operating within the intersecting circles. It is rumored that each day, members of the Presidential Apparatus meet to decide what headlines will adorn which newspaper. Supposedly that same group controls advertising in the newspapers by means of an "approved" list of publications. A negative word or inference about the current president or any member of his family can get you removed from that list, initiate a libel suit, or even warrant a visit from the local constabulary. In one case, one of the opposition newspapers, *Azadliq*, was evicted from the premises it had held for 15 years, a property that was ceded to it during the administration of President Elchibay in 1992. Oddly enough, the government managed to find the newspaper another location after an outcry from the foreign community.

[1] Yeni Nesil, 2006 estimated advertising revenue at $26,000,000. Najar Najarov, 2006 estimated advertising revenue at $32,000,000

[2] Lenkeran TV 100%, Xhaxhmaz TV (uncertain %), Mingechevir TV 51.

AZERBAIJAN AT A GLANCE

GENERAL

> **Population:** 8.4 million (State Statistical Committee, 2005)

> **Capital city:** Baku

> **Ethnic groups (% of population):** Azerbaijani (90%), Dagestani (3.2%), Russian (2.5%), Armenian (2%), other (2.3%). It must be noted that the Armenian population resides in the Azerbaijani territory of Nagarno Karabakh.

> **Religions (% of population):** Muslim 93.4%, Russian Orthodox 2.5%, Armenian Orthodox 2.3%, other 1.8%. Again, the Armenian Orthodox are located in the Nagarno Karabakh.

> **Languages (% of population):** Azerbaijani 89%, Russian 3%, Armenian 2%, other 6%

> **GNI (2006-Atlas):** 15.712 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $5,960 (World Bank Development Indicators, 2007)

> **Literacy rate (% of population):** 97%. This statistic may hold true for the capital city of Baku but the regions of Azerbaijan lack the educational resources of the capital. (Ministry of Education of Azerbaijan)

> **President or top authority:** President Ilham Aliyev

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:**

Print: 3,000+ registered publications but are productions of the Azerbaijani government.

Radio: 9 covering most of the Azerbaijan territory through relays and satellite.

Television: 6 national, 6 regional

> **Newspaper circulation statistics:** Difficult to approximate, as numbers are not readily available. The most widely read paper was *Realny Azerbaijan*, unfortunately that newspaper recently ceased publication when its editor was sentenced to thirty months in prison.

> **Broadcast ratings:** Numbers not readily available.

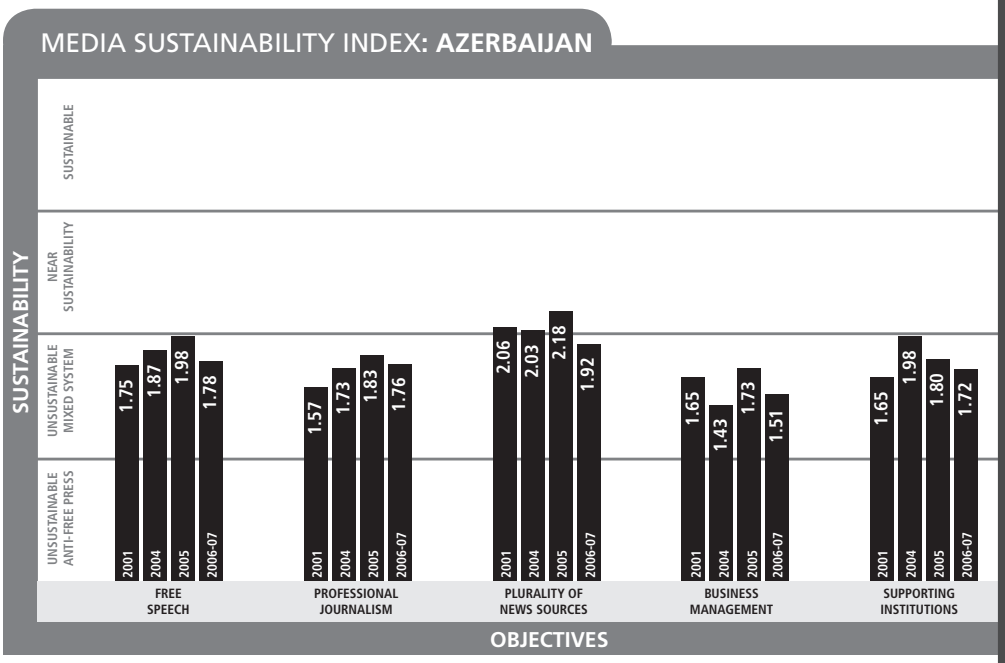
> **News agencies:** Turan, Trend, APA, and Day.Az. Day.Az is the mostly widely read of the group perhaps because it is a free service, while both Turan and Trend are subscription based. The government has its own service called AzerTag.

> **Annual advertising revenue in media sector:**

> **TV:** More than $26 million (2004 est.). Numbers estimated as much higher now. Newspaper: Approx. $500,000.

Radio: Minor.

> **Internet usage:** 300,000 (2004 est.). Current numbers estimated to be much higher.



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.

Television in Baku is not without its pitfalls, either. There are six television stations headquartered in the city, including the state broadcaster, AZTV, and what the government calls the public broadcaster, Ictimayi. Of the other four, three of them are directly controlled by either members of the current government or close associates of it. The fourth, one of the most mature of the stations and financially successful, ran into difficulty this past year when it became the target of the National Television and Radio Council (NTRC) for "airing too many commercials."[3] While it may be true that ANS did exceed the limit, it was not unique in this practice but was the only one closed for overachieving. The NTRC was forced to rescind its decision after the foreign community came to the aid of the only "independent" station in the city. However, in retaliation, the NTRC has refused to renew the license of ANS and has put it out for tender. It is rumored that the new owner will be a close associate of the president's family.

The score for Azerbaijan declined slightly this year, and a look at the past six years shows basic stagnation in the Media Sustainability Index (MSI) score for the country. Azerbaijan scored a 1.74 in 2001, and it also scored a 1.74 in 2006.

OBJECTIVE 1: FREE SPEECH

Azerbaijan Objective Score: 1.78/4.00

There was little real change in the legal and regulatory field this year, and the score remained effectively stagnant. The legislation of Azerbaijan acknowledges that freedom of speech is a right given to every citizen. In reality there are those who are sacrosanct when it comes to criticism, and the penalties for crossing those lines can be onerous. The President of the Republic is considered beyond reproach and cannot be criticized. The result can be both fine and imprisonment. However, to date, the current leader of the state has not invoked any litigation against any of his detractors. On the other hand, members of the Presidential Apparatus have used the courts against independent journalists.

The advocates of media law reform are quick to recognize the fact that Azerbaijan has approved legislation that protects the rights of journalists as required by the Council of Europe (CoE) but has been hesitant in implementing those same laws according to the principles the CoE sees as essential to press freedom. An excuse that some loyalists of the current government use is that an ombudsman for the journalists has yet to be selected; thus, the outcomes in these cases must be adjudicated by a judiciary mired in corruption and serving only those who are able and willing to pay for a verdict.

[3] The legislation limits advertising inventory to 15% of broadcast time, or nine minutes per hour.

There was no dissent among the roundtable participants when one of them stated that the opposition journalists "cannot obtain information from state agencies on any matter, and, very often, in order to get information, they introduce themselves as reporters of media favoring the government."

The concept of a public figure is not practiced in Azerbaijan. According to one of the panelists, if he were to defame his neighbor and it was proven that he did, the penalty would be low. On the other hand, an MP could exact a fortune for using the same words against him.

The participants had a difference of opinion as to the independence of the broadcast regulatory body, the NTRC. According to the NTRC representative, there have been no applications from members of the opposition for a broadcast license. Based on the response from one media advocate, if an opposition member were to apply it would be the Presidential Apparatus that would deny the license, not the NTRC, because the regulatory body is under the domination of that part of the government. The Presidential Apparatus installed the chairman and the members of the Council.

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.

Obtaining information from government organs can be an onerous and frustrating task, often ending in months of waiting for data that, by law, is supposed to be made available within five working days, or in many cases, is not obtainable at all.

One of the panelists indicated that it was possible to increase the number of broadcast outlets, as was proven feasible by a frequency mapping project completed by IREX. It became evident during the course of this initiative that the citizens in the regions of Azerbaijan were being underserved by the existing media. While television broadcasting would not be viable due to the then-current advertising situation, radio in the regions was totally within the realm of sustainability, both in local advertising revenue and the opportunity to serve the local communities. However, the Council is wont to even consider such an expansion.

The politicization of the sector is demonstrated by the case of ANS-TV. ANS-TV, the only station in Baku that is not directly controlled by the government or one of its acolytes, was closed in November due to its "continual abuse of the laws on advertising" that limit commercial availabilities to 15 percent of the broadcast time, or nine minutes per hour. The owners readily admit that, at times, they do go over the proscribed allotment, but no more so than any of the other television broadcasters in the city. That statement has been corroborated by AGB/Nielsen, which monitors all of the Baku stations. Nonetheless, the television station was closed by the regulatory body until the uproar from the foreign community meant it could no longer be ignored and the station's right to broadcast was reinstated—temporarily. The regulatory body decided to reopen for competition the license held by ANS.

While market entry and tax structure are not necessarily biased against media, the majority of media, as described above, are controlled in whole or part by the state. The market does not adequately support the print media. Advertising is low, and distribution is poor.

Incidents of harassment, beatings, and intimidation of journalists happen too regularly, and little is done to investigate or solve such cases. Elmar Huseynov, the "martyr of the media," was killed in 2004 on his doorstep, and, to date, no one has been indicted with the crime, although a few have been alleged to be the triggerman. Huseynov's family is living in Norway, and ultimately he will be remembered as only a name on a plaque as the case stagnates. As one of the panelists mentioned, when instances of intimidation against journalists are brought to the attention of the authorities, nothing ever comes of it. According to another panelist, the Ministry of Internal Affairs boasts that it solves 95 percent of all crimes in the country, making him speculate that 5 percent of all the crimes committed in Azerbaijan are against members of the media.

Ictimayi (Public) Television celebrated its first anniversary this year. To his credit, the general director, Ismayil Omarov, put the station on the air within 90 days of its parliamentary creation and outfitted the station with the most modern equipment available. Now, technically, Ictimayi is equal to any PBS station in the middle markets of America. However, the editorial policy of the station remains much the same as it was when it was the secondary signal of AzTV, the state broadcaster, and it cannot be called a public-service broadcaster in the true sense of the word. Very seldom is a member of the opposition allowed in the station, and few dissenting views to those of the government are presented. The news program is not truly different from that being broadcast on state television.

Both the CoE and the Organization for Security and Co-operation in Europe (OSCE) maintain that Azerbaijan is not following the precepts of libel law that is prevalent in civil societies—that is, libel is a civil issue and does not belong in the criminal courts. According to one official of the government during a conference with the Special Representative for the Media of the OSCE, the journalists of Azerbaijan are not educated enough to know the difference between truth and fiction. He went on to say that if the prison terms were not imposed for libel, no one would be safe; thus, the law will remain in place as it is until such a time as the media earn the right to have it modified.

In addition, the law as it does exist seems to be enforced selectively. If an official feels he is impugned in the press, he does not have to prove malice. Nor does proof from the defendant seem to matter, according to most panelists. Private citizens are often used as tools to initiate lawsuits if officials want to use a stalking horse, as is the current case against Rauf Arifoglu, who is accused of insulting the Republic during a speech he gave in Ankara in March. On the other hand, as in the case of one of the panelists when he filed a suit against Public Television and its management for defamation of his character, the courts were very efficient in dismissing the case as groundless.

There was no dissent among the roundtable participants when one of them stated that the opposition journalists "cannot obtain information from state agencies on any matter, and, very often, in order to get information, they introduce themselves as reporters of media favoring the government." Each of the ministries of the government has

been tasked with initiating and maintaining a website so that the public has access to current information. But, to date, only a few of them have developed such sites, and those that have fail to keep it current.

Accreditation for reporters of the opposition is difficult to obtain, and even though the Parliament is supposed to be accessible to all of the media, it is nearly impossible for some journalists to gain entrance.

Obtaining information from government organs can be an onerous and frustrating task, often ending in months of waiting for data that, by law, is supposed to be made available within five working days, or in many cases, is not obtainable at all. And, even if the information is forthcoming, the data may be suspect, as was the case when the Ministry of Economic Development provided a donor organization with what was termed "the current state of the economy." When analyzed by the donor, the data proved to be so far beyond the realm of reasonableness as to be completely useless. However, Rashid Hajily, of the Media Rights Institute, stated that his organization "has been conducting research on implementation of this law, and for now we have figures of several journalists who brought actions against ministers with regard to this legislation and have won the cases. For example, there was a case when the defense attorney of the Minister of Transport came up to the complainant and asked to stop the case and come to mutual understanding. In present, there are around 30 similar court cases in which media took, let's say, the victory." So there may be room for improvement.

There are no restrictions on international news sources in the country. Using that information as a source, however, can prove problematic, especially when the country or the government is criticized.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Azerbaijan Objective Score: 1.76/4.00

The quality of journalism remains low in Azerbaijan, although there has been some progress since 2001. However, the dominance of state media and their standards of professionalism offset gains that may be made in the small independent sector. Journalism is not a field that is necessarily desirable, and the training, formal and informal, does not lead to good journalism.

The stand of the government and opposition reflect the quality of journalism. Members of the government often say that the opposition press is biased and ignores the progress that the administration is making toward bettering the country. The opposition often says that the government-sponsored media attack the opposition and do not fairly portray it. In essence, they are both right—there is no balance or objectivity in most Azerbaijani journalism.

Khadija Ismailova, of Voice of America, stated, "I have been to a number of trainings internationally and locally, and I can assure you if I'd work strictly in accordance with them I'd not be able to cover stories in Azerbaijan."

In some regards, the fault is not with the education system or the journalists. Getting information, as mentioned previously, is difficult, and finding corroborating sources is next to impossible. There are even instances of conflicting information from within the government itself, as in the case of the former Minister of Economic Development and the charges against him. Sometimes he was presented as awaiting trial for financing a coup, and other times his crime was abuse of power and influence peddling.

For the most part, the working conditions in Azerbaijan do not allow those working in the media to be ethical. Many admit that they "sell" stories, and some will even agree that some subjects have paid them to *not* print an article. The panel believes that publishers are aware of this and are actually part of the system. Khadija Ismailova, of Voice of America, stated, "I have been to a number of trainings internationally and locally, and I can assure you if I'd work strictly in accordance with them I'd not be able

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

Censorship exists in the media. Even the owners of the once vaunted ANS-TV have taken on a much more modified stance in regards to the government for fear of being completely removed from their station.

to cover stories in Azerbaijan. Professional journalists shouldn't obtain information for money or shouldn't write without proper documented facts. The most sources you can find for a story are rarely over one or two. Thus, during my work as a department head at a newspaper I didn't demand from my journalists maximum coverage or obtaining opinions from both sides, but only to try for that, because when my correspondents would come and say that they tried but couldn't get through, I believe that they didn't receive a response."

Self-censorship is a problem. However, there is also the fact that opposition newspapers often seek to publish everything they can that will detract from the government in power, short of denigrating the president. The government-controlled media, which includes, in one form or another, most all television and radio stations, regard the opposition as targets for attack.

On the other hand, there are several publications that are somewhere in the middle, and, rather than "restrain" some derogatory news, they would tend to avoid it altogether instead of attracting the ire of the party in power or the tax police.

Censorship exists in the media. Even the owners of the once vaunted ANS-TV have taken on a much more modified stance in regards to the government for fear of being completely removed from their station.

Baku is the beacon that beckons the media. It is the seat of power for the government, the source of all information and where 98 percent of the advertising revenue for the country is spent. Those journalists working in the provinces yearn to work in the capital city, where they can earn enough to sustain themselves. But there is a division, even in Baku.

Television journalists have a higher pay scale then their print colleagues because most of the advertising revenue goes to television. Print is suffering both in readership, which continues to evaporate, and in advertising, which is getting more and more difficult to find in newspapers. This has its effect on journalism.

It should be noted that journalism is not too different from the rest of society. Corruption is pervasive in Azerbaijan. It is a way of life and part of the culture, according to panelists. In a city where the average monthly wage is estimated to be less than $700, luxury cars, expensive apartments, restaurants, and the like abound.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Azerbaijan Objective Score: 1.92/4.00

This objective obtained the highest score from the panelists, although it, too, remained below 2, or "approaching sustainability." On the face of it, Azerbaijanis have many choices when it comes to obtaining information. There are an estimated 2,300 publications, 16 television stations (six of which are nationally broadcast), nine radio stations (all national), six news agencies, and the myriad of television signals that are available from the satellite dishes that adorn apartments. The Internet is an option for a small but growing number, and foreign publications can be obtained. Availability is definitely not a major problem.

However, availability does not mean diversity, reliability, or accessibility. As noted by Tahir Mammadov, of Public Television, "Quantity of media in the country I would say is more than fine, but when it comes to the quality we get a different picture." Issues affecting this include cost, access to new media (Internet), and language. The news emanating from within Azerbaijan, as discussed above, could not be characterized as diverse, reliable, and professional.

Aside from one or two of the news agencies, information is either controlled or contrived. The print industry must tow

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 line, if they count themselves among the independents, or they will suddenly find themselves removed from the "approved" list that is distributed by the government to the advertising agencies and the advertisers.

Television is always under scrutiny in Baku by the central government and, in the regions, by the local authorities (ExCom), who often can be more demanding than those in the capital city.

Satellite reception does provide a cornucopia of information, but even that emanating from the West does not entirely contribute to a large diversity of news and information on Azerbaijan. Most international channels rarely cover Azerbaijan, and language issues further restrict the utility of those channels to broaden the information sphere.

Even news directed at Azerbaijan from abroad now faces obstacles. Voice of America was originally rebroadcast on ANS-TV, but since the station's "disenfranchisement," the Azerbaijani news segment has been moved to AzTV, the state broadcaster. As Ismailova of VOA stated, "Last year we were broadcasting through ANS and amongst our topics were the Department of State report on human rights and freedom of speech. But since we were forced to switch to AzTV for broadcast of our programs this year, we knew that it was unrealistic to suppose that programs on such content regarding Azerbaijan would be shown through AzTV and thus mainly concentrated our attention on news about Iran."

The Internet remains an option for obtaining independent news, albeit with limits. Access is an issue, together with language and cost. Internet access remains mostly for the better off and remains much less outside the capital.

OBJECTIVE 4: BUSINESS MANAGEMENT

Azerbaijan Objective Score: 1.51/4.00

Despite a large advertising market and a growing economy, this objective continued to lag, scoring only a 1.51. The advertising market is estimated at somewhere between $26,000,000 and $32,000,000. That is overwhelmingly located in Baku and overwhelmingly for broadcasters and not print media. As one panelist, Sanubar Heydarova, noted, "Publication of advertisements through print media has dropped dramatically, according to our calculations eight times for the last year."

Observations of the media give the indication that, for the most part, business is a secondary issue when it comes to this sector. The government and its ministries print their newspapers as propaganda pieces and operate their television and radio station the same way. Public Television is, for the most part, supported by the budget of the state and is wont to do anything to eliminate that support. Placement of advertising is not so much based on market research as it is on political factors. Advertising by the state or by friendly companies is placed to gain political favor.

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The independent press, *Zerkalo* especially, would be recognized as profitable, but few of the others can make that claim. ANS-TV did operate as a business, but, because of its profitability, managed to step over the bounds of what was deemed acceptable and was punished for its impunity.

Now, television broadcasters like ATV have suddenly realized that they can become businesses and profitable and have adopted some financial standards that will allow them to

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.

Elshad Farzaliyev, of the OSCE, noted in regards to advertising, "The source for [advertising] is rarely its business activity and mainly is the finances from interest groups. Advertisements are usually placed in entertainment programs."

profit, but independence has never entered the corporate structure. Since they can gain financial advantage by not being independent, there is little incentive to change this mode of operations.

Additionally, as Elshad Farzaliyev, of the OSCE, noted in regards to advertising, "The source for [advertising] is rarely its business activity and mainly is the finances from interest groups. Advertisements are usually placed in entertainment programs." In this view, advertisers are not necessarily interested in supporting news programs directly. Heydarova indicated a similar situation specifically in the print sector: "Profitability of media is not the subject of discussion, as the newspaper with the biggest circulation doesn't make a profit but receives financing from certain interest groups."

As such, management skills are lacking if one thinks in purely market terms. Farid Gahramanov, of the Turan news agency, noted, "On the matter of profitability, yes there are a number of problems, but I think the major problem in this regard is with management of print media." Management in a competitive independent market is quite different from the management skills needed in Azerbaijan, where the political nature of the content is a major factor in obtaining advertising.

The media outside the capital city barely subsist. IREX, for instance, has endeavored to improve that situation by trying to establish a network, planning to provide quality, legal programming and developing a sales organization that would provide considerably more revenue than the average $1,500 per month they garner now. But the government of Azerbaijan has not been overly cooperative in this plan. Additionally, as Mahir Orujov of Gutb TV (Guba region) noted, there is little research available for regional media who may want to operate more as businesses.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Azerbaijan Objective Score: 1.72/4.00

Supporting institutions remain weak in Azerbaijan, and as such this indicator received a score of 1.72. Associations, journalism faculties, transmission and distribution systems, and market research and advertising firms do operate. However, they do not, for the most part, operate to the benefit of independent media; nor do they necessarily operate on market principles or provide a quality service.

Supporting NGOs, other than international organizations or internationally affiliated organizations such as IREX and Internews, have languished into passivity. Yeni Nesil, without the leadership of Arif Aliyev, has become far less active, despite the occasional monitoring of the media.

As noted by Ilham Safarov, of Internews, in regards to supporting NGOs and associations, "I think we need to have organizations working in the field of journalism, be it with protection of reporters' rights or institutional build-up. Currently there are 25 organization in the field of media, but how many actively operate we can count on one hand. Also, I think for stimulation of the work of such organizations we should have more media grants from donor organizations. Media grants mean training, internships for staff abroad, and modern equipment supply."

The Press Council, although it claims to be an advocate of those in the media, does not, in the view of independent journalists, serve this role. It has never really become involved in any of the crimes committed against the members of the working press. One notable exception in the field of advocacy is the Institute for Reporters' Freedom and Safety, an

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.

Azerbaijani version of the CPJ that speaks out. The director, Emin Huseynov, is a young man who tries to rally his fellow reporters. However, with self-censorship and fear among many reporters, he has a difficult time succeeding.

The state university system does not offer a sound education for journalists. The professors, for the most part, are leftovers from the days of the Soviet Union and practice teaching of theoretical journalism. The private universities, which abound in Baku, had the possibility of attracting the better students and better-educated instructors—those not mired in the dogma of the past. Unfortunately, the Ministry of Education has imposed restrictions on the private schools by limiting the size of their classes, imposing a ceiling on both what they could charge for matriculation and what they could pay their instructors. This limits their competitiveness.

The Internet, print distribution, and transmission remain controlled or dominated by the state. Ismailova said, "We named IT as the second strategic sphere of the country upon oil and gas, but ISPs are under government control, as in the case with 'az' domain provision." Speaking about the Internet in the regions, panelist Heydarova bluntly said, "Internet connections in the regions are also something from out of the future."

Print distribution is largely government-controlled, with a notable exception being the Gaya network, supported by IREX through USAID, which has had success in challenging the state-supported distributor, Azermetbuatyayim. Azermetbuatyayim has not exhibited business efficiency in print distribution or real interest in impartial distribution of print media, independent and state. Transmission is controlled by the state.

MSI Panelists

Farid Gahramanov, Turan news agency

Mahir Orujov, Gutb (Horizon) TV (Guba region)

Rashid Hajily, Media Rights Institute

Khadija Ismailova, Voice of America

Elshad Farzaliyev, OSCE

Sanan Rzayev, *Echo* newspaper

Ilham Safarov, Internews

Gafar Jabilov, National Teleradio Council

Tahir Mammadov, Public Television

Rovshan Hajiyev, *Azadliq* (Liberty) newspaper

Sanubar Heydarova, Reporters' Freedom and Protection Institute

Moderator

Shahin Abbasov, IREX

The print media, which have remained more critical, are largely disliked by the authorities. High-ranking officials have made many public remarks on the mediocrity of the print media in Georgia. It is expected that the government will further tighten its grasp on electronic media in preparation for 2008 parliamentary and presidential elections.

GEORGIA

OVERALL SCORE: **2.40**

In 2006, relations between Georgia and Russia deteriorated drastically, with Russia starting to object openly to Georgia's aspirations to NATO membership. This had consequences for a wide range of sectors in Georgia. In the spring, imports of Georgian wine and mineral waters to Russia were banned on the grounds of their contended noncompliance with safety standards. Although evaluated as not dramatic for Georgia's economy at the macro level, the ban did do damage at a local level. The Russian Federation responded to the arrest of four Russian military officers on espionage charges in September with the evacuation of its embassy staff from Tbilisi and suspension of air, railway, and land traffic with Georgia. Anti-Georgian xenophobia took off in Russia, with police harassment of ethnic Georgians and the Russian Federal Migration Service tracking down and deporting allegedly illegal immigrants with Georgian citizenship.

Economic sanctions imposed by Russia affected the operations of Georgian media as well, which depended on the Russian market for newsprint and other printing materials. Prices have increased approximately one-third on these supplies.

Despite growing tensions, Russia continued to transport weaponry from its Batumi and Akhalkalaki military bases. According to a March 31, 2006, Georgian-Russian agreement, all the weaponry should be removed from Georgia before December 31, 2007.

Domestic politics in Georgia provided a number of puzzles for media to solve.

Businessman Kibar Khalvashi hastily sold his 78 percent of shares in Rustavi2 television station to the previously unknown company Geotrans. The transaction suspiciously coincided in time with the shift in the balance of power in Georgian politics. In mid-November, the president of Georgia reassigned the Minister of Defense, Irakli Okruashvili, to the Ministry of Economy, from which the latter soon quit. In 2004, Khalvashi—who is thought to be a close friend of Okruashvili—purchased shares of Rustavi2, which had played an important role in ensuring the success of the 2003 Rose Revolution.

In November, three Georgian television companies—Rustavi2, Mze, and Pirveli Stereo—decided to join into one holding company. Earlier, Rustavi2 bought 78 percent of the shares of Mze. Koba Davarashvili, director general of Rustavi2, does not exclude the possibility of Geotrans's selling part of the shares to attract additional funding. Georgian Industrial Group (GIG), which owns 22 percent of shares of Rustavi2 and Mze and 65 percent of shares of Pirveli Stereo, is thought to become the holding's future major shareholder. GIG holding has business interests in cement production, coal mining, electricity export and import, and generation, aviation, import of medical agricultural equipment, and medical appliances. The companies aim to complete the merger by 2007.

GEORGIA AT A GLANCE

GENERAL

> **Population:** 4,661,473 (July 2006 est.)

> **Capital city:** Tbilisi

> **Ethnic groups (% of population):** Georgian 83.8%, Azeri 6.5%, Armenian 5.7%, Russian 1.5%, other 2.5% (2002 census)

> **Religions (% of population):** Orthodox Christian 83.9%, Armenian-Gregorian 3.9%, Catholic 0.8%, Muslim 9.9%, other 0.8%, none 0.7% (2002 census)

> **Languages (% of population):** Georgian 71% (official), Russian 9%, Armenian 7%, Azeri 6%, other 7%
(Note: Abkhaz is the official language in Abkhazia.)

> **GNI (2006-Atlas):** 6.938 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $3,690 (World Bank Development Indicators, 2007)

> **Literacy rate (% of population):** 99%

> **President or top authority:** President Mikheil Saakashvili

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:**

82 licenses awarded (GNCC)
- 68 for general broadcasting (39 television, 25 radio, 2 radio and television, 2 unidentified)
- 14 for specialized broadcasting (5 television, 8 radio, 1 television and radio)

According to the electronic portal, Media.ge, 120 newspapers are published in Georgia.

> **Newspaper circulation statistics (total circulation and circulation of largest paper):**

Kviris Palitra (weekly, Tbilisi): approximate weekly circulation: 50,000–60,000 (Information provided by the newspaper.)

Rezonansi (daily, Tbilisi): approximate daily circulation: 5,000–7,000; Tuesday insert Mteli Kvira (whole week): approximate circulation: 6,000; Sunday insert Basta (entertainment): approximate circulation: 4,000 (Information provided by the newspaper.)

24 Saati (daily, Tbilisi): approximate daily circulation: 4,700–4,800 on Mondays; 4,000–4,200 on Tuesdays, Wednesdays, and Thursdays; 5,500 on Saturday (Information provided by the newspaper.)

> **Broadcast ratings (top three ranked stations):**

TV MR GE, Licensee of AGB Nielsen Media Research, December 2006

Tbilisi share of television audience:
- Rustavi 2: 5.51%
- Imedi: 4.12%
- Public Broadcaster of Georgia: 1.06%

Region's share of television audience:
- Imedi: 5.97%
- Rustavi 2: 5.15%
- Public Broadcaster of Georgia: 0.93%

Tbilisi and Regions share of television audience:
- Rustavi 2: 5.38%
- Imedi: 4.77%
- Public Broadcaster of Georgia: 1.02%

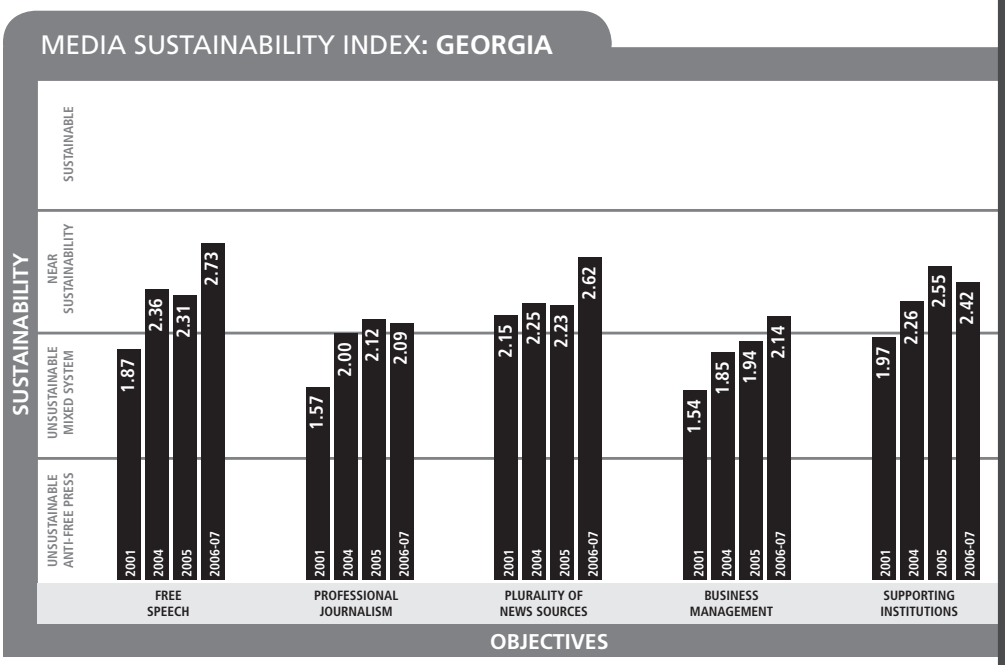
> **News agencies**

AP Bureau, Reuters Bureau, Black Sea Press, Novosti Gruzia, Sarke, Interpressnews, Infozavri, Iprinda, Kavkazpress, Media News, Prime News, Prime News Business (business news), GBC News (economy, business), GHN (Georgian Hot News), France Press (local representative) (www.yellowpages.ge)

> **Annual advertising revenue in media sector:**

According to TV, television advertising market reached approximately $13 million in 2006. Estimations for 2007 are $16–17 million. (MR GE, Licensee of AGB Nielsen Media Research)

> **Number of Internet users:** 175,600 (2005) *CIA World Factbook*



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.

Rustavi2 lost most of its long-standing journalists. Popular anchor and producer Eka Khoperia resigned on air while moderating a talk show regarding a high-profile murder case, citing "unacceptable demands" put forth by "some governmental officials." Some human-rights groups and opposition believe certain high-ranking government officials are implicated in this murder. Khoperia had worked at Rustavi2 for seven years. Soon after, the director general, Nick Tabatadze, was fired. The reason was provided neither to the general public, nor to the journalists of Rustavi2, some of whom first went on strike and then quit. Tabatadze had been with the company for 11 years. Davarashvili, who previously headed the advertising company Sarke and was thought to be a close friend of an influential member of the governing party, replaced Tabatadze.

In the beginning of the year, Public Broadcaster of Georgia was similarly left without key staff. The director general of Channel II of the Public Broadcaster was sacked. The deputy director general, the general producer of the public radio, the head of the financial department, and the entire legal department quit.

In 2006, the first Western investments were made in Georgian media, in both broadcast and print. Badri Patarkatsishvili sold a significant part of his shares in Imedi Media Holding to Rupert Murdoch's News Corporation. Details of the deal remain confidential. The newspaper *24 Hours* traded 34 percent of its shares to a group of Slovak and German publishers in exchange for second-hand printing presses.

The exemption from profit and property taxes that the print media enjoyed since 2005 expired at the end of 2006 and was not renewed. However, the exemption from the value-added tax (VAT) remains in place.

The Georgian National Communications Commission started a public review of draft Broadcasters' Code of Conduct. The Georgian Law on Broadcasting of 2004 calls for adoption of such a code.

In October, municipal elections were held. Voter turnout was low. The ruling party—National Movement—won with almost 78 percent of votes throughout Georgia.

The panel believes the government has gained full control over the major television stations, except one—TV Imedi. Unfortunately, Imedi cannot serve as an example of a nonpartisan media outlet. The print media, which have remained more critical, are largely disliked by the authorities. High-ranking officials have made many public remarks on the mediocrity of the print media in Georgia. It is expected that the government will further tighten its grasp on electronic media in preparation for 2008 parliamentary and presidential elections. Left without donor support, regional media are struggling. Some newspapers, which offered quality content, are no longer able to come out regularly. Talk-show studios at many regional television stations are empty. The overall Media Sustainability Index (MSI) improved marginally to 2.4 in 2006, from 2.23 in 2005. The improving MSI objectives concerned free speech, plurality of news sources, and business management. As self-confidence in government grew, sensitivity toward media criticism decreased. More television channels started to offer discussion programs and debates in 2006, and media managers gained more experience and skills throughout the year.

OBJECTIVE 1: FREE SPEECH

Georgia Objective Score: 2.73/4.00

The legislative framework for the media did not change in 2006, and panelists unanimously evaluated it as enabling and progressive in general. However, they still registered a few complaints. One of them is related to the coverage of elections.

Regional broadcasters want the following provision, which they regard as unjustified interference in their entrepreneurial activity, removed from the Law on Broadcasting: "Holders of general broadcasting licenses, also holders of other types of licenses, which broadcast pre-election advertising, are obliged, during election campaign, taking place in their coverage area, to broadcast

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.

"Eight million USD is not much money as some politicians like to present it, when you have to keep two TV and two radio channels operating, with equipment obsolete and money coming in quarterly installments," Kveselava said, speaking of public broadcasting.

pre-election advertisement, provided to them by all qualified election subjects, at no cost and non-discriminatorily, but not more than 90 seconds in 3 hours" (Chapter VIII, Article 66, Pre-election advertising).

The draft Code of Conduct takes this provision even further. It not only obliges private broadcasters to allocate free airtime for pre-election advertising to all qualified candidates during an election campaign (Chapter 9, Advertising in Broadcast Media, Article 126, Pre-election advertising and political debates, Point 1), but it also requests that they cover the platforms of each qualified election subject in all news programs, broadcast in the hours following the presentation, in the major news program among others (Chapter 9, Advertising in Broadcast Media, Article 126, Coverage of Political Parties, Point 3). Regional broadcasters believe that these requirements should not be part of the Code.

Both print and broadcast media find the below provisions of the Georgian Election Code as unduly burdening:

Election Code of Georgia of 2003, Chapter VIII, on transparency of preparation and conduct of elections, Article 73, on election campaign, Point 14, states the following for both public and private television companies, beginning from the 50th day prior to election day and until the approval of the final election results by the Election Commission: "If allocating airtime for election campaigning and political advertising…must announce publicly and submit to the CEC the following information: the start and end date and frequency of the allocated airtime; duration and timetable of the allocated daily airtime; and the airtime tariff."

Similar requirement applies to print media, stipulated in Point 15 (a) of the same provision. The day after the expiration of the term of election registration of parties and election blocks, newspapers, other than the newspapers of political parties, shall abide by the following terms: "If allocating newspaper space for election campaigning and political advertising, the newspaper must publish in its newspaper and also provide to the CEC the following information: the start and end date and frequency of allocated newspaper space; the size of space allocated in one newspaper issue; if providing newspaper space free of charge, how much of the total allocated space is being provided free of charge and the space tariff."

Point 15 (b) of the same provision restricts the newspaper in allocating newspaper space to one election subject in one newspaper issue or over a period of one week to one-third of the newspaper space. The Georgian Regional Media Association believes this requirement deprives the newspapers of legitimate income in case there are only a few election subjects willing to advertise in it.

Another concern expressed by the media relates to changes in the Georgian Tax Code. The exemption on profit gained from advertising, and property possessed by publishers and used for publishing purposes, which the print media enjoyed since 2005, expired and has not been renewed. However, the VAT exemption remained in place. Paata Veshapidze, managing editor of *24 Hours* newspaper, believes that this decision will not have a significant economic impact on the majority of newspapers—only the largest publishing companies, which own printing presses and other significant assets, will feel the burden. However, panelists' opinions were split on this subject. Veshapidze was not too worried; he represents one of the largest companies, which had half a million GEL in profit in 2006 and newly acquired printing presses. He sees this as a problem, which the press can turn into a promising opportunity. A new tax regime will force newspapers to finally move away from double accounting—make the remuneration system transparent, conclude contracts with their employees, and pay all due taxes. If more is expended in remuneration, there is less profit; hence, less payment is due on the profit tax. A media company has a choice: either hide the real amount of remuneration and related taxes and have no contracts with employers and pay more in profit tax, or pay decent salaries with all due taxes, have employment contracts in order, and pay less in profit tax. Veshapidze believes the new obligations will be even less burdensome if the government exempts businesses, including media businesses, from the profit tax on the profit reinvested in the company's development, which the government intends to do in the near future.

Ia Mamaladze, chairman of the Georgian Regional Media Association and publisher of the regional newspaper *Guria News*, argued that the abolishment of tax breaks resulted in printing and distribution services becoming more expensive and less affordable to smaller newspapers. Veshapidze disagreed, believing that printing services became more expensive as a result of increased prices on newsprint and printing supplies.

Opinions of the panel were split when evaluating the activities of the Georgian National Communications Commission (GNCC). Ramaz Gamezardashvili, a member of the Georgian Association of Regional Television Broadcasters Steering Committee and owner of TV Imervizia broadcasting in Chiatura and Sachkhere, said that GNCC closely follows legislation, is consistent, does not cause problems to broadcasters, and is more or less independent. Veshapidze and Zviad Koridze, chief producer of Sunday evening program "P.S." on Rustavi2, disagreed on the topic of independence, with Koridze pointing out that in the past three years, the GNCC has awarded only a few frequencies and only to those groups that have proved their political loyalty to the ruling party.

The media are not discriminated against in market entry and tax structure but are treated similarly to other industries. However, as discussed above, the print media still enjoy some privileges, such as VAT exemption. Until the end of 2006, kiosks, which sell only press, were exempted from the obligation to have a cash register.

Khatuna Kveselava, director of the news, social, and political programs department at the Public Broadcaster of Georgia, and Tinatin Izoria, producer general of Public Radio, said that politicians generally do not interfere in the Public Broadcaster's work. In 2006, some MPs tried to influence staffing decisions, if unsuccessfully.

The Public Broadcaster is funded at 0.15 percent of GDP from the state budget. Parliament, when planning the state budget, relies on the approved GDP from the past year, not on the projected GDP for the next year. For example, the state obligation to the Public Broadcaster in the 2007 budget was calculated according to the GDP of 2005. Because of this, the Public Broadcaster is not fully benefiting from the GDP growth, which initially was the main idea behind this scheme. The difference in this case amounts to GEL 1.5 million. The Public Broadcaster's budget in 2006 was GEL 16.5 million, with income from economic activities nearly GEL 2 million. Economic activities include income from limited advertising, rent, and sale of property.

"Eight million USD is not much money as some politicians like to present it, when you have to keep two TV and two radio channels operating, with equipment obsolete and money coming in quarterly installments," Kveselava said, speaking of public broadcasting.

The employment contracts state that the Public Broadcaster is obliged to ensure editorial independence for its journalists and that the journalists are obliged to adhere to professional standards established by the Public Broadcaster. In 2006, the Public Broadcaster adopted an internal Code of Conduct. An independent group does monitor its content, and the Public Broadcaster organizes trainings in ethics for its journalists and presents monitoring reports to them.

Accreditation is needed to have access to certain events and public institutions. Some panelists think that the government uses this opportunity to its advantage. Although entry into the profession is free and unhindered, some influential members of the government take the liberty of publicly labeling some journalists as "professionally incapable" and putting pressure on their employers to fire them.

Some media outlets still remain state-owned in Adjara Autonomous Republic. In October, the spokesperson of the head of the Adjara Autonomous Republic was appointed as a chief of the Adjaran State TV, the fate of which remains unclear. The Law on Broadcasting was amended to postpone a decision about its future status. The option of turning it into a regional branch of the Public Broadcaster is not under consideration at this stage. The newspaper *Adjara* is funded from the state budget as well.

Access to public information remains a problem across the country for both public and private media entities. Panelists attributed this to different reasons. Press centers at public organizations block easy access to information instead of insuring it. Panelists evaluated those press centers as especially unfriendly; the centers are headed by their former colleagues—journalists. Even when there is no malice, uneducated state bureaucrats are not able to handle information requests, and there is no culture of public servants being forthcoming. After some were reprimanded for assisting reporters, they have sealed themselves out from media altogether, fearing that otherwise they may lose their jobs. Not all public organizations have websites; those that have them do not update them in a timely manner. Panelists agreed that it is not a priority of the government to make public information transparent.

Journalists, for their part, do not know which procedures they should follow when requesting information. And sometimes they ask for commentary, naively believing that they are requesting information.

Some thought that the number of crimes against journalists has decreased, but only in Tbilisi. The opposite is true for the regions. If in Tbilisi offenders fear publicity, what happens

in the regions does not always resonate. Gamezardashvili proposes another explanation: journalists in the regions now try to avoid confrontation with the authorities and are less willing to tackle controversial issues.

In 2006, local officials applied both direct and indirect pressure on journalists in the regions. The examples point to the nature of this pressure. Ilya Chachibaia, a reporter for *Gia Boklomi* newspaper, said he was locked in a room by the head of security of the president's envoy to the Samegrelo-Zemo Svaneti region and was asked to name information sources. Roman Kevkhoishvili, a journalist for TV Tanamgzavri; Gela Mtivlishvili, editor of *Imedi* newspaper; and Zviad Ruadze, a reporter for *24 Hours* newspaper, were physically abused by the head of Vakiri Municipality and his supporters. Later three offenders were detained. Nato Gogelia, a reporter for *Guria News* newspaper in Ozurgeti, was trying to find out why the roof of the newly renovated movie theater was leaking. She was cynically offered payment by the assistant of the president's envoy to the Guria region for her silence. She also received several threats over the phone. The head of Georgia's Patrol Police attacked Public Broadcaster cameraman Lasha Shengelia, who was filming the site of a crime. The offender resigned, and the Public Broadcaster did not file charges against him. Zviad Ruadze, who published an investigative piece about a local health clinic in the *Spektri* newspaper in Gurjaani, was verbally abused and threatened.

Sometimes the offenders are prosecuted, but not always.

In October, Ramaz Samkharadze, director of Radio Hereti in Lagodekhi, was verbally and physically abused by the former MP David Kapanadze, who did not like a piece the radio had broadcast on the eve of municipal elections. The investigation has restarted only after the Public Defender's office addressed the head of the prosecutor general's General Inspection.

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In December 2005, Akaki Bobokhidze, the president's envoy to the Imereti region, had broken the nose of Irakli Imnaishvili, a former journalist for TV Mze, shortly after live debates between them broadcast by Kutaisi TV's "Rioni." Subsequently, Imnaishvili had to stay in bed with a brain concussion. Bobokhidze had resigned from his post but soon was appointed chairman of the National Guard. In October, the president reappointed Bobokhidze as his envoy to the Imereti region. In 2005, the prosecutor general's office initiated criminal charges against Bobokhidze, which later were reduced to a misdemeanor assault.

Although the legal provisions and mechanisms are in place, they are not being used effectively; the court system is not fully independent and is slow in processing cases.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Georgia Objective Score: 2.09/4.00

When commenting on the level of professionalism in the media, panelists noted that journalists' qualifications are generally very low in Georgia. According to Veshapidze, even top journalists would not score above average, if judged against Western standards.

Media outlets have become actors in the political process. In the political standoff between the government and the opposition, TV Imedi is criticized for siding with the opposition, while Rustavi2 is denounced for pursuing the official line of the president's administration.

The divide has affected journalists' daily work. It is difficult for journalists to provide balanced account of events when one or the other faction regularly refuses to comment or participate in the debates. For instance, some government representatives will not talk to TV Imedi, and some opposition parties have at times boycotted Rustavi2.

Givi Ordenidze, of the Open Society Georgia Foundation (OSGF), thinks that the national television companies try

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

to follow professional standards, while the vast majority of newspapers do not attempt to follow such standards. Ordenidze said that the Public Broadcaster deserves praise for striving to be balanced and keep standards of quality high, even if it does not always manage to achieve this goal. Veshapidze thinks that the Public Broadcaster today provides the public with the most balanced information. However, the Public Broadcaster does not have modern equipment, and the visual side of its programs is lacking. Maia Mikashvidze, dean of the Caucasus School of Journalism and Media Management (CSJMM) at the Georgian Institute of Public Administration (GIPA) suggested distinguishing content from packaging when assessing the Public Broadcaster.

Why is the quality of journalism so low? Among reasons that panelists mentioned are lack of education and a low level of civic culture. Newspapers cannot get qualified personnel for GEL 150–200. Quality is not something that managers expect or demand from these low-paid reporters. Reporters of regional television stations earn more—up to GEL 400. Reporters in some national newspapers can make as much as GEL 800. But even this is not enough of an attraction for the best professionals. In addition, in the majority of cases, journalists do not have contracts and have no benefits, such as vacation.

Corruption is not as much of an issue as it was under Shevardnadze's government. Journalists generally do not accept bribes and favors for writing or not writing articles. However, corruption, if taken in its broader sense, still plagues Georgian media. Media outlets are loyal to their major advertisers. Veshapidze suggested distinguishing regional media from Tbilisi media in this discussion.

The debate around quality of journalism naturally overflowed into the debate on media-assistance programs. Veshapidze thinks that the quality of journalism in the regions has improved largely thanks to donor assistance rendered to local media outlets. Regional reporters received a good education through training. Now they double-check sources, and their articles are less opinionated.

However, decreased donor assistance to regional media resulted in their lessening their watchdog functions and becoming more dependent on local authorities. When the central media are not able to penetrate regions, local media remain the only mechanism of control over local government, Izoria said. Gamzerdashvili noted that media professionalism grows only in regions that remain in the donors' area of interest, such as Ninotsminda, Akhaltsikhe, and Marneuli, while in the rest of Georgia, regional television stations are struggling. Talk-show studios given to them by donors in previous years are idle. Two regional television companies, Trialeti TV in Gori and Channel 25 in Batumi, which were

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often used to exemplify the achievements of regional media, are facing serious financial, legal, and institutional problems. The answer to the question posed by Mikashavidze—whether it can be assumed that the growth in professionalism witnessed in the regions is sustainable and irreversible—is "no." However, Koridze argued that those regional journalists, who now know what good journalism is about, will not retreat and abandon their professional stance.

But, some asked, is it not the time for them to become self-sustainable? Does donor assistance cause more harm than good by making them lazy and damaging the market and competition? Koridze argued that some media became accountable to donors and stopped being accountable to their audience; he favors loans over grants. Kveselava thinks donors should invest more in individual journalists than in media outlets. Ordenidze believes donors should focus efforts on helping media to improve management practices. Veshapidze believes donors should cooperate on investment-heavy projects, which can benefit many media outlets simultaneously. One such area could be creation of a nationwide newspaper distribution system.

The panel finally agreed that the issue is difficult and that there are no clear answers. Donors are different, and so are the recipients. Some approaches were more efficient than others, and some media outlets made better use of resources available to them.

In general, there is no demand in society for ethical and professional journalism. The media community itself has shown little interest in institutionalized self-regulation. Some newspapers even denounced self-regulation as an instrument of censorship. Very few media outlets have their own internal Codes of Practice. "Unfortunately, a professional standard in media is considered a limitation and not a necessary element of professionalism," said Kveselava.

"Some journalists are so used to receiving directions from authorities that they start their morning with phone calls to them and are not able to make any decision independently," Koridze Janikashvili said.

The OSGF supported the Media Council in 2006. It developed institutionally and now has an office, a new chairman, and new board members. However, it needs further donor assistance to keep basic operations going because its founders are reluctant to pay a membership fee. Last year, six complaints were filed to the Media Council, five of which it considered (it rejected one complaint because it concerned a topic not covered by the Council's mandate). None of the complaints were of groundbreaking significance. Nevertheless, the Council failed the first test in nonpartisanship and independence, according to many. Corporate and political interests mingled during the review process. The Council first found the review of the complaint by Tina Khidasheli, a member of an opposition party, inappropriate on the eve of local elections and then evaluated it as groundless. Khidasheli criticized coverage of a murder case by Rustavi2. She maintained that Rustvavi2's report on the reason why the court hearing was postponed was not accurate. Later the Council decided that Rustavi2 distributed incomplete information and that there was no defamation or purposefully falsified information. The journalists demonstrated low professionalism but not gross violation of standards, according to the Council.

With support from the European Council, the NGO Liberty Institute prepared the first draft of the Broadcasters' Code of Conduct. The Code defines working principles for the Public Broadcaster and private television and radio broadcasters, and sets standards for broadcast production and professional ethical norms for journalists. The draft was reviewed by the experts from the Council of Europe and by Article 19. The draft Code has received criticism from international and Georgian organizations as being too vague in areas and for mingling guiding principles with rules; the functions of the GNCC and Council of Broadcasters are not clearly distinguished and defined. The Code's adoption was postponed twice—first to the end of December 2006 and then to the beginning of April 2007.

Are all important events covered in Georgian media? One of the panelists thinks that, in principle, they are: "We cannot say that there are important topics that are not covered at all. They are prioritized in a more subtle way—the topic can be covered on the 6 o'clock news and on the major evening news, in the beginning of a news program or in the end, in-depth or superficially, etc. I don't know if journalists receive directions from authorities on what to cover—journalists are aware of the general line their company pursues and try to adjust to it."

Koridze and Bassa Janikashvili, chairman of Radio Utsnobi's Steering Committee, disagreed, saying that there are indeed such directions.

"Some journalists are so used to receiving directions from authorities that they start their morning with phone calls to them and are not able to make any decision independently," Koridze said.

Mamaladze also disagreed, noting that the regions do not receive adequate coverage in the central media. Journalists of national media do not keep in touch with colleagues in the regions and overlook many important developments, he said.

"When journalists were diagnosed with self-censorship in 2004, they believed in it and found in it a comfort from responsibility. When self-censorship is high, there is no responsibility at all, because everything can be blamed on self-censorship," Koridze said. He attributed the recent increase in entertainment programs to the growing sense of self-censorship. "This is one of the ways self-censorship is demonstrated, and this is a way to avoid responsibility," he concluded.

The number of entertainment programs has grown in all television channels. Since April 2007, Rustavi2 has begun airing seven new programs, and all of them focus on entertainment.

"Entertainment shows are produced where political programs are not nonpartisan and as such are losing in ratings. Some TV [stations] try to regain ratings and audience through entertainment. They think, why don't we produce a program which will bring profit and not headache?" added Janikashvili.

There are examples of niche reporting on Georgian television. Specialized business programs are broadcast on Rustavi2 and Mze; *24 Hours* newspaper has a business supplement.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Georgia Objective Score: 2.62/4.00

There is plurality of affordable sources of news and information in Georgia. Access to domestic or international media is not restricted.

According to the 2005 annual report of the GNCC, income for Internet services (including VAT) constituted GEL 19.8 million. In the electronic communications market, Internet service is the fastest-growing segment. In 2000–2005, the composite growth rate of income was 40 percent.

In summer 2006, the Internet provider Caucasus Network purchased two other Internet providers—Georgia Online and Sanet. Today, Caucasus Network serves 90 percent of subscribers in Georgia. Some fear this new near-monopoly.

Formally, the Public Broadcaster allows the views of the entire political spectrum to be heard. According to one of the participants, a trained ear can still catch journalists' preferences through wording of questions, intonation, and other nuances.

Koridze disagrees, referring to a bolder demonstration of preferences. According to him, one good example is an evening program called "Argumenti." In the first half, two representatives of the majority are talking, both of them agreeing with each other. Then two representatives of the opposition are talking, both agreeing with each other. In the third section, two experts representing the majority are talking, and they, too, agree with each other. The major principle of the Public Broadcaster—to get all these people together and around one table—is absent.

In public radio, more diversity of opinions is allowed.

Media ownership cannot be characterized as transparent. For example, Rustavi2 employees know very little about the owners of the company, let alone the public. Not all is clear with Imedi Media Holding, either: How many of the shares were sold to News Corporation? Who else, except Patarkatsishvili and Murdoch, owns its shares? Mamaladze noted that information about ownership in the regions is more open.

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Koridze thinks that the media, especially electronic, are under the influence of the government and the ruling party. TV Imedi is not influenced by the government now, but this was not the case earlier, when Patarkatsishvili had a better relationship with the government. The government may not interfere, but the owner does interfere in the editorial policy. Kveselava also believes that the interests of owners, financial or political, often influence news content. Media often participate in political processes and are not objective watchdogs, she concludes.

The Public Broadcaster, both television and radio, offers programs for ethnic minorities. The news program "Moabe" airs everyday in one of the minority languages—Russian, Armenian, Azeri, Abkhaz, and Ossetian. From 2007, the Public Broadcaster, with support from USAID through the UN Association of Georgia, will produce a talk show to facilitate civic integration of ethnic minorities. The Public Radio produces programs about and for ethnic minorities. One program is broadcast on Saturdays in Georgian. A news program in Russian, Armenian, Azeri, Abkhaz, and Ossetian also is broadcast every weekday. On Saturday, there is a 20-minute summary review in Russian.

Former state newspapers—*Gurjistan* in Azeri and *Vrastan* in Armenian—are still published. TV Parvana in Ninotsminda and ATV 12 in Akhaltsikhe rebroadcast evening news programs of major national channels, with a voice-over in Armenian. Marneuli TV and Channel 12 in Bolnisi rebroadcast evening news programs of national channels with voice-over in Azeri. A weakness of this concerns sustainability. The broadcasts by TV Parvana and ATV 12 in Armenian are among the few minority-initiated private projects. The rest of the projects are initiated and supported by various donors and international NGOs.

Marneuli and Ninotsminda now have the country's first community radio stations. The radio stations are run by local people with different ethnic, cultural, social, and professional

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.

backgrounds, and programs are produced in three languages (Armenian/Azeri, Russian, and Georgian). While their applications for licences have not yet been processed by the GNCC, they broadcast by loudspeaker. This project also is donor-supported, implemented by the BBC World Service Trust in cooperation with Studio Re and IREX Europe with funding from the EU and co-funding from the Global Conflict Prevention Pool and the Open Society Georgia Foundation.

OBJECTIVE 4: BUSINESS MANAGEMENT

Georgia Objective Score: 2.14/4.00

"Unfortunately, the media is still not a business in Georgia. The majority of media does not depend on advertising revenue. Some continue to think that media is for managing people and not for making money," said Janikashvili.

Radios are becoming more and more popular. Because politicians do not consider radio to be an influential medium, radios more readily provide a venue to alternative opinions. Fierce competition is further fueling the drive—there are 33 radio stations on the airwaves. However, only a few of them are profitable, among them Radio Utsnobi.

Advertising placements are influenced by politics. Business in Georgia directly depends on political conjuncture and is not free in its decisions. For example, Radio Utsnobi has a program called "Free Speech," moderated on a rotating basis by well-known journalists. Some are viewed as loyal to the government, and some are not. But still the radio station could not find anyone willing to sponsor this program due to its political content and criticisms of the government. As a result, "Free Speech" is the only program on the radio that cannot sustain itself. Gamezardashvili agreed with Janikashvili that no advertiser wants to be affiliated with a program in which the government is criticized.

In the regions, businesses are forced to advertise in media that are formally independent but in reality are "owned" by the local authorities. When they really need to have an impact, they advertise in both media outlets—in a newspaper favored by local government and in a truly popular one.

Although private media do not receive state subsidies directly, some inventive representatives of local authorities have found "a solution" to this "problem." They have founded "pet" newspapers, to which they award money, set aside in the local budget for publishing public announcements. Independent newspapers, which have a higher circulation and a better distribution record, are not able to beat such competitors. In some regions, employees of public institutions are forced to subscribe to certain newspapers.

According to GNCC's annual report, in 2005 income in the television and radio industry increased and reached GEL 31.729 million, including VAT. In 2004, income was 25.9 million; in 2000, it was 9.9 million. In five years, income has increased 3.2 times. The share of television broadcasting in the total income of the broadcasting sector in the past five years has increased from 28.2 percent to 64 percent. In this period, income grew annually at a rate of 48.8 percent. In cable television broadcasting, income grew annually at a rate of 10.2 percent; in radio broadcasting, it grew 9.3 percent.

Circulation data on newspapers are not collected in Georgia.

Since January 2005, television ratings have been measured by the TV MR GE, a licensee of AGB Nielsen Media Research, through PeopleMeters. KPMG specialists repeatedly found the methodology and practice as complying with international standards. The television industry uses the data to modify schedules; some programs at national television channels were removed because of a decrease in ratings and replaced by others. Advertisers also buy the data.

Since September 2006, the Institute of Polling and Marketing has measured radio ratings in Tbilisi and several larger cities of Georgia, using CATI technology.

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

Georgia Objective Score: 2.42/4.00

While Georgia has a decent infrastructure of cable television and a transmitter system, the media face issues. TV Tanamgzavri in Telavi and Channel 25 in Batumi found themselves in a difficult situation when local cable companies refused to carry their content. The cable companies cited economic considerations, but some speculated that political interests were also present in these disputes. The Public Broadcaster complained that some cable operators lower the quality of its signal.

Both public and commercial broadcasters registered grievances against state-owned Teleradiocentri of Georgia, which administers television towers throughout Georgia. The broadcasters think that the company incorrectly interpreted the Law on Broadcasting, which requested Teleradiocentri of Georgia to ensure that all broadcasting license holders and the Public Service Broadcaster have "non-discriminatory, equal, direct access to every free element of technical means and services with cost-oriented and non-discriminatory tariffs" (Chapter XI, Article 76, Transitional and Conclusive Provisions, Point 7). Teleradiocentri of Georgia has established the same fee for placing both weak and strong antennas on its towers. As a result, a national broadcaster pays the same for placing a 1500-WT transmitter with an accompanying large UPS on a tower as a small local broadcaster pays for placing a 50-WT transmitter with a small support infrastructure. The tower fees have become an unbearable burden for local broadcasters. Many local broadcasters have opted to move transmitters and receivers to other, less suitable locations, such as roofs of buildings and other constructions, and the quality of transmission has naturally worsened. In those regions where the landscape does not allow an alternative solution, local broadcasters are forced to pay one-third of their annual income in tower fees. Local broadcasters that do not have much income from advertising, after paying tower fees, have very little available to invest in developing their companies.

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.

According to panelists, press distribution, printing facilities, and advertising agencies work more or less efficiently only in the Tbilisi market. Outside Tbilisi, the situation remains worrisome.

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Veshapidze complained that even in Tbilisi press distributors do not work transparently. Publishers are not able to receive accurate numbers on sold and unsold copies and as such are not able to plan and manage circulation. Those publishers who are forced to use a distribution network owned by their competitor sometimes fall victim to unethical business practices.

Delivery of press in the regions is still problematic. None of the current distributors can deliver to all areas. There are some hopes for improvement, as Sakpressa and the postal system's infrastructure have been privatized. But no radical improvements in this area were observed in 2006. Home delivery is still a problem in Tbilisi. Again, distributors can deliver to some central districts of the city, but not in the suburbs.

24 Hours sees the creation of its own distribution network as the only solution at this stage and is discussing the project with its Western investors. *24 Hours* now has printing presses, which can ensure higher-quality printing, but it took some time for the company to operate them because no one in Georgia had enough knowledge of modern printing processes. *24 Hours* has invited foreign specialists to train Georgian workers and hopes to use the printing presses in the near future.

The panel was unanimous in awarding the quality of journalism education with lower scores. Despite the fact that the programs offered by CSJMM at GIPA are of a high standard, the number of students the school graduates is still relatively small, and this is not able to drastically impact the overall picture.

Kveselava complained that journalism education does not give the students critical-thinking skills, which makes young

Despite the fact that a number of textbooks were translated in recent years, journalism schools still experience a severe lack of instructional materials. TSU made English an obligatory course and teaches it to journalism students for four semesters. Nevertheless, a textbook on news writing in Georgian is still a necessity and has not been developed yet.

journalists vulnerable to manipulation or reduces them to the role of recording equipment. David Paitchadze, chair of the TSU Journalism Subdivision, proposed to separately discuss the state of education in public universities. Journalism is taught in many higher-education institutions, but the major ones are TSU, Technical University, Ilya Chavchavadze University, Tbilisi State Institute of Theatre and Cinema, and Kutaisi and Batumi universities. There are some positive improvements in all of them, but the results of improvements will not be felt for at least five years as changes take hold and students benefit.

All public journalism schools share some problems, one of which is a large number of students. The TSU Journalism Subdivision has 700 students enrolled, either majoring or minoring in journalism, with others taking journalism classes as electives. Providing a practice-oriented education while possessing only a few pieces of equipment is an enormously challenging task. The TSU Journalism Subdivision has only 30 computers available to students and teachers. It has revised its curricula, but it is unable to find qualified teachers. This is not surprising, considering that TSU can offer only small honoraria to invited teachers not possessing scientific degrees. A few of the best practitioners, who agreed to teach to TSU journalism students, do this out of charity rather than for the pay.

Despite the fact that a number of textbooks were translated in recent years, journalism schools still experience a severe lack of instructional materials. TSU made English an obligatory course and teaches it to journalism students for four semesters. Nevertheless, a textbook on news writing in Georgian is still a necessity and has not been developed yet.

Mikashavidze noted that equipment and finances alone cannot help journalism education. Finding qualified teachers is the biggest challenge.

GIPA/CSJMM now has 50 students enrolled in English- and Georgian-language programs. Twenty-five more will graduate from the English-language program in 2007. The school has 50 computers and nine cameras available to 75 students. GIPA/CSJMM plans to add a master's course in the evening, with mixed Georgian-English instruction.

Both TSU and GIPA/CSJMM plan to make radio labs available for students to practice. GIPA acquired a radio license in 2006. TSU will be broadcasting over the Internet.

Mamaladze says that there is high demand for training in the regions. Every third e-mail that GRMA receives asks for information about training opportunities.

GIPA/CSJMM took this niche, vacated by media developers, and is offering three short-term, fee-based training courses, with duration up to three months, in photojournalism, media management, and communications management. Trainers are GIPA/CSJMM teachers. Many students are willing to participate, but few from the regions can cover living expenses. Most expensive is the course in communications management, which costs USD 400. Others cost between USD 90 and USD 120. The school uses income from the training courses to buy equipment.

Panelists could name only a few NGOs from which media received active and efficient support in 2006. Among those are the Georgian Young Lawyers Association (GYLA), the Association of Young Economists, and Internews Georgia. However, Mamaladze complained that regional branches of the NGOs are not always as responsive as their head offices in Tbilisi. Having closer ties with the local administration, they are not always willing to challenge the administration's approaches and decisions.

There are still no notable associations of journalists focused on protecting journalists' rights.

Both the Association of Georgian Regional Television Broadcasters and the Georgian Regional Media Association continue to serve the interests of their members. Besides reacting to the violation of their rights, they implement a number of activities, aimed at enhancing their business operations and independence. The Georgian Regional Media Association is helping its members to bring their businesses into full compliance with the law and is making computers with Internet connections and a library available to journalists of regional media visiting Tbilisi on reporting assignments. Members of the Association of Georgian Regional Television Broadcasters united forces to enter the national advertising market. They jointly purchase and translate various television programs into Georgian.

Panel Participants

David Paitchadze, Chair of the Journalism Subdivision, Department of Social and Political Sciences, Tbilisi State University, Tbilisi

Maia Mikashavidze, Dean, Caucasus School of Journalism and Media Management (CSJMM), Georgian Institute of Public Affairs (GIPA), Tbilisi

Zviad Koridze, Chief Producer, Sunday-evening program "P.S.," Rustavi2 TV, Tbilisi

Khatuna Kveselava, Director of News, Social, and Political Programs Department, Public Broadcaster of Georgia, Tbilisi

Tinatin Izoria, Producer General, Public Broadcaster Radio, Tbilisi

Bassa Janikashvili, Member of Steering Committee, Radio Utsnobi, Tbilisi

Ia Mamaladze, Chairman, Georgian Regional Media Association (GRMA)

Ramaz Gamezardashvili, Association of Georgian Regional Television Broadcasters, Member of Steering Committee

Paata Veshapidze, Managing Editor, *24 Hours* newspaper, Tbilisi

Givi Ordenidze, Manager, Civil Society and Media Support Program, Open Society Georgia Foundation (OSGF), Tbilisi

Moderators

Lia Chakhunashvili, independent expert

Ellada Gamreklidze, independent expert

RUSSIA AND WESTERN EURASIA

Hopes that the government would desist from its crusade against the free media after the election proved futile. The Media Sustainability Index (MSI) panel agreed that the state stuck to its policy of institutionalized harassment of the free press and forecast that the situation would only deteriorate, with the government expected to tighten its control over the Internet and possibly satellite television.

BELARUS

OVERALL SCORE: **0.71**

There were no signs of improvement regarding media freedoms in Belarus during 2006. Instead, as the government was trying to silence any dissenting voices, pressure on journalists and the few remaining independent media outlets increased tremendously, especially in the lead-up to the March presidential election. The balloting, widely believed to have been unfairly conducted, secured 82.6 percent of the vote for incumbent President Alexander Lukashenko, who has ruled the country of 10 million since 1994.

Shortly before election day, police attacks and confiscations of independent newspapers were stepped up, and those most critical—*Narodnaya Volya, BDG. Delovaya Gazeta,* and *Tovarishch*—were unable to reach their readers. The Belarusian Association of Journalists (BAJ), a domestic press-freedom watchdog, reported at least 40 accounts of journalists being harassed during the election period, including physical assaults of several correspondents, mostly photographers and cameramen. Separately, 23 Belarusian journalists and 11 foreign ones were handed brief prison sentences of three to 15 days over alleged public disorder.

Hopes that the government would desist from its crusade against the free media after the election proved futile. The Media Sustainability Index (MSI) panel agreed that the state stuck to its policy of institutionalized harassment of the free press and forecast that the situation would only deteriorate, with the government expected to tighten its control over the Internet and possibly satellite television.

Economically, Belarus witnessed some growth (up to 10 percent, officially). Though unsustainable and fueled mainly by subsidized imports of gas and oil from Russia, this growth made it possible for the government to improve living standards to some degree. Consequently, there was less room for expanded privatization or economic reforms that might have triggered at least some political liberalization. By and large, Belarusian society remained conservative and largely complacent. Ethnic, sexual, and religious minorities continued to be marginalized, and nonconformity and dissent generally were not welcome.

Opposition was weak and scattered: if the 2006 election were free and democratic, Lukashenko rivals would have secured only 25 percent of the vote, independent polls suggested. That figure was unchanged from the 2001 election.

Information channels were monopolized—if not owned, they were heavily controlled by the government—and spoke in a single voice, MSI panelists reported. Many Belarusians still believed in what is reported on official television and radio. In a 2006 independent opinion poll, 58.2 percent said they trusted Belarusian state-owned media, followed by Russian media (35.2 percent), Belarusian non-state media (12.0 percent), European and other Western media (10.2 percent), and the Internet (8.8 percent).

BELARUS AT A GLANCE

GENERAL

> **Population:** 9,714,000 (Belarus Ministry for Statistics and Analysis, 2006)

> **Capital city:** Minsk

> **Ethnic groups (% of population):** Belarusian 81.2%, Russian 11.4%, Pole 3.9%, Ukrainian .4%, other 1.1% (1999 Official Population Census)

> **Religions (% of population):** Russian Orthodox 80%, Catholic 14%, Protestant 2% (from an interview with Leonid Guliako, chair of the State Committee on Religions and Nationalities at the Council of Ministers, February 22, 2006, *Belorusskaya Niva*)

> **Languages (% of population):** Belarusian 73.7%, Russian 24.1% (1999 Official Population Census). However, only 7.8% speak Belarusian on a daily basis, 16.1% speak both Belarusian and Russian, 52.3% speak Russian only, and 23% speak a nonstandard "mixture" of both languages. (Opinion poll by the Independent Institute for Socio-Economic and Political Studies, November 2006)

> **GNI (2006-Atlas):** 32.800 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $8,810 (World Bank Development Indicators, 2007)

> **Literacy rate:** 97% (1999 Official Population Census)

> **President or top authority:** President Alexander Lukashenko, since July 20, 1994 (re-elected in 2001 and 2006)

MEDIA-SPECIFIC

> **Number of print outlets, radio stations, television stations:** 1,232 print outlets, 8 news agencies, 51 television stations, 154 radio stations (Belarus Ministry of Information, March 2006)

> **Newspaper circulation statistics:**

Sovietskaya Byelorussia is a state-owned daily with an official print run of 502,850 copies per issue and a weekly circulation of 2,514,250 copies.

Komsomolskaya Pravda v Belorussii (Belarusian edition of a popular Russian daily) is the largest independent daily with an official print run of 51,000 copies per issue (325,000 copies on Fridays) and a weekly circulation of 529,000 copies.

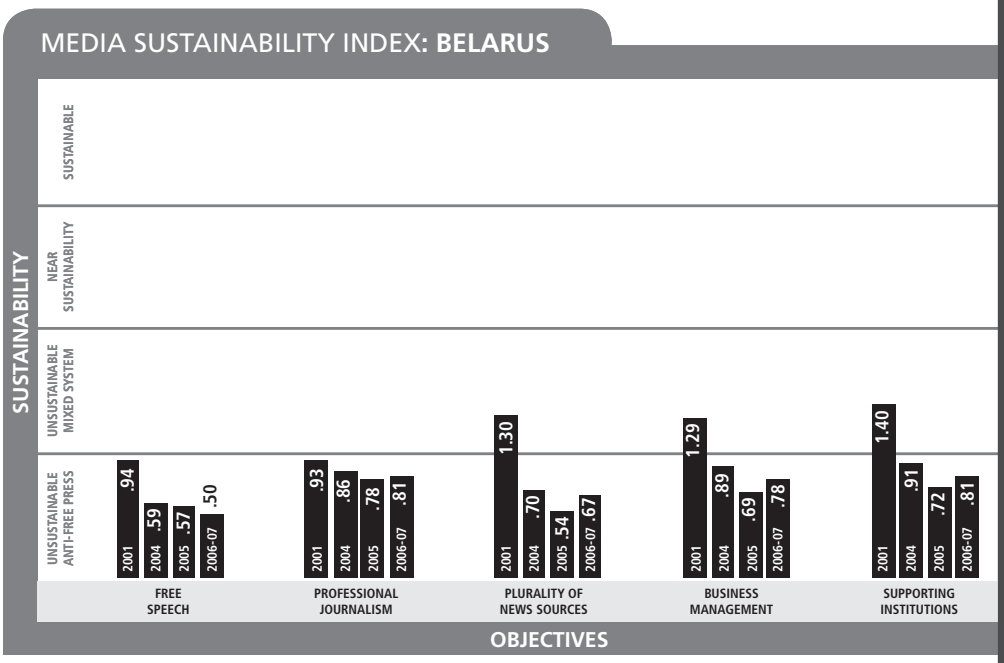
Narodnaya Volya is the largest opposition daily with an official print run of 11,000 copies per issue and a weekly circulation of 44,000 copies. (Medusa Advertising Agency)

> **Broadcast ratings:** Share of television audience: ONT 21.9%, RTR 15.0%, Channel One TV 12.2% (Institute for Sociology at the National Academy of Sciences, June 2006)

> **News agencies:** BelTA (state-owned), BelaPAN (private), Interfax-Zapad (Russian-owned), Prime-TASS (Russian-owned), Ecopress (private, economic news), Agentstvo Grevtsova (private, economic news), Minsk-Novosti (state-owned, Minsk City news), Register Information and Legal Agency (private, economic news) (Belarus Ministry of Information, 2006)

> **Annual advertising revenue in media sector:** $50 million ($20 million television, $10 million press, $8 million outdoor advertising, $1 million to $1.5 million Internet) (Advertising agency Starcom MediaVest Group Belarus)

> **Internet usage:** 1.6 million users (Independent Institute for Socio-Economic and Political Studies, 2006)



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.

In a positive development, use of the Internet was growing, and, at least in the capital and bigger cities, broadband was getting more available and affordable, albeit still more expensive than in neighboring countries.

The MSI overall ranking for Belarus in 2006 was 0.79, relatively unchanged from the previous year. No objective reached even 1.00, and the country remained categorized as anti–free press. The slight increases in scores might be attributed to the growth of the Internet—largely unrestricted, compared with other media—and efforts by the few remaining independent media to uphold professional and ethical standards.

Note: *MSI panelists in Belarus agreed to participate only if they were not named publicly. Amendments to the Criminal Code were introduced in December 2005 to add a new article, "Discrediting the Republic of Belarus," that provides for criminal liability for submitting to international organizations "false information" on the situation in the country. Human-rights groups, both domestic and international, believe the article's vague wording make it possible for the government to penalize anyone reporting negative information with detention of up to six months or imprisonment of up to two years.*

OBJECTIVE 1: FREE SPEECH

Belarus Objective Score: 0.50/4.00

Although the Belarus Constitution guarantees freedom of speech and basic legal infrastructure has been put in place, MSI panelists agreed that this right is not enforced. "In a courtroom, public prosecutors just turn a deaf ear to your reference to the Constitution. And state officials, from municipality clerks to information ministry *apparatchiks,* are outspoken: 'Yes, I know it's illegal. You may take the matter to the court.' They are absolutely aware that these constitutional norms are not enforced," a panelist said. Furthermore, politicized courts offer no protection or opportunity for a fair hearing of a case.

The legal framework has not changed since 2005, and MSI panelists were not expecting any improvements. Instead, they said, the government would try to regulate the Internet (which is not a media under current press law), restrict access to satellite television (as an independent television channel is expected to start broadcasting from Poland soon), and hinder the work of foreign broadcast correspondents.

Meanwhile, the new draft laws on the press and "informational security" were expected to be sent to the parliament. Not surprisingly, there was no public discussion

"In a courtroom, public prosecutors just turn a deaf ear to your reference to the Constitution. And state officials, from municipality clerks to information ministry apparatchiks*, are outspoken: 'Yes, I know it's illegal. You may take the matter to the court.' They are absolutely aware that these constitutional norms are not enforced," a panelist said.*

of these bills, and independent experts were not invited to contribute.

However, violations of freedom of speech caused little or no public outcry. Young opposition activists staged several protests in Minsk in support of independent newspapers, but they were seen as reacting mainly to the election results than to be demonstrating any specific belief by the society in free speech.

Elsewhere, some newspapers have seen their readers filing complaints with local governments or even lawsuits against postal service and press distribution monopoly, trying to get these publications back to the newsstands and mailboxes. These efforts have been in vain. "It is mostly opposition activists, who are protesting, those who have nothing to lose. They've already lost their jobs … The retired are also active:

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.

Under a presidential decree adopted several years ago, official bodies have the right to classify their activities and documents as top secret. "That has gone down to education authorities in smaller towns that are just withholding information," a panelist said. "State officials have grown more astute as to working with independent media. They are not afraid of inviting independent media to a committee seating or a press conference. The point is that all the information is on paper and they are just voting that through quickly. We sit there and listen, but we can't hear anything."

the government would not stop paying their pensions," a panelist commented. In general, MSI panelists said, Belarusian society remains quite conservative and complacent and is afraid of criticizing the Soviet-style state.

On the subject of broadcast media licensing, panelists were unanimous: it is "unfair, uncompetitive, and far from being apolitical." Only two licenses were granted in 2006, one to an unspecified FM radio and another to TV Center-Bel, which is broadcasting Russian channel TV-Center (TVC) and producing none of its own programming. Furthermore, TVC is controlled by Moscow Mayor Yury Luzhkov, an ally of President Lukashenko.

In August 2006, the state commission for radio frequencies, which had been supervised by the Ministry of Posts and Telecommunications since 1994, was assigned to the Security Council, a body that controls and coordinates the work of Belarus law-enforcement agencies.

As an industry, the media sector is highly regulated. Licensing comes from the telecommunications and information ministries, and, in an additional media-specific requirement, approval must be sought for office locations from local governments. The latter is "just in case" it is necessary to deny approvals to political and general news media outside of the governmental control, the panel said. "I doubt anyone will start [an independent] TV or a newspaper at all," a panelist noted. Also industry-specific is that media outlets can be suspended without a court ruling, after receiving two to three warnings from the Ministry of Information.

Numerous privately owned titles entered the market in 2006, but most are narrowly specialized. The Ministry of Information said it registered 113 new titles—35 newspapers (31 non-state) and 78 journals and magazines (67 non-state).

Crimes against journalists remained rare. However, there were reports that independent journalists and their families had been harassed for their political reporting and writing on alleged corruption cases of governmental officials. Independent newspapers *Intex-press* in Baranovichi and *Vitebskii Kurjer* in Vitebsk reported that they received threats from Russian National Unity, an outlawed far-right, ultra-nationalist paramilitary organization based in Russia that advocates the expulsion of non-Russians and an increased role for traditional Russian institutions such as the Russian Orthodox Church. Outside of newspaper offices there were graffiti reading "Down with venal press" and "Hornet's nest of CIA." No prosecutions resulted.

Similar to previous years, journalists were targeted during the election campaign, when around 1,000 protesters also were jailed or fined nationwide over alleged participation in post-election street demonstrations in March 2006. The BAJ, an independent press watchdog, reported around 40 incidents of journalists being harassed. Twenty-three Belarusian journalists and 11 foreign ones from Canada, Poland, Russia, and Ukraine received brief prison sentences of three to 15 days over alleged public disorder.

At least three journalists were severely assaulted by state security during the election period. On March 2, Oleg Ulevich, a correspondent for *Komsomolskaya Pravda v Belorussii,* was reported beaten by plainclothes commandos and had to be hospitalized. He suffered a concussion and a broken nose. Ulevich was among the journalists who went to a police department in Minsk to obtain news about presidential candidate Alexander Kozulin, who had been arrested earlier that day. Jan Rybarz, a correspondent with Czech paper *Mlada Fronta Dnes,* was beaten and robbed by unidentified individuals in the center of Minsk on March 19 and hospitalized with head injuries. On March 25, Pavel Sheremet of Russian Channel One TV, well-known for his criticism of the Belarusian government, was grabbed by plainclothes police officers in central Minsk. He was then "put into a minibus, handcuffed, beaten for 20 minutes and driven around the city, and then taken to a police station. In the police station, a protocol was made, stating the use of bad language and insulting the president," he said later in an interview.

There was an inquiry into Ulevich's case, but it came to a halt later that year. Separately, panelists recorded little if any progress in the investigation of the disappearance of Dmitry Zavadski, a cameraman for the Russian Channel One TV,

in 2001 and the murder in 2004 of Veronika Cherkasova, a journalist for the independent weekly *Salidarnasc.*

There is almost no investigative reporting in Belarus, except, to some extent, what is being done by the BAJ's Agency for Investigative Journalism. These investigations are occasionally published by electronic newspaper *Ezhednevnik.*

Even in-depth reporting on sensitive issues is not welcome. Panelists recalled a story by *Belorusy i Rynok* that carried top officials' salaries, which were calculated by journalists based on an easily available salary grid. When another independent newspaper, *Komsomolskaya Pravda v Belorussii,* reprinted the story with names of the officials attached, pressure was put on the newsroom to disclose their sources. Moreover, there was an investigation into whether the information had been leaked.

Editorial independence is declared, yet not enforced. Editors and directors of the state-owned media are directly appointed either by the president or by the ministry of information. There is no party press, apart from newspaper *Tovarishch* published by the oppositional Communist Party of Belarus (CPB). It has a weekly circulation of 10,000 copies and is distributed mostly via CPB structures. Other titles produced by political parties are mostly *samizdat*, or underground papers.

Panelists mentioned the firing of Yulia Slutskaya, editor-in-chief of *Komsomolskaya Pravda v Belorussii,* as an example of intervention by the government into the management and editorial policy of an independent newspaper. The newspaper was said to be writing too independently and too much about the opposition. The publisher had been fined $60,000 over a minor mistake in a caption and, with one more suit from another state official pending, Russian owners of the newspapers sacked the editor.

Belarusian law includes criminal penalties for libel and offers greater protection for top officials, including the president. Most common, however, are "honor and dignity" cases falling under civil law, where the prosecution does not have to prove malice, or even falsity. It is enough that the article in question caused "emotional distress" to the one being described. Furthermore, there is no "expiration," and suits may be filed years after the story was published.

In 2006, there were several attempts by opposition activists to sue state media over mudslinging—all of them unsuccessful, panelists said. Independent media face honor and dignity suits now and then, but they are less frequent, since the number of titles dropped compared with previous years. As for compensations sought, figures are rising. "It is bad taste to demand less that 10 million rubles [about $4,700]," a panelist said. In 2006, the median salary in Belarus was approximately $300, officially.

Although the law guarantees equal access to information for both state and privately owned newspapers, this norm is absolutely not enforced, MSI panelists said, with the former clearly receiving preferential treatment.

Under a presidential decree adopted several years ago, official bodies have the right to classify their activities and documents as top secret. "That has gone down to education authorities in smaller towns that are just withholding information," a panelist said. "State officials have grown more astute as to working with independent media. They are not afraid of inviting independent media to a committee seating or a press conference. The point is that all the information is on paper and they are just voting that through quickly. We sit there and listen, but we can't hear anything," he added.

Apart from the Ministry for Statistics and Analysis, which might charge independent media for CDs or brochures with statistical data at rates that are generally not affordable, there are no financial obstacles as to getting public information.

Panelists said a lot of public information is available through open sources, mostly from the Internet. But they said many journalists do not know where to go for information and for them it is often easier to say they were given no comments.

The Internet nonetheless generated the higher score for Objective 1—0.67, compared with 0.57 for 2005, panelists said. With fees going down somewhat, most newsrooms, including some smaller regional ones, went to broadband. There are no formal restrictions on access to international news. Although international media require the permission of the Ministry of Information to distribute or air in Belarus and are delivered via state-controlled channels, online news media, mostly Russian, were the primary source of international information for Belarusian newsrooms. The main obstacle to western news services is that of language and pricing. Still, Internet fees are high and connections slow for many of the staff, participants added.

By and large, entry into the journalism profession is free, and the government hardly controls admission to journalism schools. However, many events require accreditations, and some local governments were reported to deny those to independent journalists lacking a journalism diploma. Graduates of journalism schools are subject to the Soviet-style "distribution," when they have to work for two years wherever the government sends them. However, most graduates sidestep this requirement, not infrequently by applying to masters or doctorate programs.

Other restrictions affect Internet media workers, who do not enjoy journalist status and thus are less protected and a prohibition on a journalist working for a Belarusian media outlet also working for a foreign one. Those working for foreign media cannot do so without an accreditation from the Foreign Affairs Ministry.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Belarus Objective Score: 0.81/4.00

There was no significant change this year in the ranking for Professional Journalism. Still, panelists noted, the gap between state and non-state media is deepening, and some of the experts found it very difficult to provide a score that would assess Belarus media in general.

All in all, stories are not objective. "Government-owned media are pushing state ideology; their non-state counterparts are either doing the same or just drawing a negative picture," a panelist said. Providing viewpoints from both sides of an issue is problematic, since state officials refuse to give comments even when it is to their advantage.

Since Internet use is growing in Belarus, more people—mostly without professional training or any experience in mass communications—are jumping to online media. "They just don't know information and sources should be double-checked and have an illusory belief the Internet is something not regulated by the law. And subjectivity prevails absolutely over reporting," one of the experts noted.

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

There is a code of ethics developed by the BAJ, and some independent media came up with their own ethical standards. The BAJ used to have a committee for ethics, but that has not been very active recently, possibly because independent journalists are reluctant to confront their colleagues—already under pressure from the government—with "ethical charges."

However, there is much antagonism between the state propaganda machine and independent media. With knives out on both sides, it is ethical standards that suffer first and, according to a panelist, "media as an industry does not need self-regulation here."

Journalists of state-controlled Channel One TV were slammed for their smear campaigns against the opposition, use of police and secret-service footage, and, most notably, for staging footage of an improvised tent camp in downtown Minsk, installed as a token of popular protest against the March 2006 presidential election, which was widely described as fraudulent.

Similarly to previous years, some of the MSI participants equated self-censorship with responsibility rather than fear. State media were said to have nothing to say about self-censorship. One of the panelists recalled a conversation with one of his ex-colleagues who had left independent press for *Sovietskaya Belorussia,* the country's biggest daily and a mouthpiece of the Lukashenko administration. He was told: "There is no such thing as self-censorship. We are writing freely; there is even no need to fact-check information and sources." In very much the same way, some independent titles are carefully selecting topics: "There are newspapers that would not carry even the name of the Belarusian Popular Front [a moderately nationalistic political party, legally registered by the government] on it pages," said another expert.

Among the most dangerous topics are the Lukashenko family and business interests of his closest allies. Also not welcome are Chernobyl-related issues, since the government claims that 20 years after the nuclear plant disaster polluted areas are now by and large clean, and it is beginning to repopulate them.

As to reporting on corruption, every now and then journalists and editors are approached by law enforcement trying to sell compromising materials of local officials, panelists said. Albeit "very interesting," that is too dangerous a source, they added.

Although Belarus boasted some economic growth in 2006 and salaries rose compared with previous years, journalism is poorly paid. In most independent newspapers, reporters earn only $100–150 a month, similar to agriculture workers, the country's lowest-paid profession. Journalists at stronger

independent publications earned up to $400 a month, still some 30 percent less than their counterparts from the state-controlled media. Leading government-owned titles and broadcasters, like *Sovietskaya Belorussia* or TV News Agency of Belarusian State Television and Radio Company, are more generous.

Some outflow of journalists to other professions and also to state-controlled media continues. Those who stay usually work freelance or part-time for other media outlets. As a result, the quality and exclusivity of reporting suffers.

Panelists agreed that there is some selling of stories or positive coverage, mostly to businesses, and in the form of hidden advertisements and endorsements. Sometimes, this is done to comply with the law that limits advertising to 30 percent of a newspaper's content. Sometimes businesses are afraid to openly purchase advertising from independent titles.

The market for political advertising shrank further, since at least three independent titles were forced to stop publication in 2006. Still, there remained newspapers willing to sell stories to politicians. "There is little corruption here; hence, there is no market, neither political nor economic. There is no need, no demand, and therefore no supply," a panelist said.

Quantitatively, the ratio of information to entertainment programming is high, especially by Western standards. Yet the quality of news—a strange mixture of show and propaganda—remains low.

On the technical side, Belarus independent media have some capacity but still lag far behind Western counterparts. At most newspapers, reporters still have to share computers. Newsrooms are desperate for digital cameras, sound recorders, graphic stations, laptops, and cheaper and faster Internet. One panelist noted that technical standards have skyrocketed during the previous years, while technical facilities largely remained the same. "I'm sure what's being used [by independent media] is not just used efficiently, yet extremely efficiently," he added.

Another panelist mentioned that state inspectors are beginning to inquire whether the software used by media outlets is licensed. The International Intellectual Property Alliance says Belarus piracy rates are "very high." Although no country-specific data are available, these rates may compare to Ukraine, which is reported to pirate 92 percent of its software. The issue might grow very pressing for independent media should the government choose to more actively enforce copyright laws. However, the panelist said, the situation at state media is not very different.

For television, which heavily relies on technology, things are even worse. Most independent broadcasters used to have a single camcorder (at best two) for both studio and field reporting. According to a panelist, the television stations haven't been purchasing much equipment recently—only computers. The television equipment, like camcorders, mixers, and editing stations, is being repaired and refurbished. His forecast is that these will not survive two more years of use.

All in all, stories are not objective. "Government-owned media are pushing state ideology; their non-state counterparts are either doing the same or just drawing a negative picture," a panelist said.

By contrast, the government is providing more state funds on the media it controls. In 2006, it spent $704,225 on computers and photo equipment for state media, while local government-owned newspapers received $354,000 to purchase computers, cameras, and vehicles.

Some relatively high-quality niche reporting exists at some national newspapers. Regional newspapers are also working to provide specialized reporting, which is not typical of state media, even the bigger national dailies.

Although most reporters and editors at independent media had received specialized training from international media-assistance organizations and were professionally prepared to offer that kind of reporting, panelists noted that there was a big problem of finding experts willing to speak on subjects covered and, far more difficult, able to put their expertise into simple words.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Belarus Objective Score: 0.67/4.00

This objective has earned a score of 0.67, compared with 0.54 for 2005, mostly because Internet use was growing and getting more affordable and the government was not very restrictive as to international news sources. There also has been an increase in independent radio broadcasting in Belarus, positively assessed by experts.

There is some plurality of news sources, panelists agreed, yet there is very little plurality of viewpoints, especially in the easily available media. For Belarusians, television has been and still is the main source of news. State-owned television networks Channel One and ONT cover the entire country, and one more—STV, originally a Minsk-based television channel—also went regional. However, they speak with a single voice, and are, as one of the panelists put it, "weapons

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of mass destruction rather than mass media." There is a network of 17 privately owned regional broadcasters with very little of their own programming that panelists said provide hardly any relief.

Two Russian channels, RTR and NTV, are available through most of the country, at least in urban areas, but are broadcast and technically controlled by Belarus state television networks.

To be aired or broadcast on cable, foreign media need express permission from the Ministry of Information, which has already ousted Polish and Ukrainian channels from cable, a more harmful move than to ban Western channels like BBC or CNN. The former were much more popular, since there were hardly any language obstacles and audiences took more interest in the neighboring countries' affairs than those of the rest of the world.

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.

Cable networks are available solely in urban areas and are quite affordable. There are 121 cable operators in Belarus, of which 97 are privately owned. In some areas not reached by television at all, there has been growth in the use of satellite television. According to panelists, 450,000 households have access to that, and they mostly watch free-to-air Russian and Ukrainian channels.

Panelists recalled only one count of authorities trying to restrict access to satellite television, that being in the northwestern town of Lida, in November 2006. Housing authorities ordered removal of unauthorized—apparently meaning all, since there is no regulation to register the dish with the local government—satellite dishes. Local officials inventoried all the dishes and threatened fines unless they were dismantled. By early 2007, it was unclear whether that was an attempt by the government to restrict access to satellite television with the opposition expected to start an independent satellite channel at some point in 2007.

In radio, state-owned media also dominate: 134 of 151 radio channels are state-owned, with the government covering the country with a cable network known as *radiotochka*. Only 30 radio stations broadcast on FM, including 15 in the capital, Minsk. Under threat of losing their licenses, FM stations stopped broadcasting independent news several years ago. An order two years ago to air 75 percent Belarusian music further undermined them.

Given the vacuum in the country, MSI panelists spoke positively of radio broadcasters based outside the country, listing Radio Liberty (RFE/RL), Radio Racyja, Deutsche Welle, and European Radio for Belarus (ERB). The latter, funded by the European Union and other donors, started broadcasting from neighboring Poland in February 2006. Though donor-funded, these radios were referred to as domestic rather than foreign because their programming is produced by Belarusian journalists. They offer independent news and some music content, but their reach is limited largely to the west of the country because they broadcast mostly on short and medium waves with quality often so low that it is hardly audible. Separately, these stations are offering news via their websites, including Internet broadcasting. ERB is also available via satellite and on FM in the west of the country from Poland and southwest from Ukraine. Still, according to opinion polls, they reach barely 5 percent of Belarusians. There were no reports that those stations were jammed, and panelists doubted they would be.

The newspaper market is dominated by the state press, which has a share of at least 80 to 85 percent, panelists said. The government subsidizes these outlets' rent, subscription, printing, postage, and distribution.

Throughout 2006, the total one-off print run of local state-owned newspapers increased from 867,000 to 887,000 copies, including a build-up of 20,000 subscribers to 761,000 against 741,000 a year earlier. Furthermore, 50 regional state-owned newspapers added pages and went color.

Banned from state-owned distribution and subscription networks, independent titles have seen a slump in circulation by some 30 percent on average. Some suspended printing altogether: the national daily *BDG. Delovaya Gazeta* and the regional weekly *Himik,* based in Novopolotsk in the north of the country. These chose to move fully online because their resources were depleted by falling revenues. One more newspaper, *Zhoda,* was suspended by the Ministry of Information and later closed by a court after the weekly carried the Danish cartoons of the prophet Mohammed that outraged so many Muslims around the world. Panelists said they believed that case was an excuse to silence the newspaper, which had long been very critical of the Lukashenko regime.

Extra pressure was put on the market by advertising papers in some cities, including Baranovichi, Brest, and Molodechno. These publications, distributed for free, were offering classified ads and, more important, television listings. On average, 30 percent of readers are buying newspapers because of television listings, a panelist noted.

Affordability was not much of a problem for independent press, experts argued. Rather, they said, because of the restricted access, fewer readers were willing to overcome obstacles to get their papers.

Some increase in the use of the Internet was recorded. Opinion polls said that at least 1.6 million Belarusians were online, but mostly for entertainment, with only 12 percent using the Internet to read political news. Although decreasing, Internet fees are too high even compared with neighboring countries. However, non-password dial-up is available from state communications monopoly Beltelecom almost everywhere in the country. Broadband is becoming more available, yet not widely affordable.

Panelists recalled that there were attempts to restrict access to independent news sites during the election period. Most were just blocked, they said, but in some cases more sophisticated techniques, such as traffic shaping (bandwidth prioritizing and limiting), were used. Users proficient enough with IT to use proxies or other means to circumvent those restrictions are too few to count, said a panelist, an online editor. Either way, all outbound Internet traffic is controlled by the state via Beltelecom. Satellite uplink transmissions are banned.

Media ownership is apparently transparent, but there are cases where real owners may not be known—though, panelists noted, the public does not seem to care. "At least, by just looking at a newspaper you can always tell whether it's state-owned or not and what's inside," a panelist said.

Some panelists argued that other, nontraditional formats should be used. Political documentaries are already being circulated on CDs, just like the youth multimedia magazine *CD-MAG*. With the price of a blank CD already being two-thirds of that of a newspaper copy and given all the restrictions related to printing and distribution, it is an alternative at least worth considering, said a panelist, an independent editor.

There are no "public" media in the Western sense, panelists said. There are independent media that are objective to varying degrees and state media that are used mostly for propaganda and offer no alternative viewpoints.

BelaPAN was named the most professional domestic news agency, and by and large the only independent one. Its services are widely used by independent media, and the only obstacle here is affordability. Domestic broadcasters, both independent and state-owned, were banned from using BelaPAN in 2003 and have relied on the state news agency BelTA ever since.

There are also two Russian-owned agencies—Prime-TASS, which is more or less unbiased, and Interfax-Zapad, which engages in propaganda duels with the government, a panelist said.

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Apart from the state, media ownership is not concentrated. However, conglomerates are likely to emerge in the future. Despite generous subsidies and repressions against their independent counterparts, many state-owned newspapers are not even breaking even. The government was said to plan merging inefficient newspapers or, as is done elsewhere across the highly controlled economy, to "attach" loss-making companies to more efficient ones. The information ministry

"suggested" that *Sovietskaya Belorussia,* published by the Lukashenko administration, should be responsible for state propaganda abroad. The newspaper has been a publisher of *Soyuz* (a newspaper insert on the Belarus/Russia union state distributed in Belarus and Russia) and the *Minsk Times* (an English-language weekly). In 2007, it will take over *Holas Radzimy,* a newspaper for ethnic Belarusians living abroad.

There is some presence of Russian business: ProfMedia owns the popular daily *Komsomolskaya Pravda v Belorussii* and has a stake in analytical weekly *BelGazeta.* However, as of December 2006, it was going to sell *Komsomolskaya Pravda,* published in Russia and some other former Soviet republics, most likely to Russian gas monopoly Gazprom. Two more mass-circulation Russian newspapers, weeklies *Argumenty i Fakty* and *Trud,* publish their Belarusian local editions.

There are some minority-language newspapers, most notably in Polish. However, they are insignificant. All in all, minority issues—ethnic, religious, or social—are marginalized and do not get very much public interest, with the media following suit.

OBJECTIVE 4: BUSINESS MANAGEMENT

Belarus Objective Score: 0.78/4.00

On the business side, Belarus media outlets are similarly victimized by the government via its direct ownership and control of distribution and printing facilities, numerous legal and economic restrictions, and direct harassment of media outlets and advertisers. These conditions make it all but impossible for non-state media to operate as efficient, profitable, and transparent business, panelists agreed.

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.

Nonetheless, the experts gave a higher score for this objective: 0.98, compared with 0.69 for 2005. They attributed the growth mostly to Indicator 5—"Independent media do not receive government subsidies"—which was seen as a positive aspect given the degree of antagonism between the government and the independent media.

State-owned media are both being heavily funded and having the media landscape cleansed of their independent rivals. Even so, many government-controlled newspapers with artificially inflated print runs and unsold copies of around 30 percent are finding it very hard to break even. The government was said to have ordered them to come up with business plans and adopt more feasible business models, panelists reported.

All Belarus printing houses are either owned or directly controlled by the state, namely by the Ministry of Information, which also is the media regulating authority. Although the government has invested millions of dollars to purchase new presses, the quality remains low, even at the biggest printers. "Dom Pechaty [Belarus's biggest newspaper printer, based in Minsk] stopped printing non-color papers, yet didn't learn how to produce full-color ones. Every time the supposedly same color looks different on paper. That speaks for itself," a panelist said. The panelist contended that both printing and distribution are inefficient and unprofessional, yet still make profits because of high fees. In 2006, Belarus's printing houses produced 307.7 million copies of newspapers, a 6.5 percent increase from 2005.

Some independent newspapers were unable to find a printer in Belarus and had to go to Smolensk, in western Russia. These included the largest opposition weekly, *Narodnaya Volya,* the leading analytical weekly *BDG. Delovaya Gazeta* (before it suspended print publication shortly after the March 2006 presidential election), and the weekly *Tovarishch,* published by the oppositional Communist Party of Belarus.

Similarly to previous years, distribution remained a sore point for independent media. In 2003, the government introduced licensing of press distribution, thus totally monopolizing an already highly regulated sector. Since then, the Ministry of Posts and Telecommunications has issued 53 press distribution licenses; however, no significant alternative distribution networks emerged, and the press distribution is largely divided between Belsoyuzpechat (a nationwide network operating 1,350 newspaper kiosks) and Belpochta, the state postal service that covers subscriptions and also offers some retail sales via post offices.

Unlike during previous years, Belsoyuzpechat made a profit in 2006, with annual sales of around $83 million, a 24 percent increase from 2005, reports said. Approximately 55 percent of the annual cash flow was generated by press sales. Foreign titles (mostly Russian magazines and journals with very few news publications) account for only 10 percent of sales; the remaining 90 percent are Belarusian.

In 2006, the total one-off subscription circulation was 5 million copies, Belpochta reported. Around 5,000 Russian titles are offered on subscription, yet their individual sales are marginal. All in all, 93 percent of subscription sales were generated by Belarusian press.

Some regional publishers operated their own house-to-house delivery systems and relied on privately owned shops to sell their newspapers.

For broadcasters, all transmitters—even if initially purchased by the broadcaster itself—are to be owned by the government.

The sources of revenue for media outlets are varied, yet they are not contributing to more professional, responsible, and sustainable media, MSI panelists said. Using their subsidized status, the state media are distorting the market by offering lower sales prices and advertising rates. Advertising in non-state media is only 5 percent tax-deductible, but fully deductible in government-owned media. In addition, the law limits advertising in non-state general news publications to less than 30 percent of content. Separately, the government forbids state-owned companies—and more frequently, private businesses—from advertising in independent media. Local media complained that government's harassment of small and medium-sized businesses has further depleted their revenues.

As a result, in order to survive independent media must rely on other, often very unsustainable sources, including foreign donors, and must sell stories and favorable coverage to businesses and politicians. Not infrequently, media shy away from criticism of prominent advertisers, such as mobile telephone operators.

Barring some exceptions, Internet media are almost 100 percent donor-funded, which makes them very vulnerable to pressure from a variety of sources. Independent broadcasters, in their turn, rely solely on advertising.

In 2006, the Belarus advertising market totaled $50 million annually, with $20 million spent on television ads, $10 million on press, and $8 million on outdoor advertising. Internet advertising was worth up to $1.5 million. The top five advertisers were big multinational corporations—Procter & Gamble, Reckitt Benckiser, Unilever, Colgate-Palmolive, and Nestlé. Very little of their business reached independent media, since advertising agencies were more willing to work with television channels that reached larger audiences. On average, media buyers account for 5–7 percent of advertising in regional press, a panelist said. So far, these media find that their mainstays have been local, privately owned businesses. Still, he added, agencies and national advertisers have gone regional, and those towns closer to Minsk, including Bobruisk, Borisov, and Molodechno, have seen more money coming from agencies.

Although the government has invested millions of dollars to purchase new presses, the quality remains low, even at the biggest printers. "Dom Pechaty [Belarus's biggest newspaper printer, based in Minsk] stopped printing non-color papers, yet didn't learn how to produce full-color ones. Every time the supposedly same color looks different on paper. That speaks for itself," a panelist said.

The share of advertising revenue for media is too low, panelists agreed. Belarus is lagging far behind Nordic countries and, lately, Ukraine, where 80–90 percent of revenue is generated by advertising. Furthermore, independent Belarusian publishers have to subsidize distribution with advertising revenues.

Given the degree of hostility, independent media are not receiving subsidies from the government. It should be noted that with the score for this indicator higher than in previous years, the overall objective rate was skewed upward.

There are market-research companies in Belarus. However, unless subsidized by international assistance organizations, their services are prohibitively expensive for independent media. Some non-state media have developed their in-house research efforts, albeit less sophisticated efforts such as questionnaires and phone polls. Alternatively, state-owned media and some independent ones stridently critical of the government tend to decide by themselves what their audiences want. The Lukashenko administration was rumored to have directly assigned individualized "specializations" to five leading state-owned newspapers.

Some professional research is being done, mostly by Novak, a major market- and opinion-research company, to benefit big international companies and advertising agencies. These are the only ones that can afford regular broadcast ratings, also produced by Novak. In 2006, the Institute for Sociology at the

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National Academy of Sciences launched use of PeopleMeters to produce television ratings. However, a subscription was so expensive and data of audiences so generalized that even the richest of advertisers chose to stick to Novak, which is still using a diary panel, panelists said.

Circulation figures remain suspect in Belarus. Independent media show real print runs because the printers have long been under pressure from the government and are still vetted, but panelists said state-owned ones tend to show inflated figures. There are no independent audit circulations firms operating in Belarus.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Belarus Objective Score: 0.81/4.00

Given the degree of repression any dissenting voices face, media-support institutions remain weak. The minimal increase for this objective—from 0.72 in 2005 to 0.80—resulted from higher scores given to professional associations, primarily the BAJ, that are working to protect journalists' rights.

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.

Among trade groups, an association of independent regional publishers, the Foundation for the Local Press Development, closed down altogether in 2006. A similar organization of local television broadcasters, Television Broadcasting Network (TBN), and cable operators, BANT, remained underdeveloped and ineffective at protecting their members against the government.

Panelists spoke highly of the BAJ, which unites around 1,000 (and growing) independent journalists and works to protect their rights via legal advice and defense, professional development, and publicity. However, its possibilities are limited and its resources stretched, and it has to fight for its own survival, which further hampers its ability to protect journalists. One of the panelists said it was not good that the BAJ brings together both publishers and journalists but rather that it "should be protecting my journalists against me and act more like a trade union."

Human-rights groups, such as Viasna, Charter 97, and the Belarusian Helsinki Committee (BHC), among other things monitor violations of media freedoms and make them public. However, in 2006 only BHC remained legally registered, and there were attempts by the government to close it down over alleged tax violations.

There are no domestic institutions offering high-quality journalism courses. Belarus State University in Minsk and other schools in Gomel, Grodno, and Vitebsk are offering Soviet-style degree programs with little or no practice-oriented training. A panelist said some of his younger journalists were turning propagandists with rigid thinking and lots of ready-made clichés just a year after they joined the journalism school, and despite having been trained in Western reporting standards before that.

There are degree programs abroad, most notably a journalism school at the European Humanities University in Vilnius and the Kalinouski program in Poland, both funded by international donor organizations and foreign governments. However, these are newly established opportunities (2005 and 2006, respectively), and it was too early for panelists to judge whether they will be offering high-quality journalism training. Furthermore, panelists argued, the graduates might find it impossible to apply locally the knowledge and experience they have gained abroad.

Short-term courses and in-service training are more readily available to journalists from both independent and state-owned media. The latter, however, shun even the most innocuous opportunities, such as trainings in the use

of the Internet, for fear of repressions because in most cases they are being offered and funded by international media-assistance agencies. Increasingly often these programs are held abroad, which understaffed media outlets find very time-consuming, panelists said. The applicability of experience gained abroad was another concern, with panelists saying that such trainings tend to pay attention to the problems of journalistic ethics and other "general issues" and fail to concentrate on practical journalism, especially Belarus-specific. Most needed are further training programs for experienced journalists and editors, "survival courses" for young journalists, and trainings in photojournalism and the use of new technologies, panelists said.

Printing and distribution, as noted relative to media business-management issues, are mostly owned or at least controlled by the government. State-owned distribution structures that dominate the market were de-listed from the register of monopolies and thus cannot be legally challenged over distribution bans. Even privately owned facilities are growing increasingly selective as to printing and distributing non-state press.

The government also directly controls the Internet, and although interference was not very significant, panelists said it puts some pressure onto the medium, not least of all through the high fees it charges service providers and users.

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In a discussion about whether media distribution channels were apolitical and unrestricted, a panelist said: "Except for the Internet, zeroes are everywhere (on the MSI indicators). And there could be some 'temporary misunderstanding' here [with the Internet], to be 'corrected' soon."

Panel Participants

As noted above, the MSI panelists for Belarus agreed to participate only if they were not named publicly in order to avoid criminal prosecution.

On the whole, the MSI panelists agreed, principles of freedom of expression and media independence are mimicked rather than observed. Although two governmental newspapers have been privatized, they continue receiving governmental subsidies and benefits.

Photo courtesy of Steven Knowlton

MOLDOVA

OVERALL SCORE: **1.48**

Moldova had a difficult 2006, pressured economically by Russia in response to the country's stated reorientation toward European integration, solidarity with the "color revolutions" in Ukraine and Georgia, and the government's assertions that Russia should withdraw its troops from the separatist region of Transnistria. Moldova was hit hardest by the ban on its main export, wine, about 70 percent of which targets the Russian market. At the same time, Moldova had to live up to its commitments to democratization and economic reforms included in the Moldova-EU Action Plan, a higher degree of media independence among them.

The embargo on Moldovan exports was lifted after meetings between the Moldovan and Russian presidents that exacted some toll from Moldova. On the democratization front, parliament amended a number of laws, but this measure did not produce major practical changes. The European Commission's Moldova country report identified seven key flaws in the governing Communist Party's approach, including poor implementation of reform strategies, widespread corruption, limited judicial independence, and insufficient media freedom.

A new broadcasting code was adopted in 2006, heralded as a better piece of legislation than previous laws but nevertheless, in the view of the Media Sustainability Index (MSI) panel, formulated so as to allow the authorities to preserve their control over the Broadcasting Coordination Council (BCC) and the public broadcaster Teleradio-Moldova. Through the BCC, the government also controls distribution of licenses and frequencies and is able to harass the stations that are critical of conditions in Moldova, according to the MSI panel. The code also features a new version of provisions regulating the public broadcaster, allowing the closure of the Chisinau City stations Antena C and Euro TV Chisinau, which provided airtime to the opposition and other views critical of the governing party and its political partner, the Christian-Democratic Popular Party (PPCD).

On the whole, the MSI panelists agreed, principles of freedom of expression and media independence are mimicked rather than observed. Although two governmental newspapers have been privatized, they continue receiving governmental subsidies and benefits. Subsidies also are paid to district newspapers published by local administrations, which creates unfair competition for independent local newspapers.

In spite of some development of the advertising market, media businesses are still unattractive to investors, whether domestic or foreign. Media are more often than not motivated politically and funded by sources that do not see their investment as one in media as a business. Under these circumstances, journalist partisanship and self-censorship are widespread. There have been timid attempts to create a journalists' trade union, but they failed. Journalists continue being divided along ideological lines.

MOLDOVA AT A GLANCE

GENERAL

> **Population:** 3,968,071 (October 2004 census) www.statistica.md/recensamint/Date_prel_Recens_din2004.doc

> **Capital city:** Chisinau

> **Ethnic groups (% of population):** Moldovan/Romanian 78.2%, Ukrainian 8.4%, Russian 5.8%, Gagauz 4.4%, Bulgarian 1.9, other 1.3% (without the Transnistria region and city of Bender) (October 2004 census, www.statistica.md)

> **Religions (% of population):** Eastern Orthodox 93.3% (October 2004 census, www.statistica.md), Baptist, Adventist, Catholic, Jewish, and other communities.

> **Languages (% of population):** Romanian (official), Russian, Ukrainian, Gagauz (a Turkish dialect), Bulgarian, others

> **GNI (2006-Atlas):** 3.744 billion (Excluding Transnistria; World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $2,880 (World Bank Development Indicators, 2007)

> **Literacy rate:** adult male 95%, adult female 81.3% (2000 est., World Bank)

> **President or top authority:** Vladimir Voronin, president

MEDIA-SPECIFIC

> **Number of print outlets, radio stations, television stations:** Print media: According to the Moldpresa catalog (www.moldpresa.md), there are three "dailies" (two of which published five times per week on weekdays, and one four times), two semi-weeklies, and 22 national weeklies, all in Romanian; in Russian there are four dailies (one of which published from Moscow), two semi-weeklies, and 18 weeklies. In Transnistria there are nine newspapers, one of which published five times a week, another one three times, and the others weeklies; one weekly is published in Romania (in Cyrillic) for dsitribution in Moldova. Additionally there are about 40 district and regional publications. **Radio/TV:** According to the Broadcasting Coordination Council, in December 2006 in Moldova there were 38 over-the-air television stations and 45 radio stations (one radio station broadcast by wire). There are 156 cable operators and 10 MMDS (wireless cable) operators, covering practically all of Moldova (www.cca.md).

> **Newspaper circulation statistics:** total circulation: N/A, largest newspaper: *Flux*

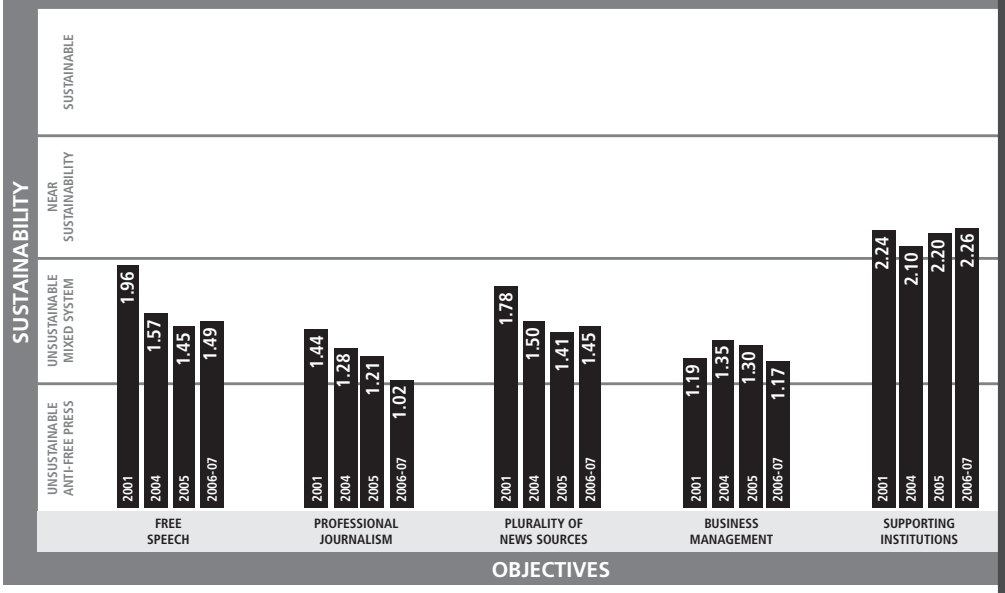
> **Broadcast ratings:** Top three television stations: TV Moldova 1, Pervîi kanal v Moldove, TVR

> **News agencies:** Infotag, BASA-press, Reporter.md, Moldpres, Info-prim Neo, InfoMarket, Deca-press

> **Annual advertising revenue in media sector:** N/A

> **Internet usage:** 9.6% (2005, World Bank)

MEDIA SUSTAINABILITY INDEX: **MOLDOVA**



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.

Moldavians do have access to various radio and television stations, including foreign broadcasters and the Internet. The only limitation is their ability to pay for access and their geographical location, especially in rural areas, where the choice of media is small and newspapers arrive with delays.

Overall, the MSI assessment found that despite some progress in the field of media legislation, the general situation has slightly deteriorated.

OBJECTIVE 1: FREE SPEECH

Moldova Objective Score: 1.49/4.00

The majority of MSI panel members saw 2006 bringing positive changes in media law but said that overall the situation deteriorated instead of improving. This refers especially to the new Broadcasting Code. In spite of active involvement by political forces and civil society and pressure from international organizations such as the Council of Europe, the new code was formulated so as to allow the governing coalition to preserve its control over the Broadcasting Coordiantion Council and the public broadcaster Teleradio-Moldova. Moreover, the new code helped the Communist Party and the Christian-Democratic Popular Party take over the Chisinau City stations Antena C and Euro TV Chisinau, whose editorial policies were independent from the government's interests. The MSI panelists ranked Modolva at 1.49 for this objective, compared with 1.45 the year prior.

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.

"Formally the Broadcasting Code is a step forward, as it contains improvements on the previous law," said panelist Anatol Golea, TV7 director. "Laws in Moldova are generally good enough for positive reports to the Council of Europe. The problem is with their enforcement, and the same is true of the new code." He said the situation at Antena C and Euro TV is a case in point regarding enforcement and that the BCC members and the code itself reflect the current political current, with changes likely when parliament's political makeup changes.

A number of media nongovernmental organizations (NGOs), including the Independent Journalism Center, Association of Independent Press, Association of Electronic Press APEL, Acces-Info Center, Media Impact Agency, Journalists' Union of Moldova, and the Press Freedom Committee, expressed their "dismay at the manner in which the city stations Antena C and Euro TV Chisinau [were] reorganized. The actions of the city authorities and the Broadcasting Coordination Council compromise[d] the enforcement of the new Broadcasting Code." Managers of the two stations were dismissed on December 14, 2006, and Antena C suddenly stopped broadcasting the afternoon of December 15. The media NGOs called the forced evacuation of journalists from the premises and sealing off of the station "coercive and antidemocratic measures, which contradict the spirit and letter of Moldova's Constitution guaranteeing the freedom of expression and the media."

The reasons referred to by the authorities—technical problems with the transmitter, a bomb threat at the radio station's offices—and the period they chose for the actions are reminiscent of other attempts to silence the media, including during protests by journalists in front of Teleradio-Moldova in the summer of 2004. Igor Botan, director of the Association for Participatory Democracy ADEPT, said the "scandal was triggered by an attempt to use new legal provisions in order to settle older political accounts." According to "e-democracy" records, the majority communist fraction in the Chisinau City Council threatened the Antena C and Euro TV Chisinau managers with dismissal if they continued to air programs "full of propaganda and accusations against the Russian nation and the Soviet Army."

Dmitri Kalak, member of the editorial board of *Ekonomicheskoe Obozrenie,* said, "No law is perfect, and so their enforcement cannot be perfect, either. The municipal media are 'pocket' media, and therefore the focus should be on the way in which they are to be privatized and turned into independent media." Petru Macovei, Association of Independent Press director, countered, supported by other MSI participants, saying that the Moldova Communists' Party (PCRM) and Christian-Democratic Popular Party (PPCD) "are

The institution of spokesperson is almost nonexistent. "You call a civil servant, and he sends you to the press service, and the latter tells you he needs to ask the civil servant and you should call later. And when you do call later, he is no longer available," says Corneliu Rusnac, a BBC reporter and chairperson of the Press Freedom Committee.

dividing up the pie." "The same happened to BCC, when the candidates who did not have the support of these two parties were rejected," said Vlad Bercu, editor-in-chief of the BASA-press agency.

Elsewhere in the media law, amendments were made to Article 16 of the Civil Code, providing liability for defamation. The article now lists a series of criteria meant to help judges decide on the "reasonable" amount of compensation to be awarded to defamed plaintiffs. The amendment does not set a ceiling on moral damages, although the idea of limiting the amount awarded to plaintiffs enjoys strong support among most media outlets in Moldova, MSI panelists noted.

Moldovan law provides that international treaties on human rights to which the country is party, including that of the European Court for Human Rights, must have precedence when domestic legislation contradicts international norms. But things work somewhat differently in reality. Defamation lawsuits still plague journalists, especially given that Article 16 of the Civil Code has not been brought in line with European standards and judges often fail to apply international treaty provisions simply because they are not aware of them. Although the European Court's jurisprudence states that judges must take into consideration the journalists' good faith and the scope of reasearch they did, in practice judges ignore this and punish journalists regardless when the latter fail to prove fully the truthfullness of their statements.

MSI panelist Olivia Partac, a lawyer with the Independent Journalism Center, said, "The cases that Moldova lost at the European Court have a positive impact. However, the solutions offered by judicial practice take a long time to evolve, and therefore it is the legal framework which needs to be improved." Partac referred to the case of *Julieta Savitchi vs. Moldova*. Julieta Savitchi, a reporter at BASA-press news agency, won a case against the Moldovan state at the European Court of Human Rights (ECHR) in October 12, 2005. Savitchi accused the country's authorities of violating her right to freedom of expression after she was ordered to pay a fine for having published an exposé about the activities of the traffic police in the Moldovan capital, Chisinau. Moldovan courts had found her guilty of libel. The ECHR ruled in favor of Savitchi and ordered the Moldovan authorities to pay her 3,000 euros in compensation for moral damages, as well as 1,500 euros to cover legal costs. This is the second case won by a Moldovan journalist against the country's authorities at the ECHR. In 2004, the ECHR ruled in favor of journalist Valeriu Busuioc, who also had been found guilty of libel.

Panelists also noted that Article 304 of the Criminal Code is not in line with European requirements, as it provides "a fine from 200 to 500 conventional units or 180 to 240 hours of unpaid community work, or imprisonment of up to two years" for "libel against a judge or a criminal investigator or a person contributing to justice, accompanied by allegations of a severe, extremely severe, or exceptionally severe crime, in relation to the trial of cases in court." In addition, the Administrative Code provides for arrest for up to 30 days for libel and verbal abuse.

Concerning licensing, MSI participants saw positive aspects of the new Broadcasting Code: clearer criteria and fewer documents required when applying for a broadcast license; extension of the validity term of licenses from three to seven years for radio stations and from five to seven years for television stations; the possibility to extend the broadcast license upon the holder's request if the holder observes the legislation in force and the requirements of the license; and the possibility of transmitting the license to a third party if the latter takes on all the obligations under the license. However, the improvements in the new code will become reality only if BCC acts as a politically independent institution, MSI panelists said. "Unfortunately, in the cases of Antena C and Euro TV Chisinau, BCC supported the interests of PCRM and PPCD and acted as their lever," said Nicolae Negru, editor-in-chief of *Mass Media in the Republic of Moldova*.

The MSI panelists said they believe that censorship is still present at the public company Teleradio-Moldova. Most often it takes the shape of "suggestions" not to include in programs unwanted individuals or events unfavorable to the current government, the said "Every young journalist going to work for the public TV starts to censor him/herself on day one. If you are unable to censor yourself, you have to go," journalist Corina Boaghe said in *Timpul* on November 2006. "For example, I made a program about the Romanian language for non-Romanian speakers. They refused to run it because, they said, it could trigger a war in Transnistria. In another program I spoke about the cultural communities existing in Moldova. This program was not aired, either." The European Court for Human Rights has taken under review the

case *Larisa Manole et al. vs. Moldova,* in which the plaintiffs want Moldova to recognize that it violated the freedom of expression by introducing censorship at Teleradio-Moldova.

Starting up a media business and the associated costs are identical to other business areas. The tax code allows value-added tax (VAT) exemptions for books and periodicals. However, in the summer of 2006, given the flaws in the tax law that leave room for legal interpretation, the tax authorities found *Jurnal de Chisinau* guilty of failing to pay 350,675 lei ($28,144) in VAT in 2004 and 2005. It was ruled that the newspaper had to pay the tax plus penalties and fines for a total of 630,156 MD lei (about $50,600). *Jurnal de Chisinau* appealed the decision by saying that this was a political order aimed at terminating the paper.

Financial subsidies are provided to state-owned media, and advertising placed by state institutions and public companies is channeled to the state-owned media, too. Also widely spread is the practice of using public money to buy subscriptions to papers that are loyal to the government. Some business leaders do not buy advertising in independent newspapers lest they upset the government. But they may be susceptible to pressure to advertise as directed by authorities, including with the public broadcaster, one panelist said.

Kalak, editorial board member with the weekly *Ekonomicheskoe Obozrenie,* described this as "not the authorities' problem but the media's problem, because all the media are divided and are seen as being tied to certain political figures. This is why some businesspeople are afraid that their business may become tied to politics. Even if the powers-that-be should change, the media situation will not." Golea believes that there is also a problem with the "freedom of business, since when a business buys advertising it is considered to be rich, and so the authorities send in the financial controls. Even if you do everything legally, they will always find a reason for another check. This is why unless a businessperson needs an urgent advertising campaign, they prefer not to advertise, even if they have money and advertising might be good for their business."

Following a number of programs criticizing the Interior Minister broadcast in September 2006, the authorities started harassing and discrediting ProTV, a Chisinau private station. A ProTV employee was arrested after allegations of bribery, and the station's offices were searched. Media-support groups, opposition parties, and some international organizations reacted to what they said were abuses by the authorities. Another form of media intimidation is sudden checks by various government inspectors, panelists said. In September 2006, the economic police started verifying all the business documents of the Balti newspaper *SP,* under the pretext that an *SP* employee failed to account for 54 lei (about $4) after selling classified advertising space to three individuals.

The authorities tend to ignore any link between an assault and a person working as a journalist and fail to persevere in the investigation, panelists said, citing the 2006 attack on sports journalist Ion Robu.

The Access to Information Law passed six years ago formally allows any individual residing legally in Moldova to request any information or document from public authorities or institutions, without having to give a reason. In practice, however, it is difficult to request information. The MSI participants agreed that despite good laws, bureaucratic barriers continue to hamper access to information, and they are getting worse. State institutions are as closed as they were six years ago, panelists said, and some, such as the Ministry of Industry and the Ministry of Finance, do not have press offices. The institution of spokesperson is almost nonexistent. "You call a civil servant, and he sends you to the press service, and the latter tells you he needs to ask the civil servant and you should call later. And when you do call later, he is no longer available," says Corneliu Rusnac, a BBC reporter and chairperson of the Press Freedom Committee. Kalak added, "Press services have become barriers preventing journalists from accessing information, a sort of shield to protect the civil servants." In the provinces, the situation is even worse. Vasile Spinei, Acces-Info Center director, said that in spite of the Access to Information Law, which is in line with European norms, information is provided selectively and mostly to journalists who are loyal to the authorities. Some journalists are invited to press conferences held by high officials, while others are not, the panelists said.

The MSI panel noted that there were also positive developments regarding this objective during 2006. After a lawsuit spanning more than two years, the Supreme Court of Justice ruled that the General Prosecutor's Office (GPO) needed to disclose the names of the prosecutors who had pocketed allowances awarded to them illegally. The justices, whose decision is final, ruled in favor of the Center for Investigative Journalism, which had sued the GPO when the latter refused to issue to the Center a number of documents on the allowances. The government also endorsed a law on transparency in decision making, developed by Acces-Info and other NGOs, and the bill thus became a legislative initiative.

The state imposes no barriers to media's access to international news and sources of information, with the cost of buying them the only limitation. Anyone can become a journalist, and there are no licensing or other requirements. Journalists are not entitled to any special privileges or social rights.

Journalist accreditation in Moldova is required by the 1994 Press Law. The law specifies that "publications and news agencies can accredit journalists, according to the prescribed procedure, to public authorities as well as to cultural and sports events." The ambiguous provision "according to the prescribed procedure" led to institutions developing their own requirements, some of which were never made public and resulted in denial of accreditation. In 2006, Cornelia Cozonac of the Center for Investigative Journalism successfully sued the GPO when it denied her accreditation, but few journalists in similar situations go to court.

Foreign journalists in Moldova are accredited by the Foreign Ministry in accordance with regulations approved by the government in 1995. There are several ambiguous provisions in the regulations, but no cases of abuse are known so far.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Moldova Objective Score: 1.02/4.00

Most MSI panelists said they believe that the quality of journalism in Modova is not improving, largely because the economic circumstances of journalists are not improving, either. Accurate, objective, multiple-source reporting remains the exception rather than the rule, they said, and journalists are not motivated to produce quality reporting. "Mercenary journalists have more work and are better paid, as they are ready to serve political causes and other various interests," says Petru Macovei, director of the Association of Independent Press. "The situation in journalism is not different from the situation in other professions: there are a small number of well-trained journalists, and many more with average or poor training," said Partac of the Independent Journalism Center. For this reason, the panelists gave this objective a rating of 1.02.

Divisions along political and ideological lines prevent enforcement of the Journalism Ethics Code of Moldova, adopted in May 2000. The code provides that "journalists have the obligation to separate clearly information from opinion and use only information they know is accurate and comes from trustworthy sources; such information ought to be presented in an impartial manner; the journalist must never receive direct or indirect compensations from third parties for publishing certain information or opinions; journalists must respect the individuals' privacy." Violations of the ethics code can be noticed both in public and private media, however, and the same is true of self-censorship, panelists said.

Most agree that there is censorship at the Public Company Teleradio-Moldova, which they said has not changed its editorial policy and remains a propaganda tool of the governing party. There is little coverage of topics such as poverty, emigration, trafficing in women, etc. and few debates on controversial issues. In a review of Moldova's progress in implementing the EU-Moldova Action Plan, the European Commission stated that the transformation of Teleradio-Moldova into a public company was done superficially, according to December reports.

Private radio and television stations tend to be excessively "prudent" in their coverage lest they upset the authorities, panelists said. Kalak, editorial board member of the *Ekonomicheskoe Obozrenie* weekly, said he considers censorship in Moldova to be self-censorship. "There is no external censorship; what happens in reality is that media are given to understand that they should show more loyalty, as the case with ProTV illustrates," says Golea, TV7 director. Bercu, editor-in-chief with BASA-press news agency, says that "there is censorship imposed by media owners."

According to surveys carried out for the Institute for Public Policies, media credibility in Moldova is quite high, lagging only the Orthodox Church. However, credibility has been declining in recent years, with surveys showing drops from 65 percent in December 2005 to 63 percent in April 2006 and 58 percent in November 2006, according to Institute for Public Policy data.

MSI participants put the average salary among print journalists at between US $100–$150 per month and $80–$100 outside Chisinau. Private broadcasters pay on average $300,

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

while the public broadcasters pay $150. Bercu, editor-in-chief with BASA-press, said he believes that "journalists working for the state-owned news agency are better off than journalists in private agencies." Various media-support groups have noted that amid Moldova's increasing inflation, most journalists have to work several jobs in parallel and are under constant stress to find part-time work in order to survive economically.

The majority of MSI panel members saw no positive developments in investigative journalism. "There is no investigation journalism in Moldova," says Kalak, editorial board member with the *Ekonomicheskoe obozrenie* weekly. Not only is sustained, probing reporting costly in a sector that is poor, but also journalists who take on the risk of investigating certain issues do not feel protected. "Investigative journalism is not spread because of high risks: such investigations are not tolerated by their targets, journalists are threatened by various means, and investigations unfortunately have a negligible impact in Moldova," said Partac, a media-law expert at the Independent Journalism Center. *Ziarul de Garda,* an investigative weekly published in Chisinau, distributed an October 2006 statement informing the public, other media outlets, governmental agencies, and diplomatic missions of the pressures to which the newspaper's reporters were subject. Individuals representing various state agencies as well as unknown persons pressure *Ziarul de Garda* reporters, the declaration said, and there were also attempts to influence the paper's editorial policy and corrupt its journalists. "The pressure on journalists intensified when stories about corruption in Moldova's legal system were published," according to the declaration, posted at www.impact.md.

On October 13, 2006, the website of the Center for Journalistic Investigations (www.investigatii.md) was hacked and destroyed, including the archive of stories. The site carried more than a hundred investigations in Romanian and English carried out by the Center in the previous three years, as well as documents and photographs made by journalists during their work.

Most private radio and television stations have their own broadcasting equipment, including transmitters. The Public Company Teleradio-Moldova and a number of private radio stations use the services of the state-owned company Radiocomunicatii. Panelist Ludmila Barba said she believes technical conditions improve only very slowly at Teleradio-Moldova, and "new equipment sometimes sits in warehouses because there are no funds to renovate the premises." Print media also do not have the option to choose a printer with modern presses.

Most agree that there is censorship at the Public Company Teleradio-Moldova, which they said has not changed its editorial policy and remains a propaganda tool of the governing party. There is little coverage of topics such as poverty, emigration, trafficing in women, etc. and few debates on controversial issues.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Moldova Objective Score: 1.45/4.00

MSI panelists also saw little change during 2006 in the plurality of news sources available to the public, with only some areas of Moldova being well served. Rural areas are dominated by the public broadcaster Teleradio-Moldova, which covers the news from the viewpoint of the governing party. "The population living in Chisinau has access to a more or less diverse choice of information sources, said panelist Partac. "In the countryside, however, the access to diverse and pluralist information is limited. This gap could be bridged if people read newspapers. But unfortunately, people in Moldova read very little." Angela Sirbu, Independent Journalism Center director, said "the information sources available on the media market tend to become homogenous, and thus fewer and fewer stations can be heard covering events from angles different from those of the media loyal to the authorities."

In 2006, according to the Moldpresa catalog (www.moldpresa.md), there were three Romanian-language dailies in Moldova (two published five times a week and one four times) and two semi-weeklies as well as 22 national Romanian-language weeklies. In the Russian-language press, there were four dailies (one of which published in Moscow), two semiweeklies, and 18 weeklies. Also in Moldova, there are about 40 district and regional publications, including the Gagauz Autonomy, of which almost half are funded by local public authorities.

In Transnistria there were nine newspapers—of which one was published five times a week, another one three times—and the others were weeklies. There was only one weekly newspaper published in Romanian (in Cyrillic).

In broadcasting, according to data available from the Broadcasting Coordination Council (www.cca.md), there are 38 over-the-air television stations and 44 radio stations. There

are also 156 cable operators and 10 wireless cable operators covering practically all the district towns of Moldova. In villages, cable television is very rare.

Among television stations producing their own output, only the public television channel Moldova 1 covers the entire country. Two private channels, Pervâi Kanal v Moldove and NIT, cover 70 percent of the country but are viewed as loyal to the Communist authorities. The rebroadcasting license for the Russian public channel ORT Pervîi kanal, held by Analitic Media Group for seven years, was withdrawn in November 2005 by the Broadcasting Coordination Council and given to a company called Media Satelit, which is widely believed to be owned by an individual close to the authorities.

Radio Moldova has national coverage, and a few other stations cover about two-thirds of the country. One of them is the Chisinau station Antena C, whose broadcasts were suspended in mid-December due to "technical reasons" when a police squad raided the station, purportedly looking for a bomb. Antena C and Euro TV Chisinau, both owned by Chisinau City, were subject during 2006 to attempts to privatize them to the advantage of the Communist Party and the Christian-Democratic Popular Party, which hold the majority in the Chisinau City Council.

Internet access is unrestricted. According to the director of the Mathematics and Computer Science Institute of the Academy of Sciences, Constantin Gaindric, Internet use in urban areas is about 8–10 percent and falls to 0.5–0.6 percent in villages (Infotag, May 31, 2006).

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 access to domestic and international mass media is limited only by financial circumstances. The BBC, Voice of America, Radio Free Europe, Radio France Internationale, and other channels are broadcast in Moldova on FM frequencies owned by local stations, and on UHF. Over-the-air and cable television operators rebroadcast BBC World, CNN, TV5, RAI, and others, and Moldovan viewers have access to television channels from Romania, Russia, and Ukraine. Western and Romanian press imports are limited due to the high costs. Some Russian newspapers, especially tabloids having local offices in Chisinau, sell many more copies than local Russian-language papers. In 2006, domination of Russian radio stations declined when two Romanian-language stations, resembling the format of Russkoe Radio, emerged on the market.

The year 2006 saw the demise of another private news agency, Flux. Besides the state-owned news agency Moldpres, which covers events from the viewpoint of the governing party, there are also private agencies—BASA-Press, Infotag, Info-Prim Neo, Reporter.md, and Deca-Press. However, not all of them are editorially independent.

The large number of private radio and television stations generally broadcast entertainment, most often produced outside the country, and local news bulletins of three to five minutes each hour based on news-agency feeds. "Entertainment programs are usually as bad as the news programs, and therefore viewers prefer to watch foreign stations," says Spinei, director of Acces-Info Center.

Only four radio stations produce their own newscasts—Radio Moldova, Antena C, Radio Free Europe and BBC, with the latter offering a daily 15-minute current-affairs program focusing on Moldova—and two television stations, Moldova 1 and NIT.

Local news reports in Chisinau are produced by PRO TV, NIT, TV 7, and TV 21. In Balti, Comrat, Cahul, Cimislia, Edinet, and other cities, there are local television and radio stations that produce their own newscasts in Romanian and Russian.

The new Broadcasting Code fails to ensure transparency of ownership and media funding in Moldova, and this information generally is not known. "Unfortunately, when it comes to owners, the public is informed only of general matters, such as 'the founder of the newspaper is X Ltd.,'" said panelist Partac. Panelists said that this lack of transparency allows the governing party to take advantage of its control of the BCC and purchase primate media through intermediaries, including Pervîi kanal v Moldove. "Nobody knows who really owns the privatized newspapers *Moldova Suveran* and *Nezavisimaia Moldova*. The name shown in documents is obviously only a front. One possible reason why independent media are not transparent is that the owners

are afraid of possible harassment," said Spinei, director of Acces-Info Center.

The media of the national minorities face financial difficulties. Although they receive funds from the public budget, most newspapers in the Gagauz Autonomy are published not in the Gagauz minority language but in Russian, since in Soviet times they went through a Russification process. There is still a problem with newspaper distribution and access to national newspapers in the separatist region of Transnistria.

OBJECTIVE 4: BUSINESS MANAGEMENT

Moldova Objective Score: 1.17/4.00

Development of media businesses is slow in Moldova, according to MSI panelists, who ranked the country at 1.17 for this objective. Golea, manager of TV7, said that although the advertising market in Moldova has been developing "more rapidly in recent years, the 'wine crisis' (the Russian ban imposed on Moldovan wine imports) reduced the advertising growth rate under the expected level" in 2006. Panelist Kalak disagreed, saying that the adevrtising market in Moldova is one of the most dynamic in the region. "In the early 1990s, the advertising market was hardly worth US $1 million. Today, the TV advertising market alone exceeds $10 million, growing at a pace of more than 1.5 times every year," said Serghey Starush, general manager of Star Communication Group in BASA-Economic (November 11, 2006). Advertising is distributed unevenly, with more than 50 percent taken in by a handful of television stations, panelists said.

"Advertising is not always spread according to audience or its profile. It is the authorities who influence the way in which advertising is distributed," says Bercu, editor-in-chief with BASA-press. Spinei, Acces-Info Center director, believes that "one severe issue hampering the development of private media is the fact that the authorities channel from the wings the distribution of advertising towards the outlets which are loyal to the authorities. The 'disobedient' businesspeople might get into trouble" through inspections and other threats.

"The independent media covering political issues hardly make ends meet," said Partac. "They receive little advertising, because advertisers tend to be harrassed if they support such media. However, advertising flows freely to publications (stations) which deal with only entertainment and business issues, not bothersome to the authorities." Kalak said, however, that some newpapers do not attract ads, in spite of their high circulation figures, because they are "politically biased."

Macovei says that "the local press shows a barely noticeable trend towards recovery. However, the unfair competition from the publications put out by the local authorities, using public funds, has worsened."

Lack of investments, given the slow economic growth, poverty, local businesspeople's unwillingness to invest in advertising, and poor management practices hamper the development of media as businesses in Moldova, panelists said. Dependence on outside funding and subsidies remained a major problem in 2006, with one of the consequences of this situation the widespread practice of hidden advertising.

The government provides subsidies to the formally privatized media (*Moldova Suveran , Nezavisimaia Moldova*), and they have continued their policy as authorities' image polishers. Independent newspapers receive no subsidies from the public budget. They have to rely most of the time on subscriptions. Some independent newspapers are funded by either political parties or unknown funders.

The small circulation that newspapers can muster retards investment in upgrading of printing facilities. In turn, the poor quality of print keeps away advertisers, who want color options and flawless printing. In Chisinau, newspapers can be printed at only two presses, one of which is owned by the state and the other by a political figure.

Media market research and advertising research have only made their first steps. Examples are the market research commissioned by six newspapers that are members of the Association of Independent Press and the market research conducted by the newspaper *Timpul de dimineţă*.

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.

Audience measurements have been conducted since 2003 by the local offices of such international research agencies as TNS TV Monitoring and AGB Nielsen Media Research. There is no circulation auditing in Moldova. Therefore, the circulations newspapers show, as prescribed by law, are often inaccurate.

The new Broadcasting Code requires that advertising running on foreign channels that are rebroadcast by Moldovan radio and television stations be eliminated or replaced by local advertising. Foreign television stations, such as those from Russia, Romania, and Ukraine, that broadcast over the air to Moldova have instant access to the Moldovan advertising market, too. Some multinationals take advantage of this, being able to sell their products in Moldova without having to pay money for advertising here.

The state holds the monopoly over press distribution in rural areas. Private newspapers reacted strongly to the fact that Posta Moldovei unilaterally increased newspaper distribution tariffs by 15 percent just before the subscription year starting in 2007, forcing newspapers to raise their rates. It is not possible to create private distribution networks because of the financial difficulties newspapers face, panelists agreed. The state owns Moldpresa, the distribution company, as well as one of the two printers in Chisinau, the majority of printers situated in district towns, the Radiocomunicatii company, and the Press House, where the offices of half of Moldova's papers and magazines are located.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Moldova Objective Score: 2.26/4.00

The supporting institutions for the media sector in Moldova include the Journalists' Union of Moldova, the Association of Independent Press (founded in 1997 and representing 17 local and national print outlets published in Romanian and Russian on the left and right banks of the Nistru river, as well as two news agencies and the Independent Journalism Center), and the Association of Electronic Press (founded in 1999 and representing 22 radio and television stations, production companies, and individual professionals). However, the MSI panelists agreed that these groups did not manage to develop a strong sense of solidarity among journalists in 2006. The journalists in fact have drifted even farther apart, panelists said, clinging either to their political loyalties (whether to the authorities or to the opposition) or East/West preferences.

The League of Professional Journalists, founded in 2004 by journalists who left the Journalists' Union of Moldova, exists only on paper. The discussion participants pointed to the failure of the attempt to create a journalists' trade union, which has been talked about for some years. "More than 70 percent of opinion-poll respondents in the last five years believe that a media-workers' trade union is needed," said Bercu, BASA-press editor-in-chief and chairman of the Association of Business Journalists. "This issue had to be settled yesterday or even the day before yesterday. The issue has been raised at the last three conferences held by the Union of Journalists. Even a commission was created. There have been several drafts of the by-laws, the last one dating from autumn 2005, developed by the Association of Business Journalists and Press Freedom Committee as part of a large project funded by the Eurasia Foundation. The idea has plenty of support in principle. But things tend to bog down when it comes to practice."

At the same time, the authorities are trying to mimic cooperation with the civil society, including media NGOs. In a declaration on the latest amendments made to the media legislation dated July 2006, the Association of Independent Press, Journalists' Union of Moldova, Press Freedom Committee, and the Independent Journalism Center expressed their concern with "the formal manner and haste with which the relevant parliamentary committee organized debates of the draft Broadcasting Code only one day before its discussion in parliament in plenary session, thus leaving almost no time to media NGOs to review the draft." The signatories said they believed that the attitude "showed one more time that the Moldovan parliament only pretends to cooperate with the civil society."

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.

A number of media NGOs—APEL, IJC, JUM, API, the Press Freedom Committee, Acces-Info, Media-Impact, Association of Business Journalists, and others—monitor media laws, formulate draft legislation, try to enhance freedom of the press and access to information, and defend journalists' freedoms and professional rights. They provide legal assistance in court, and training. But Sorina Stefarta, coordinating editor-in-chief with the daily *Timpul de dimineţă,* said, "Media NGOs fight for the freedom of the press only through words. Unfortunately, there is nothing else they can do."

The State University, Free International University of Moldova, European Studies University, and State University of Comrat offer journalism programs. But MSI panelists said that journalism education is hampered because the Moldova schools will accept anyone who pays tuition, and many graduates are unqualified. "It is risky to hire today a graduating fourth-year student—you have to start 'raising' him from year two," said Golea, TV7 director.

Vitalie Dogaru, coordinator with the School of Advanced Journalism Studies in Chisinau, wrote in December 2006 (*Mass Media in the Republic of Moldova Magazine,* p. 3) that several reasons leave the quality of journalism education below international standads: "Small salaries and large workloads are not attarctive for media professionals. Schools have today the old teachers who are not aware of new professional principles and provide students with useless knowledge of outdated history and theory instead of knowledge on modern media work. The young teachers hired by universities do not have enough media experience, and the examples they use in classes—oftentimes learned by rote from books—have not been tried in Moldovan media and are therefore not credible. … Universities are underequipped with technical tools used in newsrooms and therefore cannot simulate real-life newsroom situations. Therefore, when young journalists graduate university they have to start everything from scratch, on their own and at their own peril."

The MSI participants said the opening in September of the School for Advanced Journalism Studies within the Independent Journalism Center provided a welcome source of training in practical journalism skills. Journalists, editors, and managers also can upgrade their professional skills through courses organized by other media-support organizations.

Newsprint delivery is not restricted and is supplied to the degree newspapers can buy it. Access to printing presses is not restricted, either, whether state-owned or private. There is a problem with the quality of printing services, and lack of investment also prevents private distributors from emerging. Most newspapers distributed outside Chisinau have to use Posta Moldovei services. The distribution monopoly in Chisinau is held by the joint stock company Moldpresa, which is a successor to the state-owned company Moldsoiuzpechat. There is only one private distributor—Omniapresa—which has news kiosks across Chisinau. Some newspapers are sold from newsstands.

Sorina Stefarta, coordinating editor-in-chief with the daily Timpul de dimineţă*, said, "Media NGOs fight for the freedom of the press only through words. Unfortunately, there is nothing else they can do."*

Access to the Internet is not limited by law, for the public or for journalists. Internet services are supplied by Moldtelecom and many private providers.

Panel Participants

Ludmila Barba, Department Director, TV Moldova 1

Vlad Bercu, Editor-in-Chief, BASA-press, Chairman of Association of Business Journalists

Anatol Golea, Director, TV 7

Dmitri Kalak, Member of Editorial Board, *Ekonomicheskoe obozrenie*

Petru Macovei, Interim Executive Director, Association of Independent Press

Olivia Partac, Lawyer, Independent Journalism Center

Corneliu Rusnac, BBC Reporter, Chairman of the Press Freedom Committee

Angela Sirbu, Director, Independent Journalism Center

Vasile Spinei, Director, Acces-Info Center

Sorina Stefarta, Coordinating Editor-in-Chief, *Timpul de dimineţă* daily

Moderator

Nicolae Negru, Editor-in-Chief, Mass-Media in the Republic of Moldova, Independent Journalism Center

The government increased pressure on journalists criticizing authorities. There was the first precedent when a journalist served a prison sentence for libel. Attempts were made to take control over the Internet.

RUSSIA

OVERALL SCORE:
1.67

The year 2006 was marked in Russia by further strengthening of government control over media in preparation for the Duma elections in 2007 and the presidential elections in 2008. *Kommersant,* one of the leading independent national newspapers, was acquired by the businessman Alisher Usmanov, director of Gazporminvestholding. The independent Ren-TV and the newspapers *Izvestia, Kommersant,* and *Komsomolskaya Pravda* "smoothly drifted towards the government" after these media outlets were acquired by businesses close to government. The murder of Anna Politkovskaya is widely believed to be connected to her criticism of authorities.

The government increased pressure on journalists criticizing authorities. There was the first precedent when a journalist served a prison sentence for libel. Attempts were made to take control over the Internet: there was the first court decision to confiscate a website on the grounds that it had not been registered at the Federal Agency for Print and Mass Media as required for all print media with print runs above 999 copies. Still, the Internet remained the least controlled media in Russia. Television remained the most controlled, with content reflective of that control.

Scores for the 2006 Media Sustainability Index (MSI) objectives are similar to 2005 results except that the score for the Business Management Objective dropped more substantially. Panelists said that information newspapers were benefiting less from the growth of the advertising market than from entertainment publications. And as newspapers were turning into profitable businesses, their publishers, who started as ardent journalists, would not risk their business by publishing critical information about authorities.

MSI panelists were particularly concerned that freedom of speech and the special mission of journalists to protect public interests were recognized neither by society nor by the professional journalist community. Panelists believed that the Russian Union of Journalists does not perform its mission of protecting journalists' rights and uniting journalists to resist the growing pressure on the profession. As a result, the state of professional journalism was seen as declining.

RUSSIA AT A GLANCE

GENERAL

> **Population:** 142,754,000 (Goskomstat)

> **Capital city:** Moscow

> **Ethnic groups (% of population):** Russian 79.8%, Tatar 3.8%, Ukrainian 2.0%, Bashkir 1.2%, Chuvashi 1.1%, Chechen 0.9%, Armenian 0.8% (Goskomstat)

> **Religions (% of population):** Orthodox 86.5%, Muslim 10%, Armenian-Grygoryans 0.8%, Pagan 0.5%, Catholic 0.35%, Lutheran 0.3%, Buddhist 0.25%, Jewish 0.15% (2002 Census)

> **Languages (% of population):** Russian 98%

> **GNI (2006-Atlas):** $822.4 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $11,620 (World Bank Development Indicators, 2007)

> **Literacy rate:** 99% (UNICEF)

> **President or top authority:** President Vladimir Putin

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 58,184 print media, 12,770 electronic media (Federal Agency of Print and Mass Media, 2007)

> **Newspaper circulation statistics:**

Total daily circulation of Russian newspapers: over 20 million

Total circulation in 2006: over 8 billion copies (Federal Agency of Print and Mass Media, 2007). Largest daily newspaper: *Komsomolskaya Pravda* (Average issue readership is 6.6% of Russian population older than 10 years.); Largest weekly newspaper: *Argumenty i Fakty* (Average issue readership is 12.3% of Russian population older than 10 years.) (Comcon, 2007)

> **Broadcast ratings:**

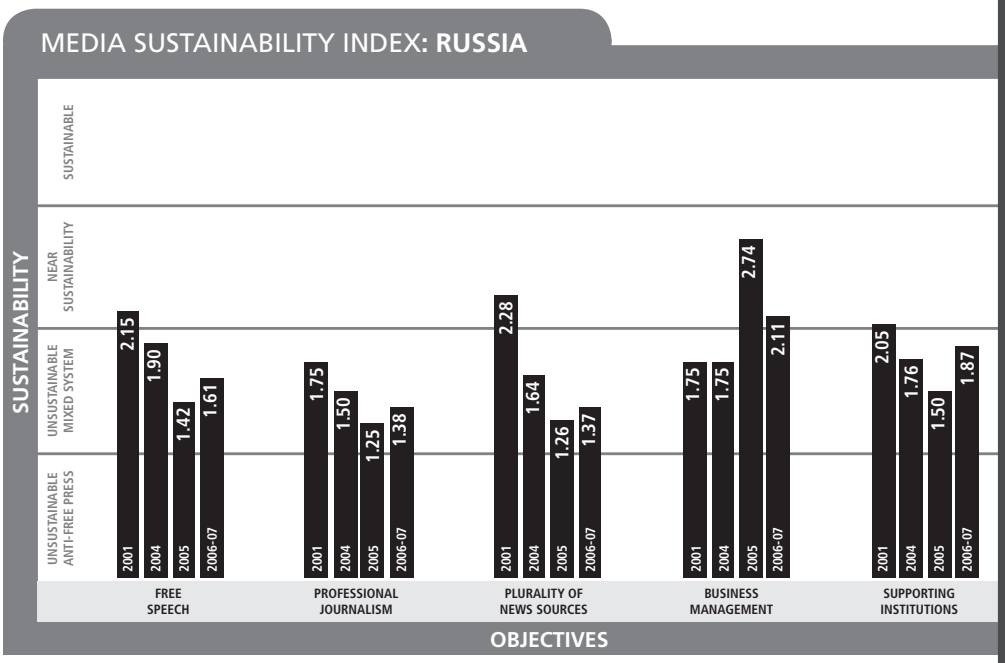
Television audience: 95.4–96.5% of Russian population older than 10 years

Top ranked television stations: Channel One, Russia, NTV (Comcon, 2007)

> **News agencies:** ITAR-TASS (state), RIA-Novosti (state), Interfax (private)

> **Annual advertising revenue in media sector:** TV: $3.160 billion, radio: $350 million, print: $1.640 billion (newspapers: $345 million, magazines: $705 million, advertising publications: $590 million), Internet: $1.180 billion (Association of Russian Communication Agencies, 2007)

> **Internet usage:** 21% of population (Institute of Statistical Research and Knowledge Economics of the Higher School of Economics, December 2007)



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

Russia Objective Score: 1.61/4.00

MSI panelists have agreed that existing Russian constitutional and legal provisions protecting freedom of speech and access to information generally correspond to international standards. But in real life they are mostly ignored. MSI panelists noted that the year 2006 was marked by the drift of independent media—the private television channel REN-TV and the major national newspapers *Kommersant, Gazeta, Izvestia,* and *Komsomolskaya Pravda*—toward the government after they were bought by business structures close to state authorities.

Panelists expressed concern that freedom of speech was not valued both by Russian society in general and by the journalism community in particular. People regard journalism not as a profession with a mission to protect the public interest but as a writing service to authorities and major businesses. Findings of the All-Russian Public Opinion Research Center for 2006 revealed that the attitude toward the media was heavily dependent on trust of president Putin: 62 percent of people who trust the president are positive about the job done by media, while among Putin opponents only 28 percent of people are positive about media. This data also may be regarded as an indicator that media coverage is heavily pro-presidential. Lilia Molodetskaya, executive director of the Alliance of Independent Regional Publishers, has said that "readers believe that when a newspaper criticizes central authorities, it does it for money." According to the All-Russian Public Opinion Research Center survey, 73 percent of respondents thought that critical information about state officials and businessmen is used as part of political technologies, and 57 percent of respondents do not trust such information in media.

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.

Panelists say that journalists themselves do not value freedom of speech. According to Andrei Allakhverdov, chief editor of the Foundation for Independent Radio Broadcasting, "recently heads and journalists of many large media, especially TV, openly say that they do not need freedom of speech and it is much better when you definitely know who controls you."

Maria Eismont, director of the Russian Independent Media Program of the New Eurasia Foundation, said that still there were people in the media community ready to protect freedom of speech even at the expense of their jobs. As an example, she told the story of the private newspaper *Gorod* in Khanty-Mansiisk in Western Siberia. The chief editor and all journalists resigned after the general director did not allow the publishing of an article that stated that local police were investigating the misuse of budgetary funds, with the involvement of the mayor of Nyagan, allocated for the construction of a factory. Journalists tried to make public the reasons for their resignation through the newspaper website and the newspaper itself, but the site was immediately closed for redesign and the general director seized the print run and destroyed it. The journalists used their own funds to start a new newspaper. They also insisted that the local prosecutor's office start a case against their former employer for censorship and seizure of the print run. Eismont said the prosecutor's office initially resisted starting this case and did so only after numerous calls from newspapers from other regions that knew about this story.

The situation with licensing of broadcast media did not change from 2005. The majority of members of the licensing commission are government officials, and the work of the commission is not transparent.

Market entry and taxes for media are similar to those for other industries and are quite high. Advertising sales are subject to 18 percent value-added tax (VAT), and there is a 26.2 percent (or 14.2 percent if a company is small and uses a simplified accounting system) social tax on the salaries paid to company staff. Eismont, of the New Eurasia Foundation, believes that high taxes force private media outlets to hide part of their revenue, and this practice makes media more vulnerable to pressure from authorities and undermines their independence.

MSI panelists agreed that crimes against journalists are quite common and are committed both by authorities and criminals. According to Mikhail Melnikov, analyst at the Center for Journalism in Extreme Situations, there are about 50–60 cases of criminal attacks on journalists every year that can be related to their professional activities. Melnikov continued, "It is sad, but these cases do not evoke public discussion. Society does not care." Crimes against media are not prosecuted vigorously, and MSI panelists agreed that this has resulted from the poor situation with criminal investigation and prosecution in Russia in general, together with the fact that society does not perceive journalists as defendants of the public interest.

The murder of Anna Politkovskaya, a prominent journalist covering human-rights topics, was one of the landmark events of 2006. According to the All-Russian Public Opinion Research Center, 79 percent of the Russian adult population heard about it, and most people believed that Anna's murder had to do with her professional activities, for "knowing too much." Sixty-eight percent of respondents believed that people who organized Politkovskaya's murder would not be found (among those who did not trust the Russian president this share was even higher—80 percent).

MSI panelists noted that in Russia private media were not necessarily independent from state authorities, and that authorities gave preferential treatment—in the form of subsidies and easier access to information—to media that are loyal to them.

In Russia, libel is a criminal issue. Boris Timoshenko, head of the Monitoring Department of the Glastnost Defense Foundation, said: "In the 1990s, the cases brought against journalists did not make it to court. Now a lot of cases have made it court, and there are a lot of sentences against journalists. There are already actual precedents that people go to jail, which is unacceptable in any civilized country." In 2006, the first journalist in Russia was actually put in jail for libel.

Panelists agreed that access to information was not equally enforced for all media. Victor Serpionov, director of independent information news agency Rosbalt-South and the newspaper *Nash Rayon. Rostov,* said: "It is difficult to obtain information (from authorities) fast. Authorities do not reply to written requests at all, or press-services reply very slowly; sometimes it takes them several weeks to reply. They are quick only when working with loyal or federal newspapers."

MSI panelists agreed that authorities did not take special effort to restrict access of media outlets to international news and news sources. Most media outlets, except for small municipal newspapers in the regions, have access to the Internet. Entry into the journalism profession is free, and the government imposes no restrictions.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Russia Objective Score: 1.38/4.00

MSI panelists expressed deep concern about the state of professional journalism in Russia. Mikhail Melnikov of the Center for Journalism in Extreme Situations even said: "Journalism is dying."

Panelists agreed that reporting in Russian media was not fair, objective, and well-sourced. Allakhverdov, of the Foundation for Independent Radio Broadcasting, said: "Objective programs and publications are rare. One can use fingers to count media that cherish objectivity. And to state media, the notion of "objectivity" does not apply to the smallest degree. This is pure propaganda, creation of an unsubstantiated positive image of the authorities, and creation of the image of enemy for NGOs (nongovernmental organizations), the West, Ukraine, Georgia." Veronika Dmitrieva, of the Media Development Loan Fund, added that journalists of regional newspapers "quite commonly expressed their own opinions and did not check facts." Eismont, of the New Eurasia Foundation, suggested that in many cases the reason for poor reporting in the regions was "the lack of skills and poor professional qualification. A person just does not understand that he should have asked the other side. Some journalists say that they have to fill 10 pages, and they have to do it quickly, so 'we were told the story and we wrote it.' Some also say that they did not call (to check information or ask for other opinions) because they were sure they would be rejected." Serpionov, who runs an information newspaper in Rostov-on-Don, agrees: he insists that his journalists do fair, objective, and well-sourced reporting, but they still tend to use a minimal number of sources.

In the opinion of MSI panelists, the majority of Russian journalists are aware of ethical standards. According to Eismont, many clients of the New Eurasia Foundation's Russian Independent Media Program have developed ethical codes, well in line with internationally accepted ethical standards, and then never put them to practice. "At present, journalists are very cynical, and a person trying to talk about ethics at best is laughed at. He is perceived either to be foolish, or to have some hidden interests."

"Advertorials,"—or "commercial materials," as they are called in Russia—are very common and in most cases are written by the same people who do editorial materials. In many regional newspapers, reporters are paid for published materials. According to Eismont, the pay for commercial materials tends to be higher than for independent reporting, and the writing for advertorials is less time-consuming.

MSI panelists agreed that self-censorship in Russia "was flourishing." The increased profits of media outlets are one of the reasons for self-censorship. As Dmitrieva, of the Media Development Loan Fund, put it, "journalists who started their newspapers because of their beliefs (in freedom of speech) have become rich, and now they face the choice: either they do an investigation and risk the authorities taking action against their newspaper, or they "soften" the material." Other journalists practice self-censorship because of their political beliefs and the desire to maintain stability in the society. MSI panelists agreed that in some cases journalists avoided topics (e.g., the topic of national minorities) that seemed too complicated and that they did not know how to handle them.

There are a lot of "forbidden" topics for the media. First of all is critical information about the president and security services as well as information about opposition to the central authorities and events that central authorities do not like. A well-known example from 2006 is the coverage of events in Kondopoga, where a conflict between the local population and immigrants led to violence. For several days there was no mention of these events in federal media, though events were heavily covered on the Internet. Melnikov, of the Center for Journalism in Extreme Situations, said: "Watergate would not be possible in Russia today unless it was approved by authorities." Timoshenko, of the Glastnost Defense Foundation, added: "Writing about corruption before there is a criminal case is practically a death penalty." He analyzed the reasons for murders of journalists since 1990s, and in all instances reporters were investigating cases of corruption.

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

Local media hardly cover major national and international events and restrict themselves to coverage of local news. Local journalists say that they cannot compete with national media on covering national events.

MSI panelists identified two tendencies related to the pay level of journalists. Reporters move from smaller cities to bigger ones where they can make more money. They also leave the media to go into public relations. The latter happens already at the entry level. The majority of graduates of journalism departments take PR jobs rather than going to media outlets. Dmitrieva also said that "in 2006 there were precedents when journalists left independent media to take jobs with higher salaries at the state media."

In 2006, entertainment programming definitely eclipsed news and information programming. Local newspapers provide a lot of so-called useful information—consumer and lifestyle materials. At the same time, people are still interested in informational programming. According to the All-Russian Public Opinion Research Center 2006 survey, information programs were most popular (they are watched by 59 percent of respondents). Fifty-five percent of people are more interested in information programming than they were several years ago, and 56 percent disagreed that information programming should be reduced in favor of entertainment.

MSI panelists agreed that the technical facilities and equipment of media outlets are quite efficient. Reporters have computers and Internet access. The only exclusion is municipal newspapers in small towns that, according to Molodetskaya of the Alliance of Independent Regional Publishers, "remain on the level of the 1980s" and often do not even have computers.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Russia Objective Score: 1.37/4.00

MSI panelists concluded that Russian people could use various media, but because of the poor quality of journalism people were not getting reliable and objective information. This conclusion is confirmed by the data of the survey conducted by the All-Russian Public Opinion Research Center in fall 2006. People were asked what sources of information they were using on a regular basis. The results were as follows: 85 percent of people watch federal television channels, 40 percent watch oblast television channels, 32 percent watch regional television channels, 31 percent read federal newspapers, 27 percent read regional newspapers, 23 percent read oblast newspapers, 26 percent listen to federal radio stations, 13 percent listen to oblast radio, 10 percent listen to regional radio stations, 13 percent use the Internet, and

2 percent get information from foreign media. There are no major differences in the rate of use of various sources of information between large and small cities except in the case of the Internet and foreign media.

Rates of Internet use are as follows: 26 percent in the capital cities of Moscow and St. Petersburg, 16–18 percent in major cities, 10 percent in small cities, and 7 percent in rural areas. In capital cities, 5 percent of people regularly use foreign media to get information, compared with 1 percent in rural areas. Another All-Russian Public Opinion Research Center survey conducted in August 2006 revealed that 67 percent of respondents thought that news coverage on the major federal television channels was getting more similar and unified.

The majority of private media is local and covers almost exclusively local news. MSI panelists suggested that this mentality was inherited from the Soviet times, when national newspapers covered exclusively national news, regional (oblast) newspapers were in charge of regional news, and local newspapers were in charge of covering local events. This attitude persists despite the fact that often just a few copies of national newspapers are delivered to smaller cities.

In general, citizens' access to domestic and international media is not restricted. The government's strategy is to control the content of media rather that access to it, according to panelists. MSI panelists noted that in 2006 the state authorities made their first efforts to control the Internet. They discussed a lawsuit brought against the website Novyi Focus, run by journalist Mikhail Afanasiev from Abakan in Eastern Siberia. Afanasiev published critical information about authorities. The court ruled that Afanasiev was illegally distributing unregistered media, effectively classifying the website as a print media outlet (Russian laws require that all print periodicals with print runs above 999 copies per issue get registered at the Federal Agency for Print and Mass Media). The site was "confiscated."

Panelists did not believe that "state or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest." Panelists were concerned that television programming was used as propaganda or for "brainwashing the audience" rather than for informing citizens. Melnikov, of the Center for Journalism in Extreme Situations, said: "There is no actual news; there is an imitation of news."

Of the three largest information agencies in Russia, two—ITAR-TASS and RIA Novosti—are state-owned, and one—Interfax Information Service Group—is independent. Their fees are too high for regional media outlets, and they use independent news agencies that put news on the Internet. Quite often independent media outlets in the regions start news agencies in their regions. Serpionov, who operates the *Nash Rayon. Rostov* newspaper network, said that in 2006 he started the information agency Rosbalt-South, which collects information for the Rostov region and publishes it on a website. Prior to this the only source of independent news in the region was Interfax-South.

MSI panelists said that the private national television channel REN-TV became considerably more pro-government after it was acquired by the industrial group Severstal. "In the regions, there are single examples of radio and television stations producing independent news," said Dmitrieva, of the Media Development Loan Fund.

The ownership of Russian media, especially in the regions, is not transparent, and panelists noted that this was not necessarily different from most businesses. But according to Eismont, of the New Eurasia Foundation, "people very well know (who the owners are) based on the content." The year 2006 was marked by major mergers and acquisitions in the media market, the total value of which was estimated at $2 billion.

Experts note that there was an obvious separation of political and entertainment media. Media Holding Prof-Media continued to get rid of its news assets. In 2005, it sold a majority share of *Izvestia* newspaper to Gazprom-Media. In 2006, Prof-Media was negotiating to sell *Komsomolskaya Pravda* to Gazprom-Media Publishing House. At the same time, Prof-Media spent about $1 billion to purchase entertainment and business media assets: Publishing House Afisha, television channels 2x2, Rambler TV, and TV3, and a controlling interest of Rambler Media Group.

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.

Business experts expected that Gazprom-Media would continue its acquisition of news and political media on the eve of the Duma and presidential elections. The major deal of 2006 in the media market was acquisition of Publishing House Kommersant by Alisher Usmanov, director of Gazporminvestholding who also has his own metallurgic business. *Kommersant* was sold for about $300 million. The independent *Novaya Gazeta,* which was 100 percent owned by its editorial staff, sold 10 percent of its shares to Mikhail Gorbachev, former president of the USSR, and 39 percent to Alexander Lebedev, a deputy of the Moscow Duma opposed to Moscow mayor Yuriy Luzhkov.

MSI panelists agreed that media did not represent a broad spectrum of social interests. One of the reasons, according to Victor Muchnik of Tomsk TV2, is that "social interests are poorly articulated. The words "In Russia there is no society; there is population"—said a century and a half ago—are still an adequate description of the situation."

Panelists said that media in national languages, especially newspapers, did exist. In the opinion of Dmitrieva, of the Media Development Loan Fund, "the topic of national minorities is just not interesting for the society." Melnikov, of the Center for Journalism in Extreme Situations, said: "Formally, everything looks fine. But I have the impression that there is again assimilation: newspapers are tolerated, but the volume of radio programming in national languages is cut down everywhere."

OBJECTIVE 4: BUSINESS MANAGEMENT

Russia Objective Score: 2.11/4.00

While Russian media have been developing the structures of a market-based system and increasing their skills, this indicator dropped according to panelists' scores. The panel said that news and information newspapers were benefiting less from the growth of the advertising market than from entertainment publications, which were gaining revenue. And as newspapers were turning into profitable businesses, their publishers, who started as ardent journalists, would not risk their business by publishing critical information about authorities. Business success was not bringing editorial independence. And successful businesses who bought newspapers did not do so to maintain an editorially independent paper. In Russia, domestic advertising and investments do, to a large extent, follow politics.

MSI panelists agreed that the situation with printing facilities improved and that there were private print houses operating like profitable businesses. Still, there are some warning tendencies. Timoshenko, of the Glasnost Defense Foundation, said that in Krasnoyarsk on the eve of local elections local authorities inspected two print houses that allegedly were printing counterfeit publications. All materials in the print houses were confiscated, including print runs of local newspapers. Melnikov, of the Center for Journalism in Extreme Situations, said that in Sverdlovsk the oblast governor, Rossel, was forcing major newspapers to print at the Beryazniki print house owned by regional authorities.

The majority of private media is local and covers almost exclusively local news. MSI panelists suggested that this mentality was inherited from the Soviet times, when national newspapers covered exclusively national news, regional (oblast) newspapers were in charge of regional news, and local newspapers were in charge of covering local events.

The distribution system is heavily monopolized and not transparent. In the regions, many newspapers establish their own distribution systems. There are instances when distribution is used as an instrument of pressure on independent newspapers and when copies of some newspapers are hidden from people by salespeople at the newsstands.

In 2006 in Russia, advertising sales revenue grew by 29 percent, if measured in USD, and by 24 percent if measured in rubles (estimates of the Association of Russian Communication Agencies). Revenue for ad sales on television (in rubles) increased 30 percent; revenue rose 12 percent for radio, 14 percent for newspapers, 17 percent for magazines, 9 percent for advertising publications, and 60 percent for the Internet.

Molodetskaya, of the Alliance of Independent Regional Publishers, said that in the print publications sector "the majority of advertising goes to entertainment publications, especially to TV guides." Local information newspapers often have weak content that undermines their ability to benefit fully from the favorable situation in the advertising market. Only 10–15 percent of newspapers are profitable.

Still, according to Eismont, many clients of the New Eurasia Foundation's Russian Independent Media Program "are getting profitable while they hardly survived before. They are buying office space, and the bigger ones start thinking about their own print houses." The ratio between ad sales and circulation revenue is estimated at 60 to 40, and

the share of ad sales revenue continues to grow, which is close to the revenue structure in many developed market economies. Professional advertising agencies do support an advertising market.

According to Molodetskaya, in 2006 Russian regional authorities spent $0.5 billion to subsidize regional and local media—to cover the costs of printing, paper, office rent, and communications. MSI panelists were concerned that there were many instances when authorities offered subsidies to independent media in exchange for loyalty. Usually independent media are offered contracts for so-called information services to local administrations. Local authorities offer to buy several pages in the newspaper and fill them with their own information without marking it as advertising. Panelists said that some independent media rejected such offers, while others accepted them.

The federal agency for print and mass communications supports socially important coverage in broadcast media and in the press—for instance, the production of sports and educational programming and explanations of laws and government policies. In 2006, the federal budget allocated considerably more money to support socially important coverage in the print media—150.6 million rubles, compared with 47.6 million in 2005. This money is distributed on a competitive basis in the form of grants available to both state and private media. Melnikov said that it was a civilized form of supporting media because grants were competitive and transparent. Eismont expressed concern that giving grants to cover particular topics creates a mentality among journalists that socially important topics should be covered only for money.

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.

Recently, market research has become quite popular, almost a fad, in the regional media. Eismont said: "Doing market research is a fashion, especially doing it yourself. The data they get is probably fine, but they are unable to do quality analysis of the data. Often because of the poor quality of the market research this research does not lead to any changes."

MSI panelists agreed that broadcasting ratings were reliable and trusted by the media community, while the situation with circulation data was very poor. The National Circulation Service, established by the Russian Union of Journalists eight year ago, has so far been joined by 500 publications (out of about 50,000). Data on the print runs provided by publishers are often considerably exaggerated.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Russia Objective Score: 1.87/4.00

The lack of a strong organization protecting professional rights and job security of journalists was one of the main concerns voiced by MSI panelists. The Russian Union of Journalists does not perform these functions. It organizes festivals and journalism competitions, but panelists felt that it does not want to perform the mundane task of protecting the rights of its members because it often requires going through bureaucratic procedures. Melnikov, of the Center for Journalism in Extreme Situations, said: "In the Charter of the Union of Journalists, it is put in black on white: protection of the rights of journalists and etc. But no one turns to the Union for protection, because many chapters of the Union are funded by governors." In some regions, heads of local chapters of the Russian Union of Journalists at the same time are heads of the governors' press-services. There are chapters that "fight to protect their members" (e.g., in Perm and Ekaterinburg), but they are unique.

Some MSI panelists suggested that it was up to journalists themselves to establish professional unions protecting their interests. There are some signs that this process may be starting. Timoshenko, of the Glastnost Defense Foundation, said: "Young people (journalists) who got to know each other through the Sakharov Award have formed an informal club. They exchange letters. They stay in touch. They help each other with information and other things. This connection is still unstable and personal, but it continues."

There are a number of media trade associations: MediaUnion, the National Association of Television and Radio, the Guild of Press Publishers, the Union of Press Publishers, and the Alliance of Independent Regional Publishers (formerly the Association of Independent Regional Publishers). Members

of these organizations are media outlets, and they tend to protect mostly the business interests of their members.

A number of Russian NGOs support free speech and independent media through advocacy, training, and consultations. Timoshenko said that "the efficiency of NGO support was huge compared to that of the professional community." In 2006, the government pressure on NGOs, especially those supported by international donors, increased. Russian NGOs founded by foreign organizations and citizens were required to re-register. As a result, Internews, for example, had to merge with the foundation Educated Media.

MSI panelists agreed that most journalism degree programs did not provide substantial practical experience to students but rather more of a theoretical education. Eismont, of the New Eurasia Foundation, said: "The level of professional training in journalism departments is extremely low. Many good professors either retire or take PR jobs. There is a huge gap between what is taught in journalism departments and practice … And all this theory substitutes for things that nobody wants to talk about: what is journalism, what is the purpose and mission of journalists."

Short-term training is provided by NGOs such as Internews/ Educated Media Foundation, The New Eurasia Foundation, the Foundation for Independent Radio Broadcasting and Corporation of Radio, the Eurasia Media Center, and the Center for Journalism in Extreme Situations. Panelists agreed that the quality of this training was quite good. Eismont expressed concern that there was not enough journalism training. She also said: "The training culture has just arrived, and may people still do not understand that training is important. But a short training is not a panacea. It gives an impetus, while people need regular exchange of information and communication."

Some regional media outlets establish their own training centers. Examples are Barnaul publishing house, Alta-Press, and Tomsk TV-2. Alta-Press started a joint program with the local journalism department on practical journalism. Alta-Press also runs a training program for journalists of district newspapers from rural areas of the Altaiski region.

Both state and private printing facilities exist. There are incidents when authorities order printing facilities not to print newspapers criticizing these authorities. Channels of media distribution are also both state and private. The State Post Service is almost monopolist in the market of subscription, and its high prices for delivery of print publications are considered to be a serious obstacle for the development of newspapers.

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.

Panel Participants

Yevgeny Abov, Vice President, Guild of Press Publishers, Moscow

Andrei Allakhverdov, Chief Editor, Foundation for Independent Radio Broadcasting, Moscow

Veronika Dmitrieva, Regional Director for Russia and CIS, Media Development Loan Fund, Moscow

Maria Eismont, Director of Russian Independent Media Program, The New Eurasia Foundation, Moscow

Mikhail Melnikov, Analyst, Center for Journalism in Extreme Situations, Moscow

Lilia Molodetskaya, Executive Director, Alliance of Independent Regional Publishers, Moscow

Victor Muchnik, Chief Editor, TV-2, Tomsk

Victor Serpionov, Director, Rosbalt-South information agency and *Nash Rayon. Rostov* newspaper network, Rostov-on-Don

Boris Timoshenko, Head of Monitoring Department, Glastnost Defense Foundation, Moscow

Moderator

Natalia Kosheleva, Director, Inter-Regional Institute of Media Consulting, Moscow

"The Ukrainian press has become fully independent: today nothing depends on it," read a January 2007 opinion piece by Aleksandr Paskhover in the Korrespondent. *"Press freedom in Ukraine is just a tick in the president's report, an agenda item for the next round-table on Journalists' Day …*

UKRAINE

Whatever was dug up by journalists, whichever issue they pried open, not one official has been sent to the unemployment line, let alone into prison. By no means has the press influenced the behavior of the domestic bureaucracy."

OVERALL SCORE: **2.37**

UKRAINE

The media sector in Ukraine continues to mature, but in a period of political turmoil and confrontation, journalists also became pawns in the struggles. The media proved their popularity as a political instrument for those competing for power, and too often their worth through the publishing of paid-for articles. The media also were deemed of little interest to those in power, and their watchdog role had little influence. Overall, by the measure of the Media Sustainability Index (MSI) panel, 2006 was more a year of unfulfilled promises in the media sector than gains or losses.

The authority of President Viktor Yuschenko, hero of the Orange Revolution, was under constant pressure from Viktor Yanukovich, who came back from defeat in 2004 with his Party of the Regions to become head of the Cabinet of Ministers in August 2006. The parliamentary election campaign early in the year was generally considered free and fair but marred by media's succumbing to paid-for editorial positions. Later, as coalitions of "Orange" parties formed and fragmented and their opponents came to the fore and took positions of power, media reform and development took a backseat.

"The Ukrainian press has become fully independent: today nothing depends on it," read a January 2007 opinion piece by Aleksandr Paskhover in the *Korrespondent*. "Press freedom in Ukraine is just a tick in the president's report, an agenda item for the next round-table on Journalists' Day … Whatever was dug up by journalists, whichever issue they pried open, not one official has been sent to the unemployment line, let alone into prison. By no means has the press influenced the behavior of the domestic bureaucracy."

MSI panelists called 2006 a "gray year" for the media without particular changes. Some saw this as a stagnation, a disappointment for those with greater expectations. Others saw a pause before the opportunities of the post-election period, with disappointment in the lack of change reflecting the greater expectations that Ukrainians have developed during the post-revolution period. Overall, Ukraine's MSI ranking was 2.28, little changed from 2005's score of 2.23. Scores for all the objectives advanced marginally year to year, except that for free speech, which registered a decrease from 2.37 to 2.25.

UKRAINE AT A GLANCE

GENERAL

> **Population:** 46,710,816 (July 2006 est., *CIA World Factbook*)

> **Capital city:** Kiev

> **Ethnic groups (% of population):** Ukrainian 77.8%, Russian 17.3%, Belarusian 0.6%, Moldovan 0.5%, Crimean Tatar 0.5%, Bulgarian 0.4%, Hungarian 0.3%, Romanian 0.3%, Polish 0.3%, Jewish 0.2%, other 1.8% (2001 census, *CIA World Factbook*)

> **Religions (% of population):** Ukrainian Orthodox – Kyiv Patriarchate 19%, Orthodox (no particular jurisdiction) 16%, Ukrainian Orthodox – Moscow Patriarchate 9%, Ukrainian Greek Catholic 6%, Ukrainian Autocephalous Orthodox 1.7%, Protestant, Jewish, none 38% (2004 est., *CIA World Factbook*)

> **Languages (% of population):** Ukrainian (official) 67%, Russian 24%, small Romanian-, Polish-, and Hungarian-speaking minorities

> **GNI (2006-Atlas):** $90.62 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $7,510 (World Bank Development Indicators, 2007)

> **Literacy rate:** 99.7% (male 99.8%, female 99.6%) (2003 est., *CIA World Factbook*)

> **President or top authority:** Prime Minister Viktor Yuschenko (Viktor Yanukovych since August 4, 2006, preceded by Yuriy Yekhanurov.)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 1,268 registered television and radio outlets (647 television, 524 radio, balance both television and radio), about 25,000 newspapers and magazines (as of November 2006 – report at the government portal (www.kmu.gov.ua). Among them, about 750 newspapers and 31 television and radio companies are state-owned; the rest (96%) of broadcasting space is not state-owned. (State Committee on Television and Radio website)

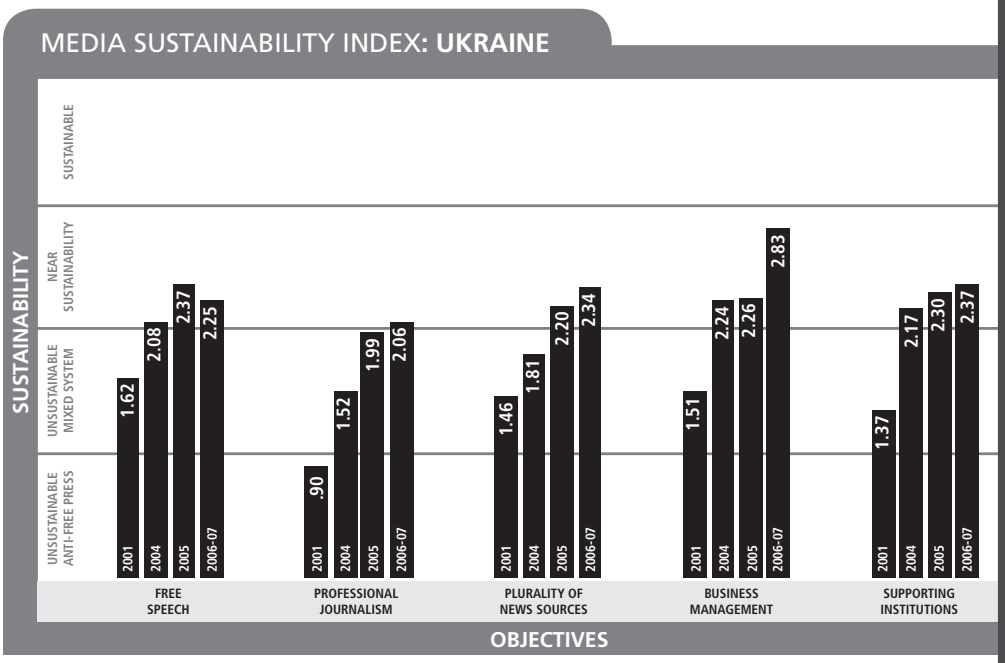
> **Newspaper circulation statistics:** top two by circulation: *Fakty*: 761,000, *Silski Visti* (triweekly): 433,000 (Ukrainska pravda)

> **Broadcast ratings:** highest-rated television outlets: Inter, 1+1, Novyi Kanal, ICTV (bigmir.net rating, other open sources)

> **News agencies:** Interfax (private), UNIAN (private), Ukrainski Novyny (private), DINAU (state-owned)

> **Annual advertising revenue in media sector:** television: $457 million, print: $176.8 million, outdoor: $151 million, radio: $26.5 million, Internet: $6 million (All-Ukrainian Advertising Coalition report)

> **Internet usage:** 20% of population, (Kiev International Institute of Sociology), 5,278,100 users (2005, *CIA World Factbook*)



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

Ukraine Objective Score 2.25/4.00

Having developed a legal framework protecting free speech and the media, Ukraine still encounters problems with enforcement in certain areas, especially access to information.

Journalists are not sufficiently protected, MSI panelists said. They noted troubling cases inadequately addressed by government and law enforcement, including journalists from STB channel who were prevented from carrying out their work by a parliament member, those from 5 Kanal who were blocked by clergy in Kiev-Pecherska Lavra, and actions against journalists by Kiev Mayor Leonid Chernovetskiy.

In other indicators of free speech, panelists noted that state-owned and municipal media are dependent on governmental sponsors and that editorial independence is not guaranteed in either state-owned or private media. According to panelist Konstantin Kvurt, executive director of the media-development organization Internews-Ukraine, "the government effectively protects itself from transparency and influence of the public. Society doesn't value free speech at a sufficient level."

The country's media-freedom provisions have been harmonized with international human-rights and freedom-of-expression provisions for several years, and legal protection tools are sufficient. Ukraine has among the most developed media legislation of the former Soviet states. Still, MSI panelists said, serious problems with enforcement and outlawed behavior by state officials and businesses remain.

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.

According to panelist Konstantin Kvurt, executive director of the media-development organization Internews-Ukraine, "the government effectively protects itself from transparency and influence of the public. Society doesn't value free speech at a sufficient level."

Although there was little shift in the panel's rating of Ukraine for this objective, panelists had differing views. Kvurt said: "Society is not ready for freedom of speech, nor are governmental institutions ready to protect it. With such a message being transferred to journalists, they are also not ready to stand for it." Others referred to how the conflict between parliament member Oleg Kalashnikov and STB channel crew resonated not only in the media but society as well, and that parliament voted by a large majority to recognize the situation as a violation of journalists' rights. However, there was agreement that at the regional level, the situation regarding lack of enforcement of free-speech protections is more acute, and that corruption in the courts also remains a huge obstacle.

Broadcast licensing is controlled by the National Council on TV and Radio (NCTVR), governed by law adopted in March 2005. There were no serious licensing controversies during the year. Andriy Shevchenko, head of the parliament Committee on Freedom of Speech and Mass Media, said: "The situation is much better than two years ago, but the number of claims increased in 2006, mostly for commercial reasons. There is a high risk of changing NCTVR membership … and it is very likely it will become a politically engaged council."

Market entry and commercial regulations for the media are the same as for other businesses. High levels of taxation and many tax-administering complications still contribute to shadow transactions in business. Publishers enjoy exemption from the value-added tax (VAT) for sales and subscription of print publications. There is a VAT-free privilege for newsprint from the only Ukrainian producer, Zhydachev factory, but that satisfies barely 10 percent of the market demand and is of inferior quality, panelists said. There are also reduced custom duties for import of printing equipment and newsprint that are not produced in Ukraine.

According to Andriy Shevchenko, "the attempt to establish a Civic Council within the National Television and Radio Company, being likely, failed due to the lack of political will."

State-owned and municipal media receive subsidies from the state budgets and sometimes enjoy lower prices for using state-owned printers, transmitters, offices, and other services. Generally under-funded, governmental media enter the market and, by dumping their products and low prices, compete in unfair conditions with private media.

Official statistics have shown a downward trend in crimes against journalists during the past two years. The investigation of the murder of journalist Georgy Gongadze continued for the sixth year. Court hearings were partly closed for the media and the journalist's widow, Myroslava, which asserts that the proceedings and the investigation are unlikely to reveal the truth soon.

Editorial independence is not provided for by law. The National Television and Radio has not succeeded in adopting measures to provide for public oversight and ensure that it meets a public-service mandate. According to the law adopted in 2005, a Civic Council was to be established within the NTRCU, yet it has not been formed. According to Andriy Shevchenko, "the attempt to establish a Civic Council within the National Television and Radio Company, being likely, failed due to the lack of political will."

The appointment and dismissal of government media's top managers are political issues, and MSI panelists noted that there was a wave of dismissals among the heads of many state-owned and municipal outlets after the elections in 2006.

Government journalists have the status of civil servants and receive relevant increases in pensions and salaries. These pay levels are not competitive with those of the most successful private media in the biggest cities but can be a significant benefit at the regional level. This is also a cause for resistance to privatization among employees of overstaffed government media.

Panelist Taras Shevchenko, director of the Media Law Institute, noted that libel has not been a criminal offense since 2001 and that "the sums claimed for damages are not millions of dollars as they were before." A provision regarding cases involving the honor and dignity of governmental officials, political parties, and the electoral bloc specifies that moral damages could be found only if malice is proved. Public figures are not generally treated specially, but corruption and corporate solidarity among the judges exists, especially at the local level.

There are legal provisions that make access to information equal for all media and journalists. However, panelists said that society generally does not value access to information and that the coordinated practices of officials focuses on how to better keep information from the public. Officials are not afraid to ignore information requests, and they formalize information access as much as possible, requiring written requests, delaying up to the legal deadline, and providing very formal answers. They are hardly ever penalized for this, panelists said.

According to panelist Oleg Khomenok, print media advisor for IREX's media-development program in Ukraine, there are also regional peculiarities. He sent requests to local governmental bodies asking about their shares in municipal media and the budget allocation for state-owned media in their region. Eastern regions of Ukraine generally ignored the requests or found formal reasons to refuse, including claiming that the data were a commercial secret, while Western Ukrainian governments mainly sent detailed reviews with packages of resolutions and documents.

Irina Prokopyuk, editor and publisher of *Kafa* newspaper in Crimea, continues to fight the mayor's refusal to provide the requested data on average salaries of local government employees. In its third year, the case went before the Supreme Court.

From another perspective, panelists said this problem is closely linked with the persistence and professionalism of journalists and their skills in searching for information. According to Sergei Guz, head of the Independent Media Trade Union, journalists often complain that officials refused to comment on an issue but that they rarely request specific documents.

There are no restrictions on access to international news and news sources. Media are allowed to reprint and rebroadcast foreign news. The panelists mentioned language barriers and the high prices of the best news agencies for small media. On the other hand, violation of copyright is frequent in Ukraine, with content that is restricted soon freely published on the Internet and used by other media.

According to the Kiev International Institute of Sociology, Internet users in Ukraine make up 20 percent of the population, with usage at 7 percent in villages, 9 percent in small towns, and 28 percent in the cities. Among users, 44 percent are ages 18 to 29, 21.5 percent are 30 to 44 years old, and 13.3 percent are 45 to 59 years old. The largest group, 44

percent, have attained a higher degree of education and earn mid-level incomes. Other sources put usage at 24 percent, with up to 7 million users. Internet services also have become more affordable.

Entry into the journalism profession is not limited by law or by government practices. Some panelists even thought entry processes were too liberal. However, officials are able to apply different formulations and excuses to deny certain journalists accreditation for their events. In one example cited, they might reject the staff of papers that they say they do not consider serious. At the end of 2006, the secretariat of the president introduced accreditation rules for the secretariat under which all reporters have to prove journalism education, showing documents. These clauses raised indignation, and panelists said they were unlikely to be used.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Ukraine Objective Score 2.06/4.00

Ukrainian media consumers may well be confused about whether what they are reading or viewing is journalism or paid-for content. MSI panelists said that non-transparent paid-for copy, known as *jeansa,* overwhelmed the media for commercial as well as political reasons. They said this reflected both the cynicism of media owners and journalists and the low professional level and poor education of most journalists.

In other measures of professionalism, the MSI assessment found self-censorship slightly decreased, and journalists' salaries were partly hidden from taxation. Overall, Ukraine was ranked at 2.06 for the objective, up minimally from 1.99 in 2005.

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

"The market has not yet developed to the degree when competing players introduce norms and standards in order to protect themselves from lack of professionalism," Aleksei Pogorelov said. "Market leaders are more professional and follow their standards, while smaller ones fight for survival."

According to Aleksei Pogorelov, general director of the Ukrainian Association of Press Publishers, the market is divided among professional and balanced reporting, paid-for *jeansa,* and material that is unprofessionally produced due to lack of skills. "The market has not yet developed to the degree when competing players introduce norms and standards in order to protect themselves from lack of professionalism," he said. "Market leaders are more professional and follow their standards, while smaller ones fight for survival."

Prokopyuk, editor and publisher of *Kafa* newspaper in Crimea, stressed that it is often unclear to the reader whether material is a fair article or a paid-for story. Valeriy Ivanov, president of the Academy of Ukrainian Press, said no comfort should be taken from the fact that *jeansa* now dominates for commercial considerations rather than political.

There are at least three national ethical codes that reflect internationally recognized standards, two of them emanating from the Union of Journalists of Ukraine and the Committee of Journalism Ethics. But regarding compliance, panelists were unanimous in their low rating of this indicator.

Andriy Shevchenko, head of the parliament Committee on Freedom of Speech and Mass Media, suggested that self-censorship had decreased. But panelists said this might be just the decision of a media outlet to publish paid-for stories, feeling that these are the accepted rules of the game rather than fearing some consequences.

Khomenok, print media advisor for IREX, said that increases in the advertising market shifted the censorship focus from political risks to those of losing certain advertisers. However, if the media outlet's management is able to run advertising sales professionally, then dependence on particular advertisers is rather low, panelists said. Overall, self-censorship is much

According to panelists, media outlets' technical equipment is generally acceptable. Access to technology is not limited and depends only on the outlets' budgets. Television equipment is getting cheaper, and virtually every newsroom has computers.

stronger at state-owned and municipal media, where fear of dismissal is greater.

Key events and issues seem to be covered—but often not equally—in various types of media, and investigative stories are still rare.

A major share of salaries at private outlets is still in the shadow economy, hidden from taxation. At the regional level, government budget–financed media pay salaries that are both official and higher than at independent media. At the leading media in the largest cities, the salaries at private outlets are much higher than at the state-owned media. To make up for salary gaps, journalists do not leave the profession but rather sell their services, getting an extra $200 to $300 USD for paid content. The panelists were not sure, however, that the corruption was due solely to the level of salaries.

People are able to choose between numerous sources of news and entertainment, and there are at least three all-day news channels. However, panelists noted a threatening trend toward increased infotainment and "yellowing" of the newspapers. People tend to look for news on the Internet, but many are tired of politics and social problems and prefer to be entertained, particularly by programming from Russia and the United States, they said.

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Panelists noted positive trends, especially in the boom of business-focused press. However, they said, too many paid-for materials in this sphere still curb its development. In general, niche reporting is superficial. In the regions, the situation remains mainly the same: small teams of journalists work on a broad range of issues, which results in lower quality.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Ukraine Objective Score 2.34/4.00

A wide variety of news sources are available for Ukrainians, and the MSI panel rated Ukraine's progress for this objective at 2.34, compared with 2.20 in 2005.

Areas remain in need of further progress, however. Panelists agree that television remains the main source of news and that the range of media choices still constricts in the countryside. Numerous state-owned and municipal media continue to service governmental interests, with ownership of private media still not transparent.

Private media cover local as well as national news, with regional television companies focused on local news. Most people can afford to buy newspapers, and they do. Low circulations of many newspapers are connected with their poor quality and lack of useful content, panelists said. The main vehicles of newspaper distribution are still the government-controlled post office Ukrposhta, which handles most subscriptions, and Soyuzdruk, which deals with retail sales in kiosks. Economics restricts development of private distribution networks.

In areas with populations below 50,000, residents can get most national and some regional newspapers only by subscription through the post office, which may mean only twice-weekly postal delivery even for dailies. Several television channels are available throughout Ukraine. Cable

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.

television is not accessible in small towns and villages, but Internet access is spreading there.

The following television channels have the largest technical coverage in Ukraine: First National (98.4 percent), Inter (99.1 percent), 1+1 (98.7 percent), Novyi Kanal (95.8 percent), ICTV (94.8 percent), STB (94 percent), Ukraina (91.5 percent), TET (90.3 percent), 5 Kanal (86.4 percent), and NTN (85.8 percent). But the potential reach of stations, by population is a bit lower: First National (98 percent), Inter (85 percent), 1+1 (94 percent), Novyi Kanal (65 percent), ICTV (63 percent), STB (55 percent), Ukraina (65 percent), TET (63 percent), 5 Kanal (50 percent), and NTN (60 percent).

In March 2006, the National Council of Ukraine for Television and Radio Broadcasting adopted the concept of transferring to digital television by 2015. According to research firm GfK, digital television users may increase to 10 percent by 2012.

Access to domestic and international media is not restricted. Foreign press is not widely represented in Ukraine, probably due to the lack of demand, language barriers, and cost. Distribution of Russian publications is significant compared with other foreign media, especially in eastern regions.

There are no true public media. The attempts to establish public broadcasting have not succeeded, although panelists said that news programming at the UT-1 channel of the National Television Company of Ukraine is rather balanced and totally different from what was presented before 2004.

"Most state-owned and municipal media financed from government budgets focus on the political interests of relevant state bodies and do not care about areas such as culture and education. The situation has been aggravated with the ascent of the new government, which has taken more steps to direct editorial policy," said Khomenok. However, Vice Premier Dmytro Tabachnyk has said that privatization of state-owned media would start in the second half of 2007 and be completed by the end of 2009.

The major nationwide wire services are DINAU, Interfax-Ukraine, UNIAN, and Ukrainski Novyny. The state-owned agency DINAU-Ukrinform is financed from the state budget. Regional media are able to use local agencies that exist, although too often the quality of their reports is low and it is necessary to verify their news. The panelists also emphasized the availability of more than a half-dozen news websites that can be used as news sources by other media. The stories are reprinted without payment, although the source is referenced, panelists said.

Most private broadcast media produce their own news. In some regions, these newscasts are of higher quality and more relevant to audience concerns than local state-owned television stations, which mostly glorify local authorities. Other stations produce short and rare newscasts. Radio stations tend to copy news from other sources, panelists said.

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There is a lack of transparency in media ownership. Civil-society organizations have dug up who owns major media resources. Most experts have an idea of who is the suspected owner, but documental proof is not available, and it is not so vivid for the general public. Sometimes it is even impossible to identify the owner when media trade unions attempt to negotiate with them. Due to broad use of offshore entities and figureheads, it was easy for a few oligarchs and political players to amass media holdings, panelists said.

Taras Shevchenko mentioned that the Media Law Institute he directs traced multiple levels of ownership at the Inter channel. The Internet resource Ukrainska Pravda published a long story with a list of owners of media assets.

The majority of large nationwide newspapers are published in Russian. Some publications publish two editions—in Ukrainian and Russian—while others mix both languages in one edition. There also are publications in Crimean Tatar, Bulgarian, and Hungarian, and ones that cater to Roma and Jewish communities, but in all cases the circulations are small.

OBJECTIVE 4: BUSINESS MANAGEMENT

Ukraine Objective Score 2.83/4.00

Private media operating as profit-seeking business increasingly apply sound business practices, and the advertising market is growing rapidly. For these reasons, MSI panelists produced a more significant increase in progress toward this objective, rating Ukraine at 2.83, compared with 2.26 in 2005.

More private media outlets are becoming more efficient and profitable due to the growth of advertising and other revenues, as well as professional competition. However, media markets are rather fragmented, with numerous small and handicapped players, many of which rely on state subsidies or business and political sponsors.

On the negative side, the distribution system is as a rule state-owned or municipal and is considered too regulated. Use of market surveys expands, but newspapers resist showing true circulation figures.

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Several private printing presses were opened in recent years, some with the aid of international institutions such as the Media Development Loan Fund. The growth of competition has forced the weaker printing houses to offer better services, and the level of profitability for printers is said to be 30–50 percent.

Distribution is monopolized mostly by Ukrposhta and Soyuzdruk, which are profitable but not efficient for publishers they serve. Their pricing and activities are still considerably less than transparent, they do not provide information to the publishers on actual retail and subscription sales, and they delay payments and neglect contractual obligations, according to panelists. Pogorelov, general director of the Ukrainian Newspaper Publishers Association, said Soyuzdruk started to charge extra fees for delivery to kiosks, and publishers cannot control the number of copies delivered to each point or check availability of their publications without a Soyuzdruk representative. It is hard to enter the network without tipping or extra pressure, according to Prokopyuk, editor and publisher of *Kafa* newspaper in Crimea.

Ukrposhta service is declining steadily, panelists said. It is not interested in subscriptions, preferring to sell detergents and deliver pensions, and cannot provide timely delivery. The newspapers either "employ" existing postmen or establish their own courier deliveries. To establish a newspaper kiosk, Andriy Shevchenko noted, it is necessary to obtain up to 28 permits and update them annually. Publishers are inventive to avoid that burden, sometimes establishing establish mobile kiosks on wheels, for example.

Strong competitive nationwide distribution networks have not yet been established, and in some areas, especially rural regions with low population density, it has not become economically viable to do so.

Revenue from various sources grows in both print and broadcast media, and professional managers are making more outlets able to diversify their revenues, panelists said. They did note, however, that there is significant disparity in this regard among Kiev, other large cities and smaller towns and rural media.

Some regional publishers diversify their businesses by running several publications, including advertising and niche newspapers, which largely support their general-interest ones. They also may run supporting advertising agencies, distribution and delivery bureaus, and printing facilities.

The advertising market is rapidly growing, and those who professionally operate in the sector are able to earn significant sums. The following figures from the All-Ukrainian Advertising Coalition show growth rates for the advertising and media markets in 2006:

- The total media advertising market totaled $855.8 million for 2006, up 67.3 percent from 2005.
- The television advertising market reached $390 million, up 59 percent from 2005. Because of Ukrainian peculiarities, the experts also included the television sponsorship market,

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.

which totaled $67 million and increased 68 percent from 2005.

- Press revenues increased by 35 percent, totaling $176.8 million. The major portion ($112.8 million) went to magazines, and the rest to newspapers.
- Radio advertising grew to $26.5 million, up 33 percent from 2005.
- The Internet advertising market grew by 150 percent, totaling $6 million.

Further steady increases in all media are forecast. Television advertising is getting more expensive while viewers watch fewer commercials, forcing smaller advertisers to leave television, panelists noted.

In press, the main business trends in 2006 included establishment of new media holdings and sales houses, launching of new projects and international brand titles, introduction of state-of-the-art publishing technologies, geographic expansion, and further growth of regional press due to regional expansion of advertisers. It is predicted that the press is likely to increase its share of the advertising pie.

The Internet is the fastest-growing segment of the advertising market, although it still has a rather small share in absolute figures. The Internet audience in Ukraine is said to be up to 5 million users, and advertisers mostly value the qualities of this audience rather than its size.

Prokopyuk, whose newspaper is in Crimea, said that large advertising agencies work with media cities whose populations exceed 1 million and with the oblast centers, rarely coming to smaller cities. If the local advertising market in her region grew by 45 percent, the increment for nationwide advertisers was just 5 percent, she said.

Independent media do not receive state subsidies. Panelists mentioned another form of cooperation with local governments in which newspapers sign agreements with them to provide, for example, a separate, appropriately marked page for official information from the local authorities.

Most regional media cannot afford to conduct high-quality market research or valid opinion polls, and thus most do not have an accurate picture of their own audiences and their interests. Prokopyuk said she conducted several workshops about low-cost, in-house readership research but that just a handful of publishers conducted such surveys; others were not motivated to do so. Regional television companies also generally cannot afford professional surveys.

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Most newspapers in Ukraine claim inflated circulation figures, and they add up figures of different editions and then pretend that weekly or monthly circulation is that of a single one. According to Pogorelov, the market is not ready to introduce circulation audit bureaus as a self-regulating lever, with neither large advertisers nor advertising agencies ready to support such initiatives.

A reliable rating system exists for nationwide television channels. GfK-USM won a tender for a television panel in 2002 and signed a contract with the Industrial Television Committee through 2007. At the end of 2006, GfK-USM also won a tender at the Industrial Television Committee for 2008–2012 and started to launch expanded panels, including for towns with populations less than 50,000, and also increased the number of PeopleMeters at households to better represent the Ukrainian population.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Ukraine Objective Score 2.37/4.00

Associations of media owners advocate for industry interests, render noticeable assistance to members, and protect outlets together with media-related nongovernmental organizations (NGOs). Unions of individual journalists are not so well developed, however. Panelists said the National Union of Journalists of Ukraine, a Soviet-era holdover, does not fulfill its functions. Journalism education lacks practical experience, appropriate programs, and instructors. Short-term training sessions are in demand, and their market is developing. Modern printing facilities are available, but the field of distribution is more problematic for the industry with two state-owned monopoly players. Overall, the MSI panel found the situation for this objective little changed at 2.37, up from 2.30 in 2005.

The Ukrainian Association of Press Publishers (UAPP) provides legal, information, and training support to its members, develops and lobbies for draft laws in support of the industry, analyzes current laws, and supports its members

at different institutions. Now collecting membership fees reliably, UAPP has started to shift its revenue base away from grants and toward an increase in fee services. Its membership is nearing 115 publishers of several hundreds print titles, with total circulation of several million copies. One of the brightest events in 2006 was the board meeting of the World Association of Newspapers, to which UAPP belongs, that was held in Kiev. UAPP also contributes in changing the law on advertising, working with the Association of Distributors, and launching additional syndicated audience surveys.

The Association of Independent Regional Publishers of Ukraine defends the interests of major regional players and provides training opportunities to them. The total circulation of its member papers is more than 1 million.

The Independent Association of Broadcasters is also known for its legal services in the media and commercial law areas. It contributes to lobbying for the industry regarding public-television issues. The Industrial Television Committee submitted a new edition of the Law on Broadcasting, but no new law has been considered.

The Association of Network Broadcasters and the Internet Association of Ukraine also have existed for several years. All trade associations have their representatives at the Civic Council to the Parliamentary Committee of Free Speech and Media.

According to Guz, head of the Independent Media Trade Union, the journalists' associations exist but do not solve major problems between journalists and managers and owners of media outlets or issues of legalization of salaries and employment. The existing unions of journalists do not unite substantial numbers of the approximate 40,000 journalists in Ukraine. The Independent Media Trade Union offers legal, training, and organizational support to the unions of journalists in different media, but its membership is about 1,500 members. The National Union of Journalists of Ukraine (NUJU) is the old Soviet entity that unites retired journalists or employees of the state-owned media. It has 14,000 members, and most of its top positions are occupied by media outlet managers. NUJU is conducting a pilot project on privatization of state-owned newspapers, which includes about 45 titles.

There are many capital and regional NGOs related to media, including the Institute of Mass Information, the Academy of Ukrainian Press, the Media Reform Centre, the Regional Press Development Institute, the Association of Journalists of South Ukraine "Pivden" in Kherson, the Journalisms Initiative in Kharkiv, the Poltava Media Club, the Information and Press Center in Simferopol, TOP Media in Odessa, the Association of Free Journalists in Crimea, the Media Law Institute, the Association of Media Lawyers, the Guild of Vinnichina Editors, and others. They monitor violations, defend free speech, petition the government for changes in laws, and provide training. Almost all of them rely on financial support from international donors.

Panelists evaluated the quality of journalism education as extremely low. Among 36 existing journalism departments, only two were mentioned as more or less adequate—the Kyiv Mohyla Academy and the Kiev Institute of Journalism.

Generally, curricula do not correspond to modern reality and demands, panelists said. Professors rarely have practical experience in media, and there are few up-to-date materials. As a result, graduates are not acquainted with practical skills and international standards, panelists agreed. Meanwhile, opportunities to receive journalism education abroad are narrowing. Some positive developments were noted within the JORNA project at the Kiev Uzhgorod and Simferopol departments, funded by the BBC World Service Trust under an EU project.

The number and variety of training programs are increasing, conducted by international as well as domestic organizations with funds from donors and sometimes media outlets. Panelists said that willingness to pay fees for training workshops is increasing, but the field remains rather narrow with only a few dozen media outlets able to afford such programs and the presence of donor-funded free programs undermining the market somewhat.

Regional publishers have established their own training centers in Rivne, Poltava, and Melitopol, which work for their own employees as well as external audiences.

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.

Media infrastructure is being developed, with more publishers setting up their own presses and independently buying newsprint. Development and availability is not even, with more privately owned printing houses in western Ukraine compared with the east, where communal and state-owned media prevail. In such areas, local authorities are still able to pressure printers to prevent some publications and business practices, and equipment is often outdated.

Distribution is more problematic. The state-owned post office is the main operator of subscriptions, and retail sales are controlled by kiosk networks owned by municipal bodies. Both are able to refuse to distribute certain titles. Private alternative systems seem to be more developed in eastern Ukraine rather than in the western regions.

In broadcasting, all transmitting equipment is private, but antennas, regional transmitter towers, and Ukrchastotnaglyad—the organization that controls frequency resources and issues permits for private transmitters—are state monopolies and dictate their conditions and prices.

Internet access is becoming more available and cheaper in the regions.

Panel Participants

Sue Folger, Chief of Party, Internews' Network U-Media program, Kiev

Sergei Guz, Head of Independent Trade Union of Journalists, Kiev

Oleg Khomenok, Print Media Advisor, IREX U-Media program, Kiev

Natalya Ligachova, Director and Chief Editor, Telekritika, Kiev

Kostantyn Kvurt, Executive Director, Internews-Ukraine, Kiev

Victoria Marchenko, USAID, CTO for U-Media program, Kiev

Aleksei Pogorelov, General Director, Ukrainian Newspaper Publishers Association, Kiev

Irina Prokopyuk, Editor and Publisher, *Kafa* newspaper, Feodosia, Crimea

Andriy Shevchenko, Head of the Committee on Freedom of Speech and Mass Media, Verkhovna Rada of Ukraine, Kiev

Taras Shevchenko, Director, Media Law Institute, Kiev

Tatyana Lebedeva, Head of Association of Independent Broadcasters, Kiev

Natalya Zakharchenko, Director, TRC UNION, Makeevka, Donetsk oblast

Oleg Pastukhov, Media Development Fund, US Embassy, Kiev

Valeriy Ivanov, President, Academy of Ukrainian Press, Kiev

Moderator

Kateryna Laba, Media Trainer, Kiev

CENTRAL ASIA

The panelists repeatedly emphasized that free speech is not a value for either the government or the people. A deterioration of the situation with respect to public institutions, and especially the media, against the backdrop of the stabilization and intensification of conservatism in public opinion, was identified by the panelists as the greatest challenge to the democratic process in Kazakhstan in the current year

KAZAKHSTAN

OVERALL SCORE: **1.27**

KAZAKHSTAN

The new political cycle that Kazakhstan entered following the December 2005 presidential elections has been characterized by the terms "political sustainability," "social stability," and "effective economic reforms." The year started out with the key event in the politics of the preceding seven years—the inauguration of Kazakhstan Republic President Nazarbayev. Since the status quo in the republic's leadership has been preserved, now the logic of the national development strategies was declared to be "first economics and then politics." In terms of economic policy, the past year has proved to be more than successful: the GDP growth rate reached 9.5 percent, and per capita GDP rose substantially. Today, significant progress can be noted in macroeconomic changes, which is reflected both in Kazakhstan's growing world economic ratings and in the optimistic upswing in the way that Kazakhstanis feel about their society.

Certain segments of the media system are also characterized by economic growth. Entertainment publications—the "slick" magazines—are presently occupying new consumer niches and expanding into the markets of neighboring countries. These slick magazines, which have received wide distribution, frequently acquire the significance of status publications, rather than magazines for the masses, although mass magazines do exist. The market of business-oriented media, in which the state cannot exercise serious influence or offer much competition, as it does in the area of the general-purpose media, has been developing.

The dynamics of the general media in 2006 have been somewhat different. Among the significant factors of change in the environment of such media, one can cite the appointment of a new minister of culture and information, who has openly expressed his intention "to defend the government with every possible means," along with the numerous legislative initiatives seeking to regulate key areas of media activity.

In the experts' assessment, Kazakhstan's information law contained a great many restrictive and prohibitive provisions, even before the aforementioned legislative initiatives. Many of these initiatives are contrary to constitutional guarantees of freedom of speech, creativity, and citizens' right to obtain and disseminate information and are extremely far from international standards.

The Institute for the Problems of Information Law (Moscow) conducted a study of media law in former Soviet states. In the study of 13 of the most fundamental issues for the media in the area of the legislative regulation of the information sector, Kazakhstan received a very low mark (2 points out of 13) and joined the group of countries with the lowest degree of freedom, including such countries as Belarus and Turkmenistan.

KAZAKHSTAN AT A GLANCE

GENERAL

> **Population:** 15,284,929 (July 2007 est., *CIA World Factbook*)

> **Capital city:** Astana

> **Ethnic groups (% of population):** Kazakh (Qazaq) 53.4%, Russian 30%, Ukrainian 3.7%, Uzbek 2.5%, German 2.4%, Tatar 1.7%, Uygur 1.4%, other 4.9% (1999 census, *CIA World Factbook*)

> **Religions (% of population):** Muslim 47%, Russian Orthodox 44%, Protestant 2%, other 7% (*CIA World Factbook*)

> **Languages (% of population):** Kazakh (Qazaq, state language) 64.4%, Russian (official, used in everyday business, designated the "language of interethnic communication") 95% (2001 est.)

> **GNI (2006-Atlas):** $57.98 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $7,780 (World Bank Development Indicators, 2007)

> **Literacy rate:** 99.5% (male 99.8%, female 99.3%) (1999 census, *CIA World Factbook*)

> **President or top authority:** President Nursultan A. Nazarbayev (since December 1, 1991)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** A total of 2,022 active media outlets (of which 514 are state-owned), including 130 television companies and 40 radio stations

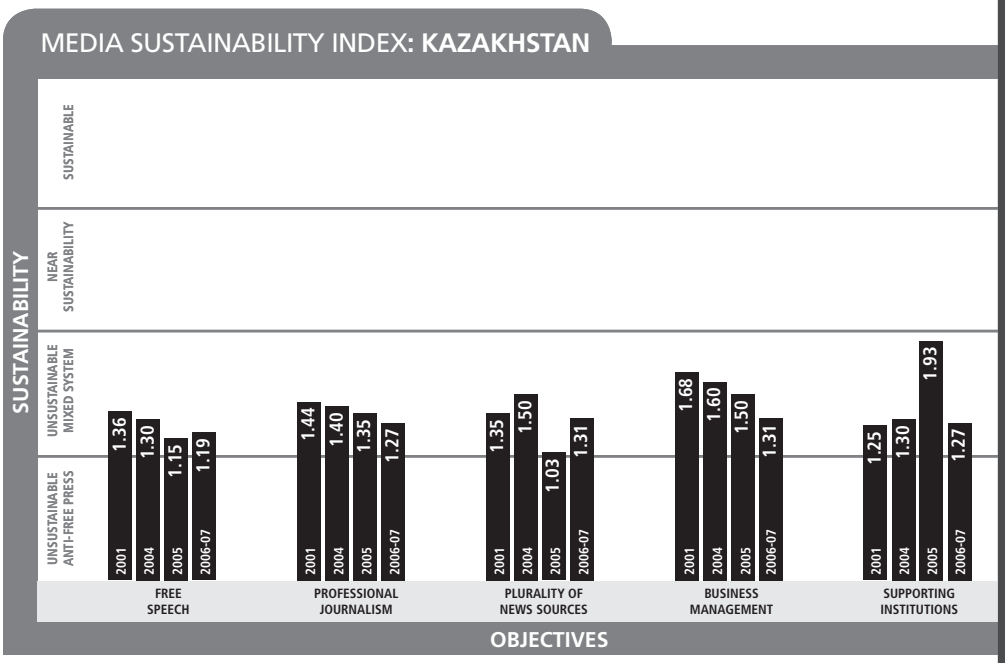
> **Newspaper circulation statistics:** The circulation leaders are the newspapers *Karavan, Vremya, Kazakhstanskaya Pravda, Zhas Alash,* and *Komsomolskaya Pravda* (Kazakhstan supplement)

> **Broadcast ratings:** N/A

> **News agencies:** 15 news and information agencies

> **Annual advertising revenue in media sector:** N/A

> **Internet usage:** 400,000 (2005, *CIA World Factbook*)



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.

Before the election, an information campaign was implemented to publicize Kazakhstan's successes in both economic reform and the advancement of its foreign-policy image. Sociologists' opinion surveys note the public's growing satisfaction with the improvement of economic prosperity and a growing unwillingness to risk this prosperity for the sake of democratic values.

In assigning scores for 2006, participants in the panel discussion noted the ambiguous nature of the processes that have been occurring: on the one hand, there has been an indisputable quantitative and qualitative growth in some sectors of the media, along with improvement of the media's technical facilities and an increase in the diversity of their sources of revenue. But at the same time there has been deterioration in the political environment in which the media operate in Kazakhstan. Members of the panel assessed overall trends in the development of the climate for the media as negative, and the average Media Sustainability Index (MSI) score dropped from 1.39 to 1.27. There was a higher rating in terms of plurality of news sources providing citizens with reliable and objective news.

The panelists repeatedly emphasized that free speech is not a value for either the government or the people. A deterioration of the situation with respect to public institutions, and especially the media, against the backdrop of the stabilization and intensification of conservatism in public opinion, was identified by the panelists as the greatest challenge to the democratic process in Kazakhstan in the current year.

OBJECTIVE 1: FREE SPEECH

Kazakhstan Objective Score: 1.19/4.00

The legal framework guaranteeing free speech in Kazakhstan includes more than 30 legislative documents,[1] the foundation of which is the Kazakhstan Republic Constitution.

During this past year there was a significant step-up in initiatives for the further development of the legislative framework. Thus, in 2006 amendments to the Law on the Media were introduced twice,[2] and the following bills were introduced:

- On Publishing Activity
- On Revisions in and Addenda to Certain Legislative Acts of the Kazakhstan Republic Concerning Increased Liability for Libel and Violence
- On Revisions in and Addenda to Certain Legislative Acts Concerning Advertising
- A decree of the republic president ratified the Basic Concept of Information Security in the Kazakhstan Republic.
- A government resolution made revisions in the Regulations for the Registration of Foreign Media Distributed in the Kazakhstan Republic.
- Draft Regulations for the Licensing of Activities Related to the Organization of Television and (or) Radio Broadcasting also are being advanced.

These changes in law and in public discourse, in the panelists' opinion, are deemed to be a further offensive on the part of the state against the independent media through such mechanisms as increasing the criminal liability for libel and the civil liability for insult. At the same time, such important aspects of journalism as the legal definition of publicly significant information or journalists' social status have remained beyond the realm of legislators' attention.

Law-enforcement practice in Kazakhstan in the current year took great advantage of the opportunity to restrict the media's rights and freedoms. The practice has continued of filing charges against journalists under criminal law for libel and insulting top political figures, and the practice of civil

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.

[1] Bulletin Rep/2006/#34 of the Center for Journalism in Extreme Situations

[2] At present there is a bill drafted by the Congress of Journalists and submitted to parliament. Consideration of this bill was planned for January 2007. One of the principal persons promoting this bill is the newly elected leader of the Congress of Journalists, Diriga Nazarbayeva.

Displeasure with the work of a journalist or media outlet can have consequences not only in the form of court cases, but also outside the realm of the law. Monitoring by the Adil Soz International Foundation for the Defense of Free Speech attests to dozens of instances of attacks on journalists during the current year. Yet there were no convictions.

disputes over defamation has become more widespread. For example, the journalist Zhasaral Kuanyshelin, who was accused of insulting the country's president, was sentenced to two years' incarceration but fell under an amnesty, and legal proceedings continue with respect to Kazis Toguzbayev, against whom charges of insulting the honor and dignity of the Kazakhstan Republic president were brought by the National Security Committee's department for Almaty. Law-enforcement agencies are given preference in the legal proceedings, and there are already precedents for the conviction of journalists in such cases. That is why it is predicted that the outcome of the case will not be in journalists' favor.

Civil disputes, too, are very often decided against journalists and media outlets. One illustration is the trial this year based on a lawsuit brought by Ye. Abylkasymova, a deputy to the Majilis (lower house) of the Kazakhstan Republic parliament against the owner and editor of the newspaper *Central Asia Monitor* and one of its journalists. Contrary to the opinion of forensic linguistic experts, the court ruled that the information contained in an article defamed and damaged the reputation of the deputy, and it ordered the collection of nonpecuniary damages in the amount of 5 million tenge.

Journalism is becoming an increasingly risky profession in terms of journalists' vulnerability in the face of criminal and civil law. The case brought against six media outlets in Zhambyl Province is indicative. The reason for the case was the distribution of information officially obtained from a government body—the disciplinary council of the Kazakhstan Republic's Zhambyl Agency for Civil Service Affairs. The information concerned instances of corruption by the deputy *akim* (local executive). Although under law media outlets cannot be held liable for the dissemination of official information, the deputy akim filed a suit seeking nonpecuniary damages of 22, 400,000 tenge to be paid jointly by the print and electronic media outlets.

The risk is also great in the case of using Internet materials or materials from other foreign sources. Although access itself to various information sources is great,[1] the risk of facing charges for the publication of borrowed information is quite real and great, as the past year's judicial precedents attest.

Displeasure with the work of a journalist or media outlet can have consequences not only in the form of court cases, but also outside the realm of the law. Monitoring by the Adil Soz International Foundation for the Defense of Free Speech attests to dozens of instances of attacks on journalists during the current year. Yet there were no convictions. Threats of reprisal against journalists in connection with their professional activity have become extremely common (these include threats over the phone, in the mail, etc., as well as open meetings with journalists). At the same time, compared with last year, the situation has even gotten worse, since law-enforcement officials frequently refuse to accept complaints in such cases, and fail to respond to them.

The year 2006 was marked by two cases of premeditated murder of journalists—the journalist Altynbek Sarsenbayev, a former minister of information and culture and prominent opposition figure, and the French journalist Gregoire de Bourgues. Although investigations have been completed into these crimes and verdicts rendered, the public has doubts as to the objectivity of the investigation and judicial decisions.

Describing the gap between the laws governing media activity and actual practice, Tamara Kaleyeva, of the Adil Soz International Foundation for the Defense of Free Speech, expressed a pessimistic forecast: "Law-enforcement practice is completely at odds with the law, which declares equal rights regardless of the form of ownership of media outlets. But in 2006 a basis was laid for establishing this inequality in law as well. The general concept of the development of competitive media draws a clear line between government and private media outlets, giving the former preferential status economically through the establishment of support in the form of government subsidies. So the contradiction between the law and law-enforcement practice will soon be eliminated."

The authorities actively engage in dishonest competition by dividing media outlets into "ours" and "not ours," according to the panel. The principle of "ours" constitutes a system of preferences that are granted in exchange for loyalty to the authorities. Exclusion from the list means numerous bureaucratic obstacles and an increased risk that a media outlet will be shut down. The authorities' arsenal includes many administrative tools for "regulating" the media's

[1] There have been only isolated cases in which websites are blocked or forced to abandon the kz domain.

activities: from outright interference in the operations of nongovernmental media outlets (in Kostanay Province there was a case in which the local government removed the editor of an independent private television station and appointed "its own" person) and the restriction of access to information, to the possibility of putting pressure on a publication through the print shop at which it is printed, or the creation of red tape in issuing a license, the organization of audits of media outlets by the tax services, or combating piracy at private stations, etc.

The electronic media are the most vulnerable, since they must go through a multiple-stage procedure in the process of which they must obtain a license and permission for the use of equipment. In this connection, the requirements of license recipients in terms of qualifications have been formulated, but the rules for granting licenses have not been formalized. The complexity of getting through both the technical and political aspects of licensing procedures accounted for the absence of any bids for media licenses throughout the entire year of 2006. If one considers that the most accessible and used form of media in both the cities and the regions is television, all the complexities related to the opening of private, independent broadcasting stations become understandable. Yevgeniy Zhovtis, director of the Kazakhstan Bureau for Human Rights and the Rule of Law, noted: "Institutionally, the licensing of the electronic media is far from meeting international standards. The procedures for it are not transparent, and one can conclude from the results that there is a lack of fairness. There is not a single television or radio channel that is independent from the state. How can one speak of pluralism of political opinions in such a case?"

The provisions of law do not distinguish the media from other sectors of the economy. Entry into the private media market is determined by conditions that are equal to those governing other business projects. On the whole, in the panelists' opinion, tax neutrality reflects a low opinion of freedom of speech and the lack of any real support for pluralism in the media.

Since last year, tax preferences (for the value-added tax, or VAT) have been revoked. The upshot, in the panelists' opinion, is that in reality the nongovernmental media incur greater costs than do other sectors of business: the procedures for getting into the market are lengthy, and the risks are greater. Although registration with the Ministry of Information and Culture today does not appear to be complex, the time established by law for obtaining registration—within 15 days—sometimes proves to be insufficient. The owners of *Novaya gazeta* in Temirtau invested millions of tenge in their news enterprise, but because of a fire in the ministry, its subsequent move, and resulting loss of documents, its registration was substantially delayed. The owners of *Nedelya* in Karaganda were able to publish only the first issue of their publication before being promptly shut down. According to the main theory, the reason for its closing was its publication of an article about the activities of the local *akim*. That is, general-purpose publications, as businesses, face greater additional risks compared with other business enterprises. Tulegen Askarov, an economics commentator with the newspaper *Respublika*, characterizes the difference between the information business and other business (such as the oil business) as follows: "Oil fields are sold competitively, while media outlets are sold on the basis of political considerations."

The authorities actively engage in dishonest competition by dividing media outlets into "ours" and "not ours," according to the panel. The principle of "ours" constitutes a system of preferences that are granted in exchange for loyalty to the authorities. Exclusion from the list means numerous bureaucratic obstacles and an increased risk that a media outlet will be shut down.

Furthermore, in contrast with other sectors of the economy, in the information sector the rights of nonresidents and rights to rebroadcast foreign information products are restricted by law.

By virtue of the development of technology, it does not appear possible to restrict the public's access to diverse sources of information, even for a state that is oriented toward rigid control and the regulation of the media sector in its own interests. The Internet and cable television, satellite broadcasting, and new information products (including journalists' blogs) are developing rapidly in Kazakhstan, and the state cannot effectively exercise control over these areas.

The low prestige of media work, in the panelists' opinion, can be attributed to the fact that entering the profession of journalist faces no specific requirements and conveys no special rights. The journalists' community itself has an interest in raising the professional bar for entering specialized areas of journalism, and in the near future the establishment of professional guilds will become a step toward improving the quality of professional journalism.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kazakhstan Objective Score: 1.27/4.00

This indicator evoked a difference of opinion among the expert panelists. A number of panelists claimed that by virtue of their preferential treatment, the government media outlets are not greatly concerned with the accuracy of information, while for private independent media it is vitally important to check and recheck information and use various sources for reports.

Nonetheless, most of the panelists concurred in the opinion that commercial media outlets are just as subjective and tendentious as the government media outlets. On the whole, given the unfavorable laws and law-enforcement practice, self-censorship is becoming a way of life for journalists and editors. This is reflected in the continuing low score for this indicator, which has not witnessed progress since the MSI began in 2001.

Askarov spoke of self-censorship: "We know that if you are preparing an article that is somewhat critical for a newspaper, especially a weekly, the editor will telephone Astana and find out whether the thrust of it will get by or not. That is, this is not just the practice of self-censorship, but self-censorship that has been incorporated into a system of government control."

In assessing the political conditions for the operation of the media, Tamara Yeslyamova, editor of the newspaper *Uralskaya nedelya*, said: "Freedom and independence are always related to the personal choice of the editor and the journalist. If you tell yourself that you will not practice self-censorship and will do your professional work completely, you are taking all the risks on yourself. You realize that you may be killed or beaten, your family may be killed or beaten, and your fellow staff member may be killed or beaten. That's an extremely grave personal choice."

In the course of the panel discussion, a special case for Kazakhstan—the newspaper *Respublika*—was discussed. Askarov said that, following a certain stage in which opposition media outlets and their journalists were pressured and hounded, a period marked by a certain degree of political freedom from the dictates of the state has begun. In the case of Respublika, this could happen only after its offices were burned down, a number of journalists convicted, and the editor forced to leave the country. Now the paper has no offices, as such, but its journalists may write for it without self-censorship, and their articles will go to press without cuts.

However, at most media outlets, for the sake of greater security, the journalists and editors have been forced to avoid "hot" topics and attempt to ensure themselves by settling for official responses from officials, while the latter do their utmost to give strictly perfunctory answers and not to meet the required deadlines for providing information. The results of the monitoring of mass news and advertisement publications conducted by the Center for Legal Assistance to the Media are no accident. Olga Didenko, a lawyer with the Center, had the following to say about those results: "Up to 60 percent of the content of mass publications consists of crime reports." The imposition of taboos on topics and individuals is especially evident in the capital-city and national media, since the regional media have slightly more freedom. It is thanks to the regional media that the republic learned about the Shymkent tragedy, in which dozens of children were infected by medical personnel with the AIDS virus, and about the conflict involving Kazakh and Turkish construction workers, and so forth.

Nonetheless, Tatyana Pak, president of the nongovernmental organization (NGO) Forpost Order for the Defense of Free Journalism, believes that "the freedom of the regional press is highly relative." The economic and political potential of the regional media are even more limited than that of the capital-city media.

The size of their income also substantially reduces the motivation and ability of regional journalists to be objective and professional. As the website Izdatel.kz attests, the best financial situations are enjoyed by the staffs of republic-level media outlets—*Kazakhstanskaya pravda, Argumenty i fakty, Karavan, Izvestiya Kazakhstan, Megapolis*, and *Info-Tses.* Among the electronic media, the highest wages are those of Khabar journalists. But even within the limits of a single

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

media outlet, pay levels may vary considerably, and the gap is not just between the remuneration of journalists and that of managers and editors, but in the pay of different "ranks" of journalists. On capital-city publications, such gaps can reach critical dimensions. According to the panelists, low wages are not the least factor contributing to the process of pushing talented journalists out into government service.

In discussing the earnings issue, panelist Zhovtis expressed doubts as to the wording of the fifth indicator under the given objective. He justified those doubts with the claim that, unlike government officials, in the case of journalists we are dealing not with corruption but with a different sort of abuse of position that is closer to a violation of ethical standards.

Competitive economic conditions force editors and journalists into even greater tendentiousness. Kaleyeva, citing Russian studies and years of media monitoring in Kazakhstan, characterized the content of today's media as follows: "The principles of editorial policy are such that a journalist is required to bring in advertisements and required to engage in PR for the economic development of his publication. That is, you get a total mixture of advertising and professional activity. Even in one's mind there is a mixture, an eclecticism. The existence of commissioned articles results in a situation in which journalism, per se, occupies less than a fourth of print publications, while the rest constitutes the filling of orders—economic, political, and business orders. And this is done under the label of journalistic materials. There is a total lack of ethical standards."

The republic's journalists do not have any generally accepted ethical standards and norms, despite the existence of such documents as the Declaration of the Moral Principles of Journalism, which is posted on the Congress of Journalists' website. Moreover, there are frequent cases of "local information wars" that develop between competing media outlets right on the pages of publications. In such situations, anything goes, and ethical values are ignored.

At the same time, at a number of regional media outlets, editorial ethical codes have developed, and upon beginning work a journalist signs an ethical code along with an employment contract.

In the panelists' opinion, the influence of level of pay on journalists' devotion to ethical values and standards is not unambiguous. As a rule, the higher level of earnings in capital-city media outlets is not an obstacle to the appearance of biased, tendentious materials, while regional journalists with relatively low pay do not necessarily personify journalism that has sold out in every respect. For example, at the *Uralskaya nedelya* [Urals weekly] newspaper, an incident occurred in which a journalist chose ethical values over considerations of personal gain (a large bribe). This fact is described in detail on the website of the Adil Soz International Foundation for the Defense of Free Speech, but it represents the exception rather than the usual practice of journalists.

Askarov spoke of self-censorship: "We know that if you are preparing an article that is somewhat critical for a newspaper, especially a weekly, the editor will telephone Astana and find out whether the thrust of it will get by or not. That is, this is not just the practice of self-censorship, but self-censorship that has been incorporated into a system of government control."

According to the legal classification of media, Kazakhstan has government media outlets, commercial media outlets, and the media outlets of political parties. That is, the association of each type of media with certain interest groups is perfectly obvious. In each of the aforementioned media groups, there are also internal divisions and specializations. Depending on the type of media ownership and the specific niche occupied by a specific publication or station, the level of professionalism, accuracy, and objectivity varies. For example, panelist Askarov noted that generalized assessments of the entire media market as being nonobjective, placing a serious overemphasis on advertisements and entertainment and offering a low level of analysis, are not fair today. He said: "A media dialogue was recently held in Almaty with the participation of business circles. The Kazakhstan Press Club was there, public-relations people were there, and the head of the National Bank, the Financial Oversight Agency, and others were there, too. They noted that one sector of print publications in the country already presents fair and objective information from good and diverse sources. We thanked them for the compliment and explained that we were fortunate to have such progressive financial sources. But if we take other sectors (and this was also mentioned in the media dialogue), such as the general-purpose press (including official publications and the aforementioned *Kazakhstanskaya pravda*), it differs strikingly from the business media sector. That is because the information that is presented there is usually unfair and nonobjective, and not always from good sources. The political-party press occupies a totally marginal position, because it gives expression to just one side, the party to which it belongs. All other points are not admitted."

The complexities of the development of nongovernmental general-purpose media and the bias in mass tastes toward entertainment account for the fact that the greatest percentage of broadcast time goes to entertainment programs, and in the print-media market, media owners are with increasing frequency reorienting their publications from a general-purpose focus toward television guides, slick magazines, and the specialized press.

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However, the process is not so simple: News media have their own stable niche, and the demand for professional news is expanding. Thus, all the country's television channels (except for Hit FM) have their own news segments, which usually become the biggest revenue-generating part of their broadcasts. A number of television channels have been switching to nonstop news programming and are enjoying considerable success with the audience (Khabar, Almaty, and the regional television broadcast from Kyzyl Ordy). News production in that format demands not only a high degree of professionalism on the part of journalists but sufficient financial resources—an adequate staff and advanced technology. Only a very few media holding companies that possess both economic and government capital can allow themselves that sort of broadcasting format.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kazakhstan Objective Score: 1.31/4.00

Of all the means of informing the public, television has the greatest advantage and the greatest reach. The regions have access to local television stations, and the government television channel Khabar offers broadcasting of a national nature. Today the country already has more than 30 television stations that, among other things, offer local news. Public television does not exist in Kazakhstan, either de facto or de jure, although the question of establishing public television has been actively discussed in the public space.

The rapid growth of personal income has contributed to the public's becoming acquainted with new information technologies. Panelist Pak believes that satellite television has been developing rapidly, and relatively cheap Chinese-made satellite dishes are within the reach not only of city dwellers but of certain categories of rural residents. According to statistics, the circulations of subscription periodicals, both national and local, have been growing, which is due in large part to the development of the advertising market.

However, the media market is not evenly developed among the various regions. First of all, the print market has its limitations. By virtue of the monopoly on the delivery and distribution of print products (*Kazakhtemirzhol, Kazakhpochta*), in the regions the national-type newspapers lose their timeliness and attractiveness as news sources. The local general-purpose press continues to experience political pressure and financial difficulties. Over the past year there have been numerous examples, like that of the Pavlodar province weekly *Sobytiya nedeli*, which closed.

A factor impeding the development of the general-purpose press is the continuing trend toward extinction of the culture of reading. Today other forms of receiving information—television and radio—predominate in informing the public. But for the electronic media, all is not well, either, since there are regions (villages) that not only are outside the delivery system for the print media but also have difficulties with electricity and normal telephone service. By virtue

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.

of Kazakhtelekom's monopoly in the area of principal information networks, it has no interest in the emergence of competitors and lowering of prices for services. High Internet charges, the fact that access to it is far from universal among rural residents, and the high cost of cellular phone service mean there are limits on the plurality of news sources for the rural regions and, in general, make access to objective and reliable news more difficult.

Thus, one can say that zones have developed in the country with differing degrees of information density. In Askarov's opinion, "as a result of the high concentration of media outlets in the cities, a kind of super competition is developing in the regional media markets, which is holding down the growth of circulations and revenues of both the local and the nationwide press and giving rise to stagnation in the development of the electronic media, reinforcing their orientation toward the interests of advertisers and the mass consumer."

It does not appear possible for citizens to determine the orientation of the interests of specific media outlets, since information about media ownership is not made public. Whereas with regional companies one can still figure out who the owners are by making reasonable guesses, on the national scale it is impossible to find out information about media outlets' owners. The panelists recalled cases in which court proceedings were instituted against a former ministry of information and culture who dared to publicly identify the news entities included in the media holding company of D. Nazarbayeva, the president's daughter.

In a number of regions the presence of Russian media determines the entire consumer market: Russian television stations often predominate. A number of regions are also within the television and radio broadcasting zones of adjacent states, especially Uzbekistan and China.

The reverse flow of information from the regions to the capital and other big cities and the interregional exchange of information are difficult. The vast majority of newspapers and even news agencies cannot afford to maintain correspondents in the regions. The flow of information from the regions is much weaker than the flow to the regions. Even such market-leading news agencies such as Kazakhstan Today, Politon, and Interfax Kazakhstan do not adequately reflect regional events.

The Internews Kazakhstan News factory project has become a good information source for journalists. Thanks to this project, all the participants—independent media outlets from the regions and the capital—have access to extensive, up-to-date databases from various regions consisting of high-quality journalistic products.

A factor impeding the development of the general-purpose press is the continuing trend toward extinction of the culture of reading. Today other forms of receiving information—television and radio—predominate in informing the public. But for the electronic media, all is not well, either, since there are regions (villages) that not only are outside the delivery system for the print media but also have difficulties with electricity and normal telephone service.

As Askarov pointed out, on the whole the print market is already polyphonic, and "given the whole abundance of positions, a reader can potentially put together his own version of the truth and analyze the hidden government interests."

Journalism in the languages of the national minorities traditionally has come under even greater pressure from the authorities and has been weaker from the professional standpoint. Thus, despite the relative diversity of print-media outlets in the languages of the national minorities, there is not a single influential one among them. Strict government control and budgetary funding mean that the minority press does not reflect the interests of the minorities but performs decorative functions. For example, most Kazakhstanis of Uighur nationality are concerned about the autonomy issue, but the diaspora media do not cover the issue. As Zhovtis noted, "in the activities of the nationality centers, political aspects predominate. The centers' work is supposed to be seen in terms of harmonized interethnic relations. Raising questions is not politically correct."

Trained personnel are becoming a huge problem for media in the national minorities' languages. Throughout the country as a whole, the personnel problem is fairly acute, but in the media published and broadcast in the languages of the national minorities, the chances of recruiting a talented and professional journalist who writes in one of those languages are especially low. The country's universities offer no professional training of journalists in the languages of the national minorities. In general, the media of the diaspora do not have many readers, since they do not reflect the interests of specific ethnic groups. Kaleyeva offered the following assessment of the work of the media in the national-minority languages: "On the basis of the monitoring of Kazakhstan's media in Uzbek, one can say that all the issues of interethnic

relations are treated in the media of the diasporas in an old-fashioned way, in the spirit of the [Soviet-era] friendship of peoples. Neither the slaughter in Shymkent nor other conflicts nor the urgent needs of the ethnic groups are reflected at all in those media."

OBJECTIVE 4: BUSINESS MANAGEMENT

Kazakhstan Objective Score: 1.31/4.00

The panelists noted aspects of improvement in the situation with respect to this criterion in 2006, acknowledging positive changes in the handling of business not only by media enterprises belonging to oligarch-owned organizations but also by some private publications, especially in the sector of the business press and political-party media.

The dynamics of business management in the information sector are largely related to the development of the market in printing services. In this sense, the greatest capabilities, of course, are those of publications in the major cultural center, Almaty, although full-color presses are developing in regional cities, and competition among publishing services is emerging there. Even in relatively small towns, successful business enterprises are being established that may include the largest-circulation local newspaper, a retransmitting radio station, an ad agency, a print shop, and sometimes even its own television station. For example, that is what the Inform-Byuro-Ekibastuz media holding company looks like today.

Although cases were mentioned during the panel discussion in which, following the 2005 presidential elections, a number of opposition media were refused publishing services, the overall trend is such that print shops strive to earn a profit regardless of the type of publication involved or its form of ownership. Naturally, if pressure starts to be exerted on a print shop in the form of tax audits, health inspections, and other inspections, the print shop will be forced to give up obvious revenues from printing opposition publications. But on the whole, at this time the denationalization of publishing facilities has contributed to progress with respect to freedom of speech and the plurality of news sources. The panelists noted that the bill "On Publishing Activity" that was introduced by the Ministry of Information and Culture in 2006 may change the situation by introducing covert censorship through the licensing of printing facilities.

The panelists noted that the private media also actively take advantage of such a revenue source as government commissions, in the context of which a media outlet pledges to carry propaganda for certain government programs and projects. Naturally, that sort of media revenue has its drawbacks—freedom can be restricted with respect to certain issues, and sometimes even the structure of a publication is distorted. And although government commissions account for only a relatively small percentage of the total revenues of nongovernmental media outlets (in the estimation of V. Kulikova, president of the Otyrar private television network) and government commissions barely make up 1 percent of media outlets' total revenues, many nongovernmental media outlets gladly participate in bidding to obtain government commissions.

In the panel discussion, Kulikova gave a positive assessment of the accessibility of government-commission programs to nongovernmental media outlets, noting that this represents great progress in relations with the authorities and a victory for nongovernmental media outlets, which have achieved equality with government media outlets in this respect.

The percentage of government support for government media outlets is, naturally, different: Although government budget subsidies are technically prohibited, it is through the system of government commissions and direct and indirect support that substantial sums of government funds are provided to government media. Askarov cited an example of this: "Many news segments on Khabar or Kazakhstan are done with the support of the Kazakhstan Republic president's television and radio complex, which technically is not a media outlet and receives direct funding from the government budget. The government also helps its media outlets with equipment, the selection of office buildings, the construction of office buildings, etc." No small factor for the government media outlets is the persisting practice of compulsory subscription to government publications for employees in the budget-financed sector.

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.

According to the information provided by Didenko, budget infusions into government media will continue to grow: "Next year payments out of the budget will increase manifold. And everyone realizes that the quality of the information product will not be any better."

One of the most important sources of revenue for media outlets, regardless of their form of ownership, type of specialization, or geographical area of coverage, is the advertising market. According to a study of regional press markets in Kazakhstan conducted by the Kazakhstan Association of Newspaper Publishers together with the Simkom LLP,[1] in the media market in Karaganda Province alone, there are 167 regional publications in the media market, of which 23 (or 14 percent) are magazines, and at least 50 extraregional publications, of which 20 are magazines. The total size of the local print-media market is $10,183,000 per year, of which $9,636,000 is provided by advertisers, and only $574,000 comes from the sale of print publications to the public. Those who researched the regional press markets have established that sales revenues constitute no more than 6 percent of a local market, and consequently, the main economic factor in the operation of the print media is seeking and attracting advertisers. The media are developing not as media but as one form of advertising—an advertising channel through the media.

In the estimation of the panelists, overall, even for media outlets that rely on retail sales of their pressruns, 70 percent of revenues come from advertising. The free press gets 100 percent of its revenues from advertising. Didenko, citing the Association of Advertising Agencies, put the size of Kazakhstan's ad market at $400–$600 million. And although regulatory limits on the percentage of advertising in the media do exist (especially on television, where it is 20 percent), adherence to these limits is not monitored.

There are no fair and competitive conditions for access to the advertising market. Askarov said: "Since oligarch-owned entities loyal to the government or controlled by the closest aides of the country's high-ranking officials own the leading advertising agencies, the major advertisers' main flow goes to the media outlets controlled by those same circles, and also to government media outlets. An exception is the business media, which by and large work directly with the financial-industrial groups."

Despite the fact that the percentage of advertising determines the viability of media outlets, at most of them, with the exception of the big media holding companies, work with advertisers is far from meeting today's standards.

[1] This study was carried out on a commission from the Kazakhstan Association of Newspaper Publishers. See the website Izdatel.kz.

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The missing link here is professional marketing research and other media research conducted on a systematic basis. Today one cannot speak reliably about the position of any given media outlet in the market, about market share, or about the expectations and tastes of the audience or readership. Ratings companies are just starting to be developed, and the prices for media studies are high.

To this day, media surveys have been done primarily by such research organizations as the Gallup Institute and Kokon Evraziya-2. In the opinion of Oleg Katsiyev, of Internews, in some cases distortions are even presented to suit the client in the results of media surveys conducted by the Gallup Institute.

Despite the high cost of rating surveys, the major media outlets are forced to commission them, since both the cost of advertising in a broadcast network and compensation depend on the ratings. There are cases in which several television channels pool their resources to order such surveys.

Most media outlets lack marketing departments, and the publication of ratings is becoming a tool for the attraction of advertisers and audience. To that end, print media outlets often resort to overstating circulation figures. The overstatement of circulation figures is hardly practiced at all today at nongovernmental publications because of government spot checks at printing facilities and the serious fines for dishonest information concerning circulations in years past. These spot checks by the prosecutor's office and the subsequent imposition of sanctions were based on the Administrative Code. Private media outlets at their own initiative started to appeal to the Chamber of Commerce and Industry for audits of circulation figures. Although the first

attempts have been made, certification standards have not yet been formalized. At this time several organizations—the Association of Advertisers, the Association of Media Distributors, the Congress of Journalists, etc.—are working jointly on the procedures for auditing circulations.

In the panelists' opinion, government media and television and radio companies are guilty of distorting circulation numbers. That is the case even though, for this type of publication, mechanisms do exist that put a stop to dishonest competition. For example, there has been experience in conducting information fairs at which organizations working in support of the media may familiarize advertisers with the actual circulations of local media. Precedents also exist for initiating legal proceedings in cases of dishonest competition; in such cases, the plaintiff and the defendant are competing media outlets.

In summing up the discussion on this matter, Kaleyeva said: "The more diverse the sources of revenue, the more independent the media institutions."

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kazakhstan Objective Score: 1.27/4.00

The support system for media institutions in Kazakhstan is broadly developed. It includes a number of professional associations and NGOs working in the area of the protection of human rights, free speech, etc. Unlike in other Central Asian republics, the participants in the information market have been able to unite in professional associations—associations of television broadcasters, radio broadcasters, media distributors, advertisers, PR agencies, regional publishers, cable television operators, etc. Such associations are supported not by foreign grants but by the membership dues of their participants.

With every year, the number of such organizations grows, and today one can say that there is already a sizeable regional representation of membership media associations and NGOs. In 2006, the Association of Newspaper Publishers joined this group, and very soon the Association of Internet Publishers will begin to operate. Most organizations indicate in their mandates, first and foremost, the legal support of the association's members, and consulting on a wide range of issues, including legal issues.

A typical example is the National Association of Television and Radio Broadcasters (NAT), a membership organization that provides services to its members, nongovernmental media outlets. An important area of the association's work is lobbying for legislative decisions and providing information and legal and consulting services. For such organizations, the effectiveness of intervening in conflicts and the possibility of influencing the authorities are limited because of regulatory conditions and the distinctive features of law-enforcement practice. For example, NAT intervened in defense of the rights of a television cameraman and the media outlet he represented, since the cameraman had his camera broken while performing his job duties. Thanks to the support of NAT, the case was taken to court, although the outcome was not favorable for the journalist and his organization. Sholpan Zhaksybayeva, a NAT representative, noted: "NAT did not identify any major trials in 2006 with underlying political agendas. This year was largely filled with economic disputes, which, following consultations, were for the most part settled out of court."

Since membership in associations is established for legal entities, and trade-union organization is not a viable organization in all regions of the country, the real need for defense of the rights of specific individual journalists is filled by a number of NGOs.

Despite the pressure of the state, examples still exist of effective and vigorous work on the part of such organizations as the Adil Soz International Foundation for the Defense of Free Speech, Internews Kazakhstan, the International Kazakhstan Bureau for Human Rights and the Rule of Law, and in part, the Union of Journalists. These organizations carry out monitoring of journalists' rights and disseminate the results of it regularly, provide defense attorneys for journalists in court, and provide educational services to journalists and media outlets. That is, organizations that support the media not only identify cases in which journalists' rights are infringed but help them defend those rights.

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 commenting on the development of supporting institutions, Askarov said: "Journalists' associations exist and operate, but not so much as instruments of media pressure on the authorities as in the form of locations for the discussion of various problems."

The government also takes an active part in the development of professional organizations in support of the media in order to pursue its own interests through them. For example, the government, with the involvement of media institutions and persons, established the Television Association headed by Nazarbayeva, and the Congress of Journalists. In initiating a new bill on the media in 2006, the Congress of Journalists, under the chairmanship of newly reelected Nazarbayeva, may be stepping up its activity. The state controls the activities of a special institutional structure—the Public Council for the Media under the president of Kazakhstan, in which, following the replacement of its leader last year, the positions of journalistic circles were substantially weakened.

The longevity of media trade unions and membership associations is still problematical. Katsiyev, head of Internews Kazakhstan, believes: "All these organizations are in the initial stage of development. But compared with other countries in the Central Asian region, which do not, in principle, have any membership associations in the media sector that are supported by the dues of members with an interest in their activities, in Kazakhstan such organizations have at least been established."

During the panel discussion the issue of the training of professional journalists was discussed especially heatedly and critically. With an abundance of journalism departments (18 of them in the country), the real turnout of professional journalists is very low. By and large, graduates work in PR agencies, and journalist graduates never make it to the media, especially in the regions. Those who do go to work at media outlets following their professional training in higher schools find themselves absolutely unprepared for work. In the panelists' opinion, the reasons for this are obvious. As Askarov put it: "The structure of professional training is not complete: practical exercises in the instructional process are either profaned or are conducted by nonprofessionals, the system of mentoring has collapsed at media outlets, and the commercial basis of selection has generally lowered the admissions bar to journalism departments. Even at the best higher schools, such as the Kazakhstan Institute of Management and Forecasting, quality is poor. The general level of students' education has been declining, the level of mastery of Russian leaves something to be desired, and we have not even developed to the point of handling English and Kazakh."

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Even worse than the training of journalists is the state of affairs with respect to the professional training of other media specialists—television directors, designers, and publishing specialists. Most of these specialties simply do not exist in higher schools.

Short courses for journalists and other media personnel are greatly needed at media outlets. In the panelists' opinion, the contribution of Internews Kazakhstan to the professional development of media personnel has been especially valuable. It is there that both young and experienced journalistic personnel have been able to learn the techniques of investigative journalism, media management, and many key skills that are in keeping with today's international standards in the area of information work. Not all media outlets support the idea of training their employees, although all training courses and other forms of professional training are free of charge. Many editors simply lure away journalists who have been through training and gained experience working on other publications to come work for them for higher pay.

Recently, special forms of short-term professional training without taking time off work—residencies—have become a reality in the life of media outlets. As a rule, residencies are conducted with the participation of Russian specialists in media management and other matters in the media sector. According to the panelists, residencies are highly effective for media outlets. Yeslyamova believes that it was a residency that helped her newspaper find the optimal style and designer look and improved the process of producing news on the paper.

But as Katsiyev emphasized: "Such short-term courses cannot take the place of full-fledged professional education but should support and stimulate the professional growth of good specialists."

The panelists said that one of the most vulnerable points in the professional training of media specialists is the meagerness of the physical facilities and equipment used in the educational process, and subsequently, the meagerness of

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media outlets' resources. As a consequence, the gap between information technologies and the actual practice of journalists is dramatically widening. Askarov spoke of journalists' functional illiteracy: "We must accept criticism for our failure to take advantage of technical capabilities. After all, there are various levels of capabilities. For example, in disseminating authors' work, one can make use of blogs. And that's not to even mention the fact that there exists a simple piece of equipment, an automated device that provides access to any newspaper in the world and can, in a matter of seconds, print out any newspaper one orders in AZ format. This equipment can render the problem of hauling and distributing publications to the regions irrelevant. Special software packages that make it possible to dictate a text to a computer rather than printing it could substantially ease journalists' life. Today there is another remarkable possibility—access to fresh newspaper material via a cellular telephone. This technology is already being used by *Kazakhstanskaya pravda*."

But for now these state-of-the-art technologies have not become widely used in Kazakhstan, and the problems of sources of paper, printing equipment, and information distribution channels remain acute. In some regions, the printing facilities have not yet become competitive and free of political influence. In the big cities, however, the state cannot so rigidly control the production process. From the economic standpoint, the producers of print products are forced to accept the constantly rising fees for the transporting of paper and of their own products, and price increases for newsprint and other consumables.

A monopoly on the delivery and distribution of print products throughout the entire country continues to exist. In some big cities, an attempt has been made to establish alternative services, such as the Daniker press private distribution service, and form groups of individual distributors. But so far these initiatives cannot provide real competition to the national companies: Kazpochta, Kazakhstan Temir Zholy, and Kazakhbasmasoz.

Thus, both at the stage of the production of media products and at the stage of their distribution, the state has the institutional capability to control and regulate the flow of news. As the panelists emphasized, this year's legislative initiatives do not make for an optimistic forecast.

Participants

Tulegen Askarov, *Respublika* newspaper

Sergei Vlasenko, American Bar Association's Media Support Center and Central European and Eurasian Law Initiative

Olga Didenko, Center for Legal Assistance to the Media

Tamara Yeslyamova, Editor-in-Chief, *Uralskaya nedelya* newspaper

Sholpan Zhaksybayeva, National Association of Television and Radio Broadcasters

Yevgeniy Zhovtis, Kazakhstan International Bureau for Human Rights and the Rule of Law

Tamara Kaleyeva, Adil Soz International Foundation for the Defense of Free Speech

Oleg Katsiyev, Internews

Tatyana Pak, Forpost Order for the Defense of Free Journalism nongovernmental foundation

Saule Kusayeva, IREX, Kazakhstan

Maria Stefaruk, USAID

Moderator

Gulnara Ibrayeva, Kyrgyzstan

Polarization has established itself in the media, as the media have chosen to, or been forced to, choose sides. However, there is not unity in either the pro-government media ("sympathies" of these media can be labeled pro-Kulov, pro-Bakiyev, and pro-parliamentary) or in the opposition media, where each outlet advances its preferred leader. Overall, the chief characteristic of Kyrgyzstan's media remains contentious.

KYRGYZSTAN

OVERALL SCORE: **1.97**

KYRGYZSTAN

The year 2006 in Kyrgyzstan was marked by dramatic political events. Analysts speak of the formation in Kyrgyzstan of a "demonstration-democracy" regime and of entering an era of ochlocracy (mob rule). In describing the political situation over the past year, several key factors of domestic policy stand out. First is a tendency toward regional and clan principles. The political elite is increasingly based on this principle, including parliament. Distribution of resources also follows this trend, both through legal an extralegal reprivatization. Second, conflicts among the presidency, government, and parliament have re-emerged, as the agreement between the president and prime minister to govern in tandem also has failed. Third, a large group of elites from the Akayev era has coalesced into an opposition camp, if somewhat heterogeneous and unconsolidated. Fourth, the growth of demonstrations as a means of opposition has grown since 2005 and has hindered stabilization of politics, as the street is often a preferred political outlet. Finally, the rewriting, often rapid and little debated, of the country's Constitution and other legislation has hindered democratic development.

These and other factors directly influence the media in the country, as media are either controlled by political forces or are subject to pressure from political forces. Following events in March 2005 that led to the ouster of then-President Akayev, media have come under increasing pressure from the government and political forces, including, in some cases, the forcible change in ownership. In turn, the main line of struggle by opposition forces during the November 2006 confrontation with the regime was aimed, in part, at gaining access to the airwaves of the State Radio and Television Company and control over the company's news policy. The trend persists.

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An important factor limiting the further development of the media sector and the transformation of media outlets from political instruments into professional businesses is economic instability. The advertising market, which otherwise might serve to mitigate political control by providing revenue to media outlets, is unable to develop more intensively, as real GDP growth declined in 2005 in an already poor country. Additionally, the expansion of the Russian and Kazakhstan advertising markets, with global brands, has hindered the development of Kyrgyzstan's own market.

KYRGYZSTAN AT A GLANCE

GENERAL

> **Population:** 5,284,149 (July 2007 est., *CIA World Factbook*)

> **Capital city:** Bishkek

> **Ethnic groups (% of population):** Kyrgyz 64.9%, Uzbek 13.8%, Russian 12.5%, Dungan 1.1%, Ukrainian 1%, Uygur 1%, other 5.7% (1999 census, *CIA World Factbook*)

> **Religions (% of population):** Muslim 75%, Russian Orthodox 20%, other 5% (*CIA World Factbook*)

> **Languages (% of population):** Kyrgyz 64.7% (official), Uzbek 13.6%, Russian 12.5% (official), Dungun 1%, other 8.2% (1999 census)

> **GNI (2006-Atlas):** $2.554 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $1,980 (World Bank Development Indicators, 2007)

> **Literacy rate:** 98.7% (male 99.3%, female 98.1%) (1999 census, *CIA World Factbook*)

> **President or top authority:** President Kurmanbek Bakiyev (since August 14, 2005)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** A total of 938 media outlets are registered with Kyrgyzstan's Ministry of Justice, 36 of these being radio stations and 47 of these being television stations

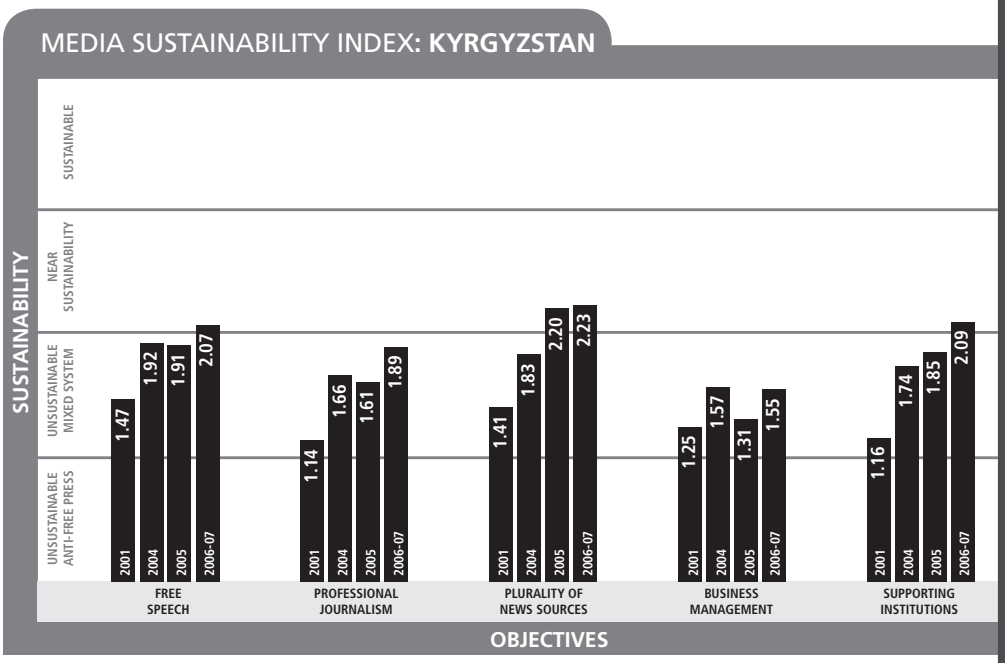
> **Newspaper circulation statistics:** The daily independent newspaper *Vecherniy Bishkek* circulates 20,000 copies on weekdays and 60,000 copies on Fridays. The independent newspaper *Moya Stolitsa Novosti* circulates 5,000 copies on weekdays and 60,000 on Saturdays.

> **Broadcast ratings:** N/A

> **News agencies:** Kabar (government), Aki Press (independent), Bely Parokhod (independent)

> **Annual advertising revenue in media sector:** N/A

> **Internet usage:** 280,000 (2005, *CIA World Factbook*)



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.

Nonetheless, panelists did assess a positive change, as the replacement of political figures and political instability in the process of the redistribution of power and resources did give rise to an overall "softening" of the regime in relation to the media. Serious debates on the country's public television led to discussions of political control. The heightened political events led to a rise in the role of political news and became an impetus for the development of the news industry—both in the format of the media and in the increasingly pluralistic news agencies.

Overall, despite the obstacles posed by political instability and economic stagnation, panel participants assessed the events taking place as more positive than in the previous year. The panelists noted progress or stability with respect to most objectives, although they emphasized that the process of democratization and attainment of independence and stability on the part of the media still had a long way to go and, unfortunately, remains reversible. Kyrgyzstan's overall score reached 1.97, an increase of 10 percent over the previous year.

OBJECTIVE 1: FREE SPEECH

Kyrgyzstan Objective Score: 2.07/4.00

The year's key event was the adoption of a new version of the Kyrgyz Republic Constitution. Discussions and debates over the new Constitution took place for over a year, and citizens got tired of the number of versions of the new Constitution and the ensuing debates. Several stages of work of the Constitutional Conference were not completed, since the current president had little interest in revisions that could weaken his power. In the end, opposition protests and pressure led to a new version of the Constitution being passed by parliament and signed into law by the president in a matter of hours. In the various versions discussed, the principal contentious issue focused on the relative powers and status of the country's president, government, and parliament. The Constitution adopted on November 9, 2006, proclaimed a presidential-parliamentary form of government.

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.

Marina Sivasheva, an instructor in the sociology program at the American University of Central Asia, said, "The best is the enemy of the good. There have been repeated attempts to create a law on the media. Incidentally, the present state secretary, Madumarov, as a deputy in the previous parliament, attempted to propose such a law…many points of which were written poorly and in a confused and overly rhetorical fashion and was killed there.

The process of adoption and the content of the new Constitution have received varying interpretations throughout the country. Negative assessments, along with the certainty that it will soon be revised, predominate. Revisions were offered by key political figures almost immediately after its adoption. As Zholdoshbay Osmonov, of Jalalabat State Television and Radio Company, notes, "It was adopted in haste and in secret from the people, and consequently it failed to take into account the opinion of millions of citizens living in Kyrgyzstan. This 'miracle' Constitution is still not accessible to the broad circle of the country's public, and not even to all of its higher officials and politicians. The information vacuum surrounding the content of the country's basic law has resulted in a situation in which differing interpretations of the principal provisions of the document differ among the public, depending on the extent of people's knowledge of it."

Panelists noted that key provisions guaranteeing democratic freedoms hastily "dropped out" of the Constitution's text. Elmira Toktogulova, general director of the Nongovernmental Foundation for the Development of Media Consulting in Central Asia, said, "Kyrgyzstan's Constitution (both old and

Others on the panel believe that the laws on the media have exhausted their usefulness to such an extent that they are substantially impeding the development of the media sector. As proof, they point to the situation in the area of distributing broadcast frequencies for television and radio, and the denationalization of the state media outlets.

new versions) guarantees freedom of speech, thought, and the press, and freedom of expression. It is noteworthy that the new version of the Kyrgyz Republic Constitution lacks the point that censorship is prohibited in the Kyrgyz Republic."

Laws regulating the media in Kyrgyzstan were written at various intervals from 1992 through 2002 and reflected the distinctive features of the political situation at the time. The media sector and other interested groups have discussed the possibility of revising laws in this area, which, it is generally acknowledged, have for the most part become obsolete. Panelists disagreed on the necessity of revisions at this time. Some doubted the possibility of revising the laws for the better.

For instance, Marina Sivasheva, editor of the website www.media.in.kg and an instructor in the sociology program at the American University of Central Asia, said, "The best is the enemy of the good. There have been repeated attempts to create a law on the media. Incidentally, the present state secretary, Madumarov, as a deputy in the previous parliament, attempted to propose such a law…many points of which were written poorly and in a confused and overly rhetorical fashion and was killed there. The present law is not all that bad, believe me. And additional laws on protection and guarantees sufficiently augment the basic Law on the Media. Hence, it is possible to work with that law. Until we, the media community, start creating precedents and explaining to society that officials who fail to provide information should be held accountable, and such officials are harshly punished, nothing will change." Another panelist, Aleksandr Kulinskiy, an independent journalist, supported that view. He argued, "Quite honestly, the journalistic community and nongovernmental organizations (NGOs) are impeding the process of revising laws in the area of the media. Because in the present parliament, it does not seem possible to adopt more liberal laws than in 1992." An indirect argument against revising laws on the media was added by Antonina Blindina, editor of the newspapers *Chuyskiye izvestiya* and *Dlya Vas*, who spoke of elections law: "The new code was adopted in 2005, and, in my view, there are too many provisions governing media activity during the period of election campaigns, and they over-regulate that activity. During the time of election campaigns, many media outlets refused to participate in campaigning, because there are a lot of potential pitfalls. The law is confusingly written, and some provisions lend themselves to differing interpretations; therefore, media outlets preferred…not to cover publicly important events during the election period in order not to inadvertently commit possible violations of the laws."

Others on the panel believe that the laws on the media have exhausted their usefulness to such an extent that they are substantially impeding the development of the media sector. As proof, they point to the situation in the area of distributing broadcast frequencies for television and radio, and the denationalization of the state media outlets. In particular, Ernis Mamyrkanov, executive director of the Association of Regional TV and Radio Broadcasting, said: "Actually, the existing laws were needed during that period and have fulfilled their mission. But now the situation has emerged such that the journalistic community or NGOs are attempting to postpone revising the laws. This, to the contrary, is having a ruinous effect on the media outlets themselves. This can be said both of television and of issues affecting the financial stability of the media outlets themselves. And it can also be related to the issue of 'denationalizing' the republic's print publications. It has been 18 months now that this has not been resolved, because there is no basis for it in law."

The existing legal basis defines rules for issuing licenses and frequencies that are common for all types of communications operators—telephony, the Internet, and television and radio broadcasting. And a number of regulations here are clearly impeding the development of the electronic media, especially the regional media. Mamyrkanov noted, "In 2001, when the bill on postal and electronic communications was submitted, which precedes the law on licensing, in order to protect the interests of the BITEL company, an amendment to it was introduced to the effect that frequencies were to be granted on the basis of an auction. Moreover, in order to take part in an auction, it was necessary to put up 20 million soms. The law on postal and electronic communications does not make any distinctions among communications operators; they are all lumped together under a single term. Not all of them (television and radio broadcasters) are able to put up that 20-million-som deposit in order to take part in the auction. But when there were precedents—Kadamzhay and Tash-Kumyr, with the help of international organizations, attempted to establish a radio station in those dying cities—they were refused because they did not meet the requirements of an auction, according to which there was

supposed to be a second applicant. Where are such applicants going to come from in those cities?"

According to Mamyrkanov's information, around 60 applications to obtain television and radio broadcast frequencies are presently waiting for the National Communications Agency to resume considering applications. The situation with respect to the Agency's status is still unclear, since the structure of the government is being defined anew on the basis of the new version of the Kyrgyz Republic Constitution.

At this time, issues of licensing and the allocation of frequencies are the most pressing. The lack of resolution of this issue is creating an obstacle to the free entry of pluralistic media outlets into the media market. Licenses are increasingly becoming a mechanism for intimidating and combating the media, according to many panelists. The history of the development of the Piramida Television and Radio Company demonstrates how licenses are taken away, how they are not issued, and what sort of bargaining over obtaining a license takes place with the authorities. On the whole, the matter of licensing has gotten even worse over the past year, Kulinskiy believes.

Panelists consider another problem to be the structure of taxes for media outlets. On the one hand, the Kyrgyz Republic Tax Code guarantees media outlets identical conditions to those for other segments of the market. On the other hand, there are differences in the practice of taxation between government and nongovernmental media outlets. Thus, the former receive tax breaks, and tax audits are not aggressive in nature. This implementation of tax policy becomes an important mechanism when authorities want to pressure nongovernmental media outlets.

Other panelists argued that the media should have some tax advantages, particularly when it comes to the value-added tax (VAT). According to Nurgazy Anarkulov, deputy editor of the newspaper *Zhany Ordo*, just "recently around 20 newspaper publications have closed in the country, virtually all of them Kyrgyz-language publications. There was one reason—the value-added tax rate. Publishing houses are operating at a loss. The print advertising market is substantially smaller than that for the electronic media, and small circulations result in a high unit-cost of production." Blindina adds: "It works out that the press pays the VAT twice—in buying paper and printing services, and then on the sale of newspapers."

Cases of crimes against journalists and persecution of media outlets have been related to the status of the media as a political weapon. Panelists noted that the nature of the persecution of journalists has changed since the times of President Akayev. Whereas the methods of judicial prosecution and attempts to use the guise of law to cover up the authorities' attacks on journalists used to prevail, now cases of physical attacks, beatings, and the harassment of journalists occur more widely. That is, politicians' use of extralegal methods, and arbitrary and lawless tactics, are becoming the norm. The panel's experts cited numerous examples of attacks on journalists during the November 2006 protests, in which journalists allege that even the representatives of law-enforcement agencies, parliamentary deputies, and high-ranking officials committed crimes against journalists. Investigations in these cases either are not initiated or are not carried through to prosecution.

According to data obtained in monitoring of the observance of journalists' rights conducted by the Journalists NGO, the number of infractions of the law with respect to journalists has been increasing. For example, there were 40 cases in June and 85 attacks in November.

Panel participants also deemed attacks on media outlets to be an alarming trend; they cited the examples of the robbery of the *Tribuna* newspaper and hackers' attacks on Internet resources (the website www.tazar.kg, for example). As the latter case indicates, the Internet's exclusion from laws on the media and the lack of any regulations governing Web resources are creating considerable problems for the owners of websites. In the case of the attack on the Tazar site, the law-enforcement agencies were unable to comprehend the specifics of the way that Internet resources operate and of the damage caused to them.

The authorities have not given up the judicial "lever" for pressuring the media, either. According to the information of the Media Representative Institute, over the past two years that organization has represented journalists' interests 52 times before judicial bodies. The attorneys at the Media Representative Institute participated in eight libel cases and 50 trials involving the defense of honor, dignity, and business reputation.

The issues of media agencies' unrestricted access to international news and of freely entering into journalistic activity did not draw any discussion, as there seem to be few obstacles beyond the economic. However, the issue of access to news sources is more complicated. Obtaining information from government sources is not always possible, and red tape and perfunctory replies to inquires are common. The time frames established by law for responding to citizens' inquiries are not compatible with the immediate nature of media activity, panelists concluded. That is precisely why the materials in many media outlets are in many respects contentious. As Kulinskiy noted, "The existing law on the right of access to information states requirements but does not stipulate any sanctions. That is, it makes guarantees but does not prescribe any mechanisms for implementing

the law or mechanisms for punishment. It is impossible to create precedents. I filed an inquiry with the Supreme Court requesting a list of Supreme Court judges and their work phone numbers. Dosmatov, the first deputy chairman of the Supreme Court, refused because "that is not subject to disclosure." If I appeal to regional-level courts, what do you think? Whose side will they be on? There is no point in creating a precedent."

In summing up the discussion with respect to indicators of the first objective, Kulinskiy argued, "We have freedom of speech. We have a law on the subject. But it has so many holes in it that they make it possible to disregard both freedom of speech and the possibility of exercising that freedom of speech. And most importantly, the law does not guarantee the protection of freedom of speech. That is, it is mostly a matter of mere declaration." It also was noted that work on the development of media law is continuing. In particular, this autumn a Law on the Right of Access to Information at the Disposal of Government Agencies and Local Self-Government was passed by parliament and confirmed by the Kyrgyz Republic president; it will substantially improve access to information. While the panelists were overall negative, they noted a slight improvement in the atmosphere.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kyrgyzstan Objective Score: 1.89/4.00

Journalists in Kyrgyzstan are still far from maintaining professional standards, which was the focus of the panelists' discussion. Despite the obvious progress that panelists noted in the form of higher ratings compared with last year (1.89 in 2006 and 1.61 in 2005), considerable criticism was voiced with respect to the professionalism of journalists, as the rating still remains low.

In Osmonov's opinion, subjectivity and the one-sided reporting of news are by no means accidental in the work of most journalists: "A situation has emerged in the media market whereby journalists dance to the tune of their 'providers,' treating one and the same event in various ways to suit those who 'pay the piper.' But not all journalists recheck the accuracy of information from various sources; that's just not something that is demanded of them. To the contrary, in their dependent situations, they have to cover events in a one-sided, biased fashion."

During a period of political upheaval, when the public is especially waiting for accurate information, Kyrgyzstan's media outlets, with the rarest of exceptions, work for certain interest groups, according to most panelists. The politically biased journalist sometimes does not even take into account basic logic and common sense. Sivasheva recalls journalists' "accurate" reports of the statistics of November rallies: "When journalists with opposition publications started howling about 50,000 supporters gathered on the square, even an outside Russian journalist could not restrain himself and said that the square couldn't even hold that many people!" Typical in this respect is the position taken by Bolot Maripov, a deputy, journalist, and co-owner of a newspaper, who frankly stated: "Rumors are the best source for the media. It's not worth mentioning sources."

Ethical standards are not well defined in Kyrgyzstan. Some standards are developed jointly by the journalistic community as a whole, while others are adopted in virtually every editorial office. The standards that are adopted do generally meet international norms, but they are not followed in practice. Toktogulova admitted, "Kyrgyzstan's media outlets do not follow the practice of including ethical standards among the conditions of a job contract when staff members are hired. Therefore, the notions in journalists' heads and the verbal orders of editors operate in cases where a question of ethical standards and standards for the quality of information arises."

Almaz Ismanov, of the Osh Media Center, described typical cases of the violation of ethnical norms. "In Jalalabat, the media revealed the name of a person sick with AIDS, as a result of which he ended his life by committing suicide; following the death of parliamentary deputy Erkebayev, television showed the act of public self-immolation of his brother, who was driven to despair by the inaction of the investigative agencies and the arbitrary rulings of the courts;

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

a television reporter who was interviewing a girl who was a participant in the events in Aks-Suu District reduced her to hysterics and forced her to cry on camera."

The political and economic dependence of publications and journalists is resulting in a revival of the practice of self-censorship and the placement of taboos on certain topics. In the opinion of the panel participants, self-censorship will become typical of journalistic work so long as the risks of all forms of persecution of journalists exist. Systems of taboos are especially widespread on the level of the regional media. In most media outlets, very real censorship and quite specific taboos exist. Panelist Anarkulov, from *Zhany Ordo* newspaper, describes the "golden rule" for journalists on nongovernmental publications: "Don't criticize your sponsor or the editor's friends." Overall, the media system is not subject to specific censorship, but internally, the life of media staffers has by no means been democratized; in most media outlets, the dictates of the editor-owner rule, and articles and reports are censored.

Of course, the choice of topics and coverage of key events also depend on the bias of media outlets and specific journalists. In the presentation of information, there is an observable tilt toward the non-analytic, narrowly informative genres. At the same time, it is not yet possible to say that the existing media outlets deliver citizens a timely and high-quality news product.

The panelists also discussed ways in which journalists abuse their professional status. Virtually all panelists cited examples in support of the widespread assertion that television reporters with the State Television and Radio Company extort bribes for showing a subject and blackmail and for not shooting critical materials. Mamyrkanov recalled a press conference held by the widow of deputy Erkinbayev in 2006 in which she asked a journalist in the audience about the money he had received from her for his "professional work." The panelists agreed that such unethical and even criminal conduct is doing irreparable damage to the status of journalists and is destroying trust in journalism.

The autumn political crisis, like last year's spring revolutionary events, demonstrated the high value of timely and objective news reporting. Under these circumstances, the prestige of the electronic media grew substantially since they were able to provide fresh news several times a day, in contrast with the weekly newspapers. During the period of the autumn demonstrations, various radio and television channels, depending on their type of ownership and their editors' political bias, covered events in various ways; nonetheless, there was no information vacuum such as the one that existed in the spring of 2005. Furthermore, in striving to inform citizens in real time about the demonstrations that

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were taking place on the capital city's square, without time limitations, some electronic media outlets encountered the problem of maintaining their broadcast network. The NTS television channel made a decision to broadcast live only one event—the opposition protest demonstration and everything related to it.

In today's media, investigative journalism remains rare. Usually journalists attribute the lack of investigative reporting to the lack of resources to support it and the equally high risks. Anarkulov shared his experience: "I wanted to conduct a journalistic investigation concerning Kyrgyz Temir Zholdoru, but I received a warning from the deputy executive that I would be killed if I did. I had to back off." Sivasheva sees another reason for the "disappearing genre"—professionalism. She recounted a program for training journalists under a Soros Foundation-Kyrgyzstan project whereby 44 participants in a seminar on investigative journalism were chosen on the basis of a competition, and after the training only 11 of them were able to present their investigative work.

Ismanov, regional coordinator of the Osh Media Center, sees a significant difference in the content of media depending on the language of a publication. In his opinion, the Uzbek-language media are not always relevant to events taking place in the republic. Differences in the content and quality of articles also occurs between national and regional media. The regional media outlets, in the panelists' opinion, are substantially inferior in terms of professionalism, and the regional media outlets themselves are significantly inferior to capital-city publications in terms of production values. There are several reasons for such differences. First of all, the physical facilities and equipment of regional media outlets (both governmental and private) are very poor. The sole media outlets in remote regions may have a single voice recorder, computer, and mobile phone, and the earnings of regional journalists are barely over one-tenth those of their capital-city counterparts. Printing facilities in the regions have not been replaced in decades. Editors who make the decision

to be printed at more technologically "advanced" print shops face problems with delivery and increased production costs.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kyrgyzstan Objective Score: 2.23/4.00

A single information space has not yet been created in Kyrgyzstan, and each region has its own array of information sources. On the level of province or district centers, this includes the local press and electronic media (radio, television); in most regions, the State Television and Radio Company; and in the northern regions, Russian television channels and Russian and Kazakh print media. In the south, the information package includes the Uzbek media (mainly television and radio, although there is also Uzbekistan's regional press). Radio is available throughout nearly all of Kyrgyzstan's territory, but in some cases it can be received only over transistor radios, rather than over hard-wired receivers. The most popular radio throughout the country is Azattyk. Remote areas in the southern provinces have some zones that cannot be reached by national television broadcasts. At present, steps are being taken to bring the coverage of regional television company ElTR up to nationwide standards. ElTR, based in Osh, was named a public television company by the authorities after the events of March 2005. In terms of both its technical parameters and its professionalism, it remains a regional media outlet. It remains politically and economically dependent, and its content reflects that dependence.

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.

In the provincial centers, citizens have the possibility of connecting to the Internet, and in those centers there is also access to the library resources of nongovernmental and international organizations. In the districts and villages, the possibilities of reading the periodical press in libraries and of using the Internet are limited. Blindina believes that "only 30 percent of the population has access to print media outlets. And for rural residents, local media outlets are more acceptable in terms of both price and delivery time."

Substantial information resources are available to city dwellers, especially in the capital and in Osh. Several television channels from Kyrgyzstan, cable television, satellite television, the Internet and the press of Kyrgyzstan, Kazakhstan, and Russia are available. It is also possible to obtain periodicals in foreign languages, but the Western press has extremely limited readership.

Panelists noted the rapid growth of local programming on all television channels since late 2005 and early 2006. News segments are the most complicated element for every television and radio company. Radio stations usually use the news agencies' news wires and materials from the Internet, and they broadcast short, five-to-seven-minute news reports quite frequently. The situation is more complicated when it comes to television news programs, which are essentially done once a day and then repeated in several broadcasts. Sometimes one and the same news item may be broadcast on State Radio and Television for two or even three days, which in principle casts doubt on whether news programs are "news."

A new trend has emerged with respect to the content of materials on State Radio and Television. More attention is given to information from the regions, and a significant bias toward news of the southern provinces is noticeable. The quality and style of news from the regions reproduce the reality of the 1980s, when news consisted of reports on agricultural accomplishments.

The cooperation among private television and radio studios established in the context of the Internews-Kyrgyzstan project does not yet have a stable venue for the exchange of regional news. At the State Television and Radio Company, regional television and radio studios have been activated and broadcast their own one-hour news programs weekly.

Large-circulation print media published in the capital focus for the most part on political events and news of the capital. The weekly nature of most publications makes the preparation of timely and significant information difficult. In the only daily (five days a week) newspaper, *Vecherniy Bishkek*, crime reports are of huge importance in the current news section, mostly because this is the information that is widely accessible to journalists; it need not be carefully

checked, and the risks of being taken to court for such articles is virtually nonexistent.

On the whole, every publication has problems with "distortions" in news content, a fact that is related to the difficulties journalists have in obtaining information from diverse sources. Despite the legally guaranteed access to publicly significant information, a number of government institutions resist the exercise of this right. For example, the Kyrgyz Republic National Security Council has no press service, and the press services of the law-enforcement agencies inform journalists on a selective basis. In Kulinskiy's opinion, "every agency should have regulations on the activities of the press service that define its powers and duties. However, not a single body, except the parliament, has such regulations that are accessible, and usually agency employees have not even heard of such a document." It was generally agreed that the most transparent body in the country at this time is the parliament. However, Toktogulova voiced a somewhat different opinion: "When such an important and vital issue as the parliament's budget was being discussed, this was done behind closed doors, and journalists and the public had no access. That is, it seems to me that for the parliament, their standard openness is nothing more than a means of self-promotion."

Whether a journalist is one of "us" or one of "them" has huge significance in the question of access to official government information. The former receive priority access. They are invited to significant government activities sufficiently in advance, and they are taken along on trips within the country and abroad. Journalists who belong to "them" must know how to cultivate ties and contacts for obtaining access to official information. Independent journalists have particular problems. This is related to the fact that the law does not define such a category of journalist, and in official places a journalist is automatically expected to produce an official document from his or her editorial office. Without such a document, access to information is shut off.

In general, Kulinskiy noted, "citizens in Kyrgyzstan have access to all forms of media. It is limited only by each specific user's financial ability." As for media access to publicly important information, panelists said, it continues to be made difficult and requires a unified struggle on the part of journalists and requires precedents of success.

The news agencies are of key importance in the production of real-time news with a broad thematic sweep. There has been obvious progress here. Whereas there were two news agencies operating in the country before the 2005 revolution, today one can speak of a competitive environment: the Kabar, Aki Press, 24 kg, Bishkek Info, and Belyy Parokhod news agencies. Every key agency has its own advantages and shortcomings, but the existence of competitors gives them incentives to develop on an accelerated basis.

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The public-television project has not yet been drawn up, although public discussions have been extremely vigorous. Ismanov said, "The discussions of public television are the result of political bargaining between the authorities and the opposition. The authorities have been attempting to show strength in resolving the matter, calling ElTR public, while the climate at this time of the year has prevented the opposition from 'flexing their muscles.' There is a great danger today, on the wave of political struggles, of creating a mere imitation of public television, although in my view, the establishment of public television merits even greater priority than constitutional reform."

Information on the owners and incorporators of newspapers is generally not provided, or the obscure designations of LLC or JSC (joint-stock company) are given. This sort of information is considered a commercial secret. The panel discussion accented the problems of the lack of transparency of ownership and of the processes by which media outlets are changed from one form of ownership to another. For example, after it was announced that Kyrgyz Public Radio and Television was to become Channel Five and to be under private ownership, many questions arose in journalistic circles. In particular: How could a media outlet with a high percentage of government ownership (a substantial bloc of shares were held by a number of governmental entities—the National University, the Kabar News Agency, etc.) become a private outlet? The concealment of information about owners among nongovernmental media outlets, which tout their lack of bias and their independence, has a damaging effect on the level of trust in such media outlets, according to the panelists.

OBJECTIVE 4: BUSINESS MANAGEMENT

Kyrgyzstan Objective Score: 1.55/4.00

The tempestuous political events of 2005 and 2006 exposed the weakness of media management, according to panelists. Media outlets in the country continue to be political and ideological instruments, but not business enterprises. Toktogulova notes, "The main purpose of their operation is to support various financial and political groups, and the way in which the public is informed about events in the country depends on the owners' position."

Television channels' production of their own programming, which had experienced an upswing, declined again in the second half of the year. Today, the "Nashe vremya" programs on Piramida do not conclude with analytical wrap-ups; Apta is no longer carried by Kyrgyz Public Educational Radio and Television; and there is no analysis on Independent Bishkek Television. The reason lies in financial problems. Grants for television channels have dried up, and although sponsors still provide some money, it is not sufficient. Only a few media outlets succeed in being profitable enterprises.

Panelists discussed cases of economically successful media businesses. As in the past, *Vecherniy Bishkek*, *Agym*, and *Delo No*. continue to be examples of successful business enterprises. The example of *Vecherniy Bishkek* is interesting. As Sivasheva noted, "They have their tradition, and the city's residents have been reading it for several generations now. It has been in the market for 30 years. *Vecherniy Bishkek*'s ads—all linear ads—have found their niche." Another publication, *Agym*, which celebrated its 80th year in November, also has established its traditions and found its niche.

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 survival of nongovernmental print publications is largely a matter of management," believes Mamyrkanov. "As a newspaper owner, I form a management concept and an economic strategy. A publication's editor, on the other hand, is responsible specifically for a newspaper's policy with respect to content. It is important to separate management and professional journalism."

Another successful business example is the new publication, *Super info,* the circulation of which, according to panelists, is reaching 60,000. Panelists assessed that publication not as an information newspaper as such but as a "clipping service" newspaper. Blindina commented on the publication's business success in this way: "In this type of media outlet, 90 percent of which consists of materials provided by the Internet and 10 percent of rumor and gossip, there is no need to worry about journalistic personnel or about copyrights or ethical problems." Anarkulov believes that "the *Super info* phenomenon cannot only be viewed as an example for condemnation. There are many things that the newspaper's editor and owner have managed to achieve as good businessmen and managers. For example, *Super info* is delivered even to remote regions. And whereas the leader of the Kyrgyz-language print media, *Agym*, is sold at retail for 12–13 soms, *Super info* goes for 7–8 soms. The point is that the owners of this newspaper have established a more efficient distribution system. They have established direct contracts with specific postal departments for distribution of the paper and 'bypassed' the costs of the monopoly of both state-controlled Kyrgyzbasmasoz and Kyrgyzpochtasy."

Extremely important factors in the success of a print media outlet as an economic enterprise are high-quality and affordable printing services. The state of printing facilities varies from region to region. Thus, in Bishkek there is a choice of print shops. But even here, all is not well. Whereas nongovernmental media outlets have received preferences at the print shop of the Center for Support of the Media, for government publications the services of that print shop have either been off limits or cost much more than for private publications. It is a noteworthy fact that the print shop of the Center for Support of the Media follows a policy of transparency and truthfulness with respect to newspapers' circulation numbers. All publications printed at that print shop are now forced to indicate their actual circulation.

Blindina shared her experience of the drawbacks of working with government print shops. "If we are printed at the Uchkun State Company, it is important to keep watch over our pressrun. That means that we need to station people on all five floors. Our papers get shamelessly stolen. And then they're sold cheaply and undercut our regular prices." Regional print shops, as a rule, do not own technologically modern equipment, and

therefore regional media outlets incur high production costs. The situation in each region has its own distinctive features. In Osh, there are two private print shops, but both of them are headed by government officials whose jobs are to work with the media. Thus, one print shop is operated by the director of a government print shop, and the other is managed by the director of Kyrgyzpochtasy. Both successfully combine their government service and private business with maximum benefit for the latter.

In Batken, print media outlets prefer to be printed outside the province—in neighboring Tajikistan—or to take their work to Bishkek print shops. The prospects for increasing the revenues of regional print shops are caught in a vicious cycle of problems. Because of weak management, it is difficult to earn profits and to update their equipment. Without new technologies, it is difficult to count on earning profits by bringing in new clients.

Capital-city publications especially suffer from delivery to the regions. Kulinskiy says that *Komsomolskaya Pravda* in Kyrgyzstan (KPK) even had a plan: print part of its circulation in the south, which would have been advantageous to both the newspaper (saving both transportation and time) and its readers (the newspaper would be cheaper and more timely). But the print shop's technical parameters did not make it possible to implement that plan.

A painful issue for the newspaper business is obtaining loans. Blindina tried unsuccessfully to get a loan at the bank and was surprised. "The banking system does not grant loans for the newspaper business. I was lucky—I received an interest-free loan from the state budget, but most media editors are greatly in need of loans. If there were a line of preferential credit for media outlets and print shops, the media market would develop further."

For most print publications, the main source of revenue is earnings from the sale of their publications (up to 80 percent, according to panelists' figures). The advertising market is very limited, represented mainly by mobile cellular phone operators, and does not exceed 15–20 percent. Nongovernmental media outlets rely mainly on commissioned articles and sponsorship, and on grants from international organizations. At government media outlets, relatively small subsidies and other government subsidies support the enterprise's budget. However, as time passes, the state has been funding government media less and less: There is symbolic support for Slovo Kyrgyzstana (SK), and State Television and Radio Company receives subsidies covering only five hours of broadcasting. The government press in the regions lives on "starvation rations," and even a small staff's meager wages are more than can be afforded in the regions. Editors and journalists use every available means; they sell newspaper space, publish paid announcements, and accept money for covering or not covering certain topics and individuals.

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Diversification of revenue sources and reduction of the percentage of government subsidies are an important stage in the transition of government media outlets to political independence. As panelists noted, the autumn's political disturbances demonstrated a more restrained policy and more balanced approach to the provision of information on the central government media outlets—the State Television and Radio Company, Slovo Kyrgyzstana, and Kyrgyz Tuusu (KT).

The ad agencies no longer hold monopolies, although major advertisers do work only with certain agencies, concluding contracts with them for an entire package of services. Not everyone is a winner in the distribution of advertising streams. For small print publications, there is no prospect of moving up from the position of also-rans in the ad market. All the most profitable advertising orders are filled by television. Bektash Shamshiyev, a journalist for Azattyk radio station, is not very optimistic in forecasting the development of the advertising market, even for television: "Major investors usually do not bother to advertise their products in the Kyrgyz media. For Kyrgyzstan's channels, advertisements for Turkish, Iranian, and local business products remain. It will still be a long time before advertising becomes a powerful financial structure for the media in Kyrgyzstan."

Nonetheless, in television a struggle is under way for distribution of the main advertising streams. But here a real problem arises with respect to measuring the advertising market. As Kulinskiy noted, "There has been a growth in the advertising market, but neither the ad agencies nor the media have any idea of the size of that market and its sectors." An acute shortage of various types of media measurements is the problem of the day. There are no reliable marketing or rating measurements. Advertising rates continue to be set arbitrarily,

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and there are no reliable figures on newspaper circulation. The very few studies of the media market that are conducted are usually commissioned by international organizations, and the study results are not brought to the attention of the media outlets themselves.

Lacking regular access to audience and market research, media managers do not understand the importance of such data. Toktogulova remarked, "Many editors of leading publications publicly oppose ratings and other media measurements. Putting forth one's own unsubstantiated ideas about market supply and demand is, at the very least, risky in an economic sense. It is incompatible with the commercial side of journalism."

Meanwhile, the incident with the record 200,000 pressrun of *Moya Stolitsa-Novosti* in spring 2005 reflects the costs of not knowing demand. At that time, a special edition of the newspaper with a pressrun unprecedented for the country sold out instantaneously in a single southern province alone. This case compels media managers to think about the real potential of consumers and their needs and interests.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kyrgyzstan Objective Score: 2.09/4.00

In Kyrgyzstan, there are a number of professional and nongovernmental organizations (NGOs) that work to promote the interests of various groups in the media sector—editors, managers, journalists, and media organizations and associations. There are also NGOs with a broader and less specific mandate that work on monitoring the observance of the rights of journalists or media outlets, and on protecting freedom of speech. Those organizations include the Union of Journalists, the Association of Electronic Media, the Media Workers Trade Union, the Media Resource Centers NGO, the Federation of Sports Journalists, the Voice of Liberty Nongovernmental Foundation, the Journalists NGO, the Institute of the Media Representative, the Media Consulting NGO, the Nongovernmental Foundation for the Protection of the Rights of Journalists and the Media, etc.

In classifying the spectrum of existing organizations, Ismanov said, "Professional groups and associations represent the interests of media owners, not creative personnel. As of this time, in the outlying regions there is not a single lawyer who specializes in the media, or an attorney or even an NGO that concerns itself with these issues. Several of them halted their activity 18 months ago." Shamshiyev categorically asserted, "Until there is professional solidarity, not a single organization will operate effectively!"

The question of the effectiveness of the activities of supporting institutions evoked disputes in panel discussion. Most of the participants saw in NGOs not the intention to support the media and free speech, but unprincipled devourers of grant money. The whole essence of the work of NGOs and other organizations that support the media was expressed in the concept "the profanation of activity," and the approach to the defense of freedom of speech was defined as "double standards." Kulinskiy, an advocate of that viewpoint, said heatedly: "There was a strike of cameramen at the Kyrgyz Television and Radio Company. Where were the trade unions? People themselves did not even know that without trade unions they could not protest in an organized fashion. In labor disputes, there is no help from anyone. At Piramida, there was an incident with a well-known anchorwoman in which management infringed her rights. So that anchorwoman received no help from either the trade union or the ombudsman, but, it's ridiculous to say, Comrade Tursunbek Akun (chairman of the Presidents Committee on Human Rights) personally helped her!"

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.

Other panelists did not agree with such a radical assessment. They gave rather high marks to the activities of NGOs, emphasizing the importance of both monitoring of the observance of the rights of journalists and the media, and actions in support of free speech. Examples were cited of NGOs' repeated and active involvement in organizing actions in support of the Piramida television channel this year. The activities of the Institute of the Media Representative received high marks, as did all of those organizations that offer short-term professional training. In the panelists' opinion, the main problem is that there are not all that many organizations, and they are mainly concentrated in the two big cities—Bishkek and Osh.

Marat Tokoyev, of the Nongovernmental Association of Journalists, believes that not every media representative knows his mission and the work that can be done in specific organizations. "Take even organizations that are not very active, such as the Association of Radio and Television Broadcasters. This is a membership organization consisting of seven radio stations and one newspaper. They pool their efforts in working with advertising markets, and they help fill the airwaves with quality products, etc. As for violations of journalists' rights, as the experience of our Journalists NGO shows, the reason for the violation of journalists' rights often lies in their legal ignorance."

Legal knowledge is not the only thing journalists experience a shortage of. In the panelists' opinion, the system of professional education is obsolete and does not take the realities of journalists' work today into account. After graduating from journalism departments and divisions, poorly trained journalists come to work in media outlets. Most of them do not know how to write the most basic notes and do not know how to gather information correctly. But an even greater percentage of journalist graduates never make it to media outlets at all. Usually it is considered more prestigious and profitable to work for PR agencies, and that is where graduates try to go.

The main weakness of professional training of journalists in higher schools lies in the incorrect concept of practical studies in journalism. The standardized emphasis on history and literature seems inappropriate to the requirements of the market. It is much more important, in the panelists' opinion, to include in the curriculum courses on professional ethics and the legal foundations of journalism, as well as specialized courses for further topical specialization in journalism.

"The personnel problems at media outlets are solvable," Blindina believes. "It is important to participate in free short trainings and seminars, and we need to revive the system of mentoring at media outlets themselves. It is good that there are numerous specialized training courses. Internews-Kyrgyzstan plays the leading role here."

In the panelists' opinion, the system of professional education is obsolete and does not take the realities of journalists' work today into account. After graduating from journalism departments and divisions, poorly trained journalists come to work in media outlets. Most of them do not know how to write the most basic notes and do not know how to gather information correctly. But an even greater percentage of journalist graduates never make it to media outlets at all.

In improving the professionalism of journalists, a great deal depends on the position of management. On the one hand, editors have a stake in professional personnel. On the other, the production process brooks no delay, and time is not given to mentoring. And the staff member himself fears that he will lose wages during the time that is taken for training. Many editors see the solution in a strategy of luring away journalists who are already trained. Blindina shared her own experience as an editor in training personnel: "I took on two female employees as advertising agents. They came to the job without any knowledge or experience. I sent them to do internships and undergo training while keeping their pay. After gaining knowledge and trying their hand, the girls left and went where the pay was better. So the next time you'll think twice about whether you should develop personnel?"

Toktogulova believes that "in training employees one needs to take the comprehensive approach. There need to be training courses on the job, with a use of clear-cut indicators of the effectiveness of training and progress reports." Positive experience with comprehensive training in the residency format already exists in the republic—training in management at Kyrgyz Public Educational Radio and Television and on the newspaper *Dlya* vas, which made it possible to change the "face" of media outlets.

In residencies and the comprehensive on-the-job training of personnel, additional positive aspects are noted: The simultaneity of innovation and intervention at all levels of media outlets contributes to the implementation of reforms in work; not just those who usually participate in training

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programs, but other employees of media outlets, get involved in the training.

The need for structural, systemic changes is important in more than professional training alone. It is especially important in the demonopolization of sources of the printing and distribution of media products. In virtually every sphere of media production and distribution, the problems remain of the diversity and variety of channels, their impartiality, and their successfulness as business enterprises. As of this time, the panelists cited a number of monopolies or near monopolies that it is important to rapidly and effectively reform: The Kyrgyztelekom State Enterprise holds a monopoly on telecommunications networks, which theoretically could allow it to close off access to the Internet. The only entity that can transmit television and radio signals from Bishkek to the regions is RPO RMTR. Until there is pluralism in all of these services and channels, the authorities will have levers for pressuring the media and holding onto the media as an ideological tool.

In the system of the distribution of print products, Kyrgyzbasmasoz holds a monopoly, as does Kyrgyzpochtasy, in the system of delivery of those products to the regions. This allows them to treat various media outlets selectively and set the rates they want for services. In the capital, there are alternative entities for distribution, such as the Periodika private network, or groups of individual distributors. But on the whole, monopoly persists in the country. "Networks for the distribution of print products are under the control of the government or paragovernmental agencies. And they quite often follow a selective policy with respect to individual media outlets," according to Ismanov.

Panel Participants

Nurgazy Anarkulov, *Zhany Ordo* newspaper

Antonina Blindina, Editor-in-Chief, *Chuyskiye izvestiya* newspaper, Chuy Province

Almaz Ismanov, Osh Media Center

Aleksandr Kulinskiy, Independent Journalist

Ernis Mamyrkanov, Association of Regional Television Broadcasters

Zholdoshbay Osmonov, Zhalalabat Television and Radio Company

Marina Sivasheva, Website www.media.in.kg, Journalism Program, American University of Central Asia

Marat Tokoyev, Nongovernmental Association of Journalists

Elmira Toktogulova, Nongovernmental Foundation for the Development of Media Consulting

Bektash Shamshiyev, Journalist, Azattyk radio station

Observers

Chinara Omurkulova, IREX, Kyrgyzstan

Saule Kusayeva, IREX, Kazakhstan

Maria Stefaruk, USAID

Moderator

Gulnara Ibrayeva, Kyrgyzstan

One indicator of whether the environment promotes or resists the media is the quantitative development of the media sector. According to statistics, over the year only two electronic media outlets were able to join the array of just over 300 media outlets, and two existing stations renewed their licenses.

TAJIKISTAN

OVERALL SCORE: **1.61**

TAJIKISTAN

The key event of 2006 in the Republic of Tajikistan was the presidential election, which took place on November 6 and resulted in the victory of the republic's incumbent, Emomali Rakhmonov. As in other Central Asian countries that witnessed the "tulip" revolution of 2005 and the subsequent political disturbances of 2006 in Kyrgyzstan, in Tajikistan the authorities paid special attention to opposition, civil society, and media to prevent unrest.

Preparation for the presidential election included several political strategies associated with the media system. One strategy, focusing on democratic rhetoric, was concerned with demonstrating democratic reforms and changes. It was in the context of this political strategy that the republic's leadership, for the first time in the history of independent Tajikistan, invited international observers—an election observation mission of the Organization for Security and Co-operation in Europe's (OSCE) Office for Democratic Institutions and Human Rights. Additionally, Tajikistan's highest leaders made a number of displays of political will intended to attest to their adherence to democratic values.

Another political strategy many discerned was not made public and was aimed at the screening and identification of all public institutions not loyal to the regime and its principal figures, in order to subsequently monitor and pressure them. A third political strategy entailed activities on the part of the presidency to reinforce the government information system for the purpose of managing its image as completely and effectively as possible to create favorable public opinion. This explains the second nationwide government television channel, Safina, that was created on the eve of the election year, as well as the development assistance received by government print publications.

In this environment, the campaign by civil society, especially institutions for support of the media, to get a new law on the media enacted were not successful. In the assessment of panelists and outside experts, the Law on Print and Other Media enacted in December 1990 is obsolete, provides no implementation mechanisms, and does not reflect, but actually impedes, the development of the media system. However, the law is on the face of it liberal and, along with its purely declarative nature, suits the country's authorities quite well.

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TAJIKISTAN AT A GLANCE

GENERAL

> **Population:** 7,076,598 (July 2007 est., *CIA World Factbook*)

> **Capital city:** Dushanbe

> **Ethnic groups (% of population):** Tajik 79.9%, Uzbek 15.3%, Russian 1.1%, Kyrgyz 1.1%, other 2.6% (2000 census, *CIA World Factbook*)

> **Religions (% of population):** Sunni Muslim 85%, Shi'a Muslim 5%, other 10% (2003 est., *CIA World Factbook*)

> **Languages (% of population):** Tajik (official), Russian widely used in government and business

> **GNI (2006-Atlas):** $2.572 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $1,410 (World Bank Development Indicators, 2007)

> **Literacy rate:** 99.5% (male 99.7%, female 99.2%) (2000 census, *CIA World Factbook*)

> **President or top authority:** President Emomali Rakhmonov (since November 6, 1994)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** Approximately 20 printing houses, over 20 television stations, 7 radio stations

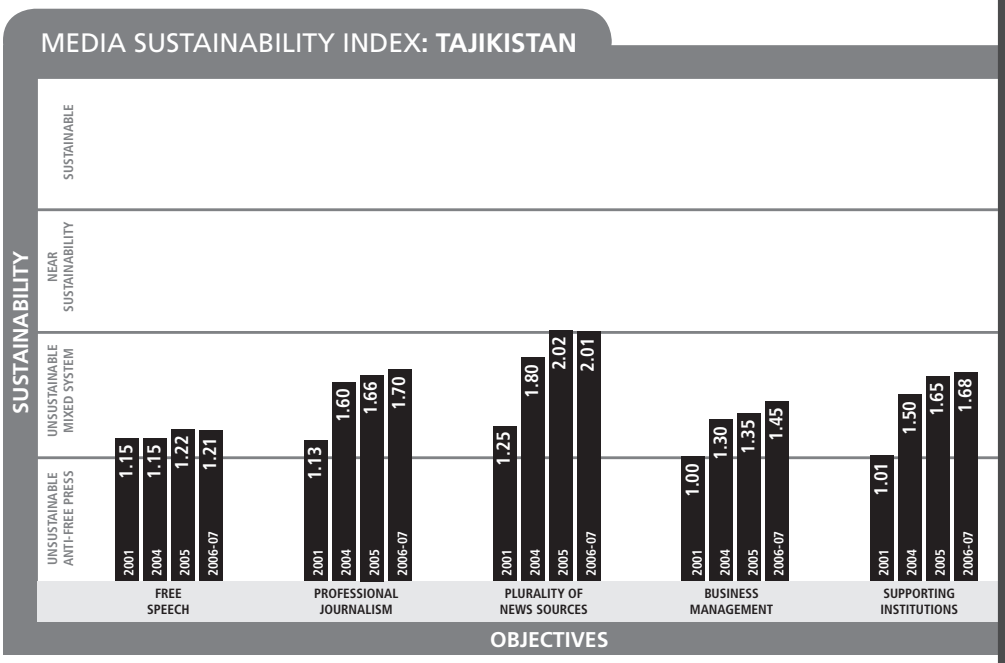
> **Newspaper circulation statistics:** There are approximately 265 registered print publications in Tajikistan. The largest ones are *Asia Plus*, *Tochikiston, Nerui Sukhan,* and *Vecherniy Dushanbe*

> **Broadcast ratings (top ranked stations):** Dushanbe: Radio Vatan, Asia Plus, SM-1; Khudzhande: Tiroz

> **News agencies:** Asia Plus, Mison, State Information Agency Hobar, Varorud, Avesta

> **Annual advertising revenue in media sector:** N/A

> **Internet usage:** 5,000 (2005, *CIA World Factbook*)



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.

The rates of economic growth continue to be relatively low, and the population's income level remains fairly critical. According to official statistics, 64 percent of the population is poor; labor emigration from the country occurs on a huge scale and remains the chief employment strategy for most young men. The shadow economy accounts for a large share of people's income. According to panelists, most legal businesses conceal their actual sales and income, thereby remaining partly "in the shadows." The concealment of income is becoming a universal strategy of business. Naturally, the sector of non-state media outlets follow these trends in their business dealings.

These private media must survive on the market, but the market is regulated primarily by political instruments that prevent truly free competition. The fact that the shadow economy accounts for such a large share of economic activity makes it difficult to expand the advertising market. For most media outlets, especially in the outlying regions, the advertising market is not an important source of revenue. Regional media outlets continue to earn most of their revenue from individual announcements. Government media also suffer from poor capitalization and low investment.

In general, panelists saw a decline in the media and the political environment for the media in 2006, and the overall score remained effectively the same as last year at 1.58.

OBJECTIVE 1: FREE SPEECH

Tajikistan Objective Score: 1.21/4.00

The information sector in Tajikistan is regulated on the basis of a number of laws and regulations, including the Constitution, the Law on Print and Other Media, the Law on Television and Radio Broadcasting, the Law on Information, Statutes on Licensing for broadcast, as well as numerous other parts of the civil and criminal code.

According to an analysis of media law conducted by the Institute for the Problems of Information Law (Moscow) in the former Soviet republics, Tajikistan belongs to the group of countries with an average level of freedom (the country's score is 6 of 13), putting it, by that criterion, substantially ahead of Kyrgyzstan, Uzbekistan, and Kazakhstan. Indeed, the Republic of Tajikistan's Constitution proclaims freedom of the press and prohibits censorship, and there are special laws on the media and on television, and laws guaranteeing citizens' access to information. Laws and regulations permit nongovernmental media outlets to independently determine the languages in which they broadcast. And although accusations of libel or insult are governed by criminal law, the insulting of public officials does not have a separate article of the criminal code devoted to it, but rather is a subcategory of general insult. Furthermore, the criminal code contains articles permitting the punishment of anyone who impedes a journalist's lawful professional activity, and of officials in the event of their refusal to provide information to a citizen (Art. 148 and 162 of the Criminal Code of the Republic of Tajikistan). Although, for the entire existence of independent Tajikistan, no precedent has been set of bringing charges on the basis of the aforementioned articles, de jure the possibility of defending the rights of journalists does exist.

Lidiya Isamova, from the RIA News agency, said: "The fact that four media outlets obtained licenses before the elections is politically significant. That is, before the elections, the authorities needed to show that they were democratic, that they were issuing government licenses. Never mind that we have six radio stations that have been waiting for licenses for three or four years. I think that those four were registered for show."

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.

Access to international news is relatively open, although some factors do create obstacles. First of all, there is the reliability of the electric power supply. Second, there is the relatively high cost (compared with incomes) of Internet services. Third, international information is subjected to screening. Thus, it is possible to find out about events in Italy or Israel without restriction, but the possibility of obtaining information about the Central Asian region or news about events in the outlying regions of Tajikistan is limited.

While these articles may represent the most favorable environment for the media in Central Asia, the enforcement and implementation of these articles is remote from their de jure status. As Masrur Abdullayev, a staff member of Internews Network, Tajikistan, said, "Provisions of law supposedly protect free speech, but in reality those provisions do not work. Journalists are persecuted, especially by local authorities and specific officials that they criticize."

The panelists unanimously cited the process of licensing the electronic media as criteria of how effective the law is. Thus, more than 10 applications for licenses from nongovernmental media outlets have been waiting for several years in a row. However, since 2004 no licenses have actually been granted, under various pretexts. That is why the decision of the licensing committee, which met for the first time in a long time, to grant four licenses—granting licenses to two new stations (radio and television) and renewing the licenses of two existing, regional television stations (in Kanibadam and Istaravshan)—was viewed by most of the journalists as a symbolic action.

In commenting on the licensing committee's decision, Lidiya Isamova, from the RIA News agency, said: "The fact that four media outlets obtained licenses before the elections is politically significant. That is, before the elections, the authorities needed to show that they were democratic, that they were issuing government licenses. Never mind that we have six radio stations that have been waiting for licenses for three or four years. I think that those four were registered for show."

One panelist, K. Alamshoyev, happens to be from one of the media outlets that have been waiting for licenses for four years. He explained what sort of "mechanisms" are impeding the development of media institutions under such liberal laws: "This is the fourth year now that we have wanted to establish a radio station. Not until this year did I succeed in getting registered with the [province] justice administration. Now, on the basis of our registration in the province, we have to obtain a license from the commission. Our licenses are issued by the licensing commission under the State Television and Radio Committee. The commission chairman is the chairman of the State Television and Radio Committee of Tajikistan. And all the members are also mainly government officials. Only one person from nongovernmental radio sits on the commission. I have gone to that commission many times and turned in documents, but they are still at the stage of being studied."

The complicated and multiple-stage procedure for licensing the electronic media, along with the lack of transparency in decision making, account for the fact that in a country in which television has priority with the public, the vast majority of media outlets are print. A number of regional television stations (14) have been established only in the past few years with the financial and advisory support of the organizations of Internews Network, Tajikistan. If one realizes that, according to law, each electronic media outlet must renew its licenses every five years, while in reality licenses are issued for various lengths of time, sometimes even for a year, one can understand how licensing issues can be used to the authorities' advantage. On the whole, it is extremely difficult for enterprises to get into the media market. It cannot be said that there are financial restrictions for media business, but the political aspects of media activity and the authorities' constant attention to such business make an enterprise's risks and costs much greater than in other forms of business.

It is interesting that even for key government entities (the tax agencies), the information sector is hard to understand as a producer of goods, and in their application of the law they attempt to "creatively" interpret articles of the criminal code.

In the panelists' opinion, in recent years engaging in professional journalist activity has more and more frequently become grounds for the judicial prosecution of journalists. Trials are doomed to lengthy delays and bureaucratic red tape. For example, the investigation concerning an article by the journalist Lira Latipova from the newspaper *Krim-info* has gone on for more than a year and still has not come to any resolution. Yet the cause of the investigation was a critical article directed not at the republic's top leaders but at an ordinary notary public who was using forged documents to deprive the elderly of their lawful residences.

It is a usual practice in the republic for prosecutors to conduct investigations on the basis of critical articles, which the authorities regard as an indication of the great effectiveness of articles in the press.

More common than judicial investigations in the wake of journalists' articles are threats and other extralegal forms of the persecution and pressuring of journalists. Virtually every panelist cited examples of how government agencies and individual officials had pressured them, attempted to intimidate them, etc.

The violations of journalists' rights most frequently pointed out in monthly monitoring by the National Association of Independent News Media of Tajikistan are unjustifiable restrictions on the provision of publicly important information, or the refusal to provide it at all, unjustifiable summonses to law-enforcement agencies, violation of the right to the inviolability of the individual in the form of unsanctioned searches and seizures, the public insulting of journalists for their professional activities, etc.

The panelists believe that any critical article by a journalist puts him in jeopardy. Examples were cited in support of this contention: as the result of a critical article about an immunologist, a journalist with the independent newspaper *Bomdod* has now become involved in a lengthy trial; a journalist with the publication *Avesta* was arrested when gathering information on the issue of why people were not admitted to mosques. All of his tape-recorded notes were erased, and his photo film was exposed. After writing an article about how bank employees in Sughd Province were holding up the payment of pensions, journalist Zhamilya Guseinova was subjected to telephone terror and received threats of physical reprisal. Thanks only to the intervention of the Media Alliance NGO did her persecutors leave the journalist in peace.

Even journalists for government publications are not ensured against pressure and prosecution for criticism in the media. Thus, U. Yerkayev, from the newspaper *Zhumkhuruyat,* recalled: "In late 2005 I received information about the situation with respect to the payment of wages at a carpet mill. The mill's employees, it turned out, were not being paid their wages for a half year at a time, and then were paid them in carpets. I wrote about this and was commended by management. But when the article came out, I was called in by the carpet mill's management and given a good talking to about how such an article should not have been written." Such cases are not uncommon—the same U. Yerkayev had experience with even harsher pressure and threats as the result of an article about the relationship between major agricultural associations and futures organizations. "As a result," Yerkayev said, "I was left on my own: no one supported me. I had to apologize and say that I had acted improperly."

As in the past, attacks on journalists and threats of physical reprisals are not infrequent. Usually journalists do no more than appeal to nongovernmental organizations (NGOs) that monitor the observance of journalists' rights. In the few cases in which attacks on journalists are investigated, the investigations usually produce no results. Thus, Radzhabi Mirzo, editor of the nongovernmental newspaper *Ruzi nav*, and Iskandar Firuz, a correspondent with BBC radio, who were victims of attacks in 2005, were unable to obtain any information from law-enforcement agencies concerning the results of their investigation.

For government media outlets, a system of preferences has been formed: The representatives of these media outlets are the ones who are invited to press conferences and other formats for contact with "newsmakers," and they are the ones included in the presidential pool (list of accredited journalists), which has been formed by analogy with the Russian presidential pool. Pressure also can be put on nongovernmental media outlets through influence on printing facilities.

Access to international news is relatively open, although some factors do create obstacles. First of all, there is the reliability of the electric power supply. Second, there is the relatively high cost (compared with incomes) of Internet services. Third, international information is subjected to screening. Thus, it is possible to find out about events in Italy or Israel without restriction, but the possibility of obtaining information about the Central Asian region or news about events in the outlying regions of Tajikistan is limited.

In 2006, an attempt was made to block access to a number of Internet sites, including www.centrasia.ru, www.fergana.ru, www.arianastorm.com, www.charogiruz.ru, and www.tajikistantaims.ru, on the basis of accusations of the presentation on those sites of propaganda subverting the legitimate system in the Republic of Tajikistan and inciting ethnic enmity and discord. A week after access to those sites had been blocked, under pressure from the international and domestic public, the government rescinded the decision banning three of the sites, although users said they had difficulties loading the "rehabilitated" sites as well. It was recommended to two other Internet pages that they change the tone and content of their materials. According to information cited by the OSCE's ODIHR observation mission, there are 120,000 Internet users in the country. At present, there is a growing trend for the average Tajik family to purchase a computer for its children and connect to the Internet.

Another, even more widespread channel of foreign information is satellite television, which has become very widespread in Tajikistan. Satellite dishes have become a realistic means for many citizens, especially in the cities, to expand their access to objective and timely information.

A journalist's practice is not subject to licensing, and it is not even mandatory to have professional training to begin practicing journalism. The training of highly professional journalists has not become a concern of the state, although the president has spoken often about the importance of good education.

The improved score on this objective, to a certain extent, contradicts the opinions that were expressed during the discussion.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Tajikistan Objective Score: 1.70/4.00

There are numerous obstacles to a journalist's professional work in Tajikistan, the chief of which is the restriction of access to information from various sources. The provision of information requires, on the one hand, timeliness and objectivity, and on the other, access to publicly important information is restricted [sic; the Russian sentence is ungrammatical—Trans.]. Thus, in accordance with Article 28 of the Law on Information, the following procedure is stipulated for access to official documents: a written request and waiting for an official response (both written and oral) within no more than 30 days. Obtaining an interview or comments on an important current problem from a government official of any rank is a very complicated task. An official must make an inquiry to his superior, while his superior, in turn, must submit it to the office of his superior. Consequently, the clearance, the permission for an interview, with an ordinary official must be obtained from the *rais* (head of the territory's executive branch) himself. Since it is the representatives of government in Tajikistan who are the chief newsmakers, such procedures for working with the authorities naturally do not make it any easier for journalists to cover key events and issues.

In accordance with the personal instructions of the president of the Republic of Tajikistan, every agency organizes a quarterly press conference and issues a certain amount of official information concerning the agency's activities. However, in the past year some agencies have been closed to the press. For example, the Defense Ministry regards its activities as a state secret. Only government media are invited to the Security Ministry's press conferences.

The risks associated with critical coverage of any area of public life force journalists to practice self-censorship. As Isamova said in the panel discussion, "For writing truthful articles, journalists usually either start to be harassed over the phone or subjected to other forms of hounding on the part of the chairman of a district or other branch of government that was criticized. If outside forces stand up for a journalist, next time he will simply be refused information. And it is possible that his editor will not allow the next critical article to go through, because of censorship."

The panelists recalled several cases in which journalists were fired for truthful and objective articles, and their articles, which had been assigned by their editor, were removed from the issue. Under such circumstances, a list of taboo topics develops, and self-censorship is widely practiced among journalists.

Investigative journalism is an extremely rare genre in the republic. The panelists noted that just one publication, *Aziya+*, practices that genre, but even its investigations deal with the past and are possible only when the main characters are no longer alive.

Rustam Buriyev, on the staff of Mavzhi Ozod TV, believes that self-censorship has historic roots: "Self-censorship is left over from wartime, when an article could end a journalist's life." Today, in the panelists' view, the fear is not so great. Tukhfa Akhmedova, from the Gamkhori Press Center NGO in Kulyab, said: "It's simply that everyone knows what can be said."

The list of topics that are unofficially taboo includes corruption, drug trafficking, border issues, the life and

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

activities of the state's top leaders, and, for the regional press, the leaders of a given territory. However, depending on the situation, the list of topics can be expanded. The panelists recalled the case of an article by Kh. Umarov, an analyst well-known in the country, about falsifications in national statistics on a number of sectors of the economy. The author of the article, "Statistics Lie," backed up his claims and relied solely on facts in the article. It was no accident that the article in question was published simultaneously by two leading newspapers, *Aziya+* and *Vecherniy Dushanbe*. But since the publication of that article, the analyst's articles have not been accepted by a single publication, not even by the independent press. The panelists' assessment of this case is that the newspapers are simply afraid of inviting that person, who has become a sort of persona non grata.

Isamova summed up the issue of taboos as follows: "Everyone knows that we have corruption in both the public health agencies and the education agencies. But as soon as you write an article about it, you immediately get howls of indignation from a ministry, a school administration, a maternity center, or a hospital. The journalist starts to get phone calls demanding to know the sources of the information, and rebuttals are sent. Angry parents get involved, saying that such and such an instructor is a good one, doesn't take bribes, and has been libeled. The ministry writes a letter: We have investigated, and found no facts. Everything would seem to be true, and everyone knows it, but we try not to touch those topics. The ministry will wriggle out of it, and the journalist will end up with a stained reputation. And the publication will suffer both intangibly and financially."

For a journalist, the performance of professional duties also can run into pressure from his own editors. The case of Mokhsharif Kurbonzonda, a correspondent with the nongovernmental newspaper *Bomdod*, serves as a telling example of this. Following her publication of several critical articles, even her own journalist colleagues stopped supporting her, and the newspaper's editor publicly accused her of unprofessionalism.

To be a professional journalist, Tukhfa Akhmedova believes, it is important to have social connections. "Over many years of cooperation with the law-enforcement agencies, I have developed such social connections. Sometimes another journalist will not be given information, but it's always given to me. Of course, I reciprocate with the support. Thus, for example, I write articles for the heads of law-enforcement services. That's called speech writing. And then I try never to exacerbate relations and do not carry matters to the point of conflict."

Another problem with developing professional journalism has to do with the level of pay. According to the panelists' information, the situation is especially dramatic at government media outlets. S. Saidov, who represents the Association of Professional Journalists of Sughd Province, said: "The pay at government media outlets is meager; the royalty scale has not been revised since 1996 and makes it possible to receive royalty of up to 1 som for an item. The royalties for a whole issue of a newspaper may not exceed 50 soms (or approximately $16 US, while on television they can be slightly higher—up to 33 soms. So, while earning up to $40 a month for State Television and Radio as a correspondent for Sughd Province, I have to moonlight for all the media outlets."

Questions of professional ethics are an extremely important issue in Tajikistan. Several NGOs that work to support media institutions have organized a number of roundtables and discussed proposed ethical codes of journalism. But agreement has not yet been reached among the various groups of journalists and their organizations concerning a unified set of professional ethnical standards.

Certain government media outlets do not budget for royalties at all (Khobar government television, the television station in Sughd Province, etc.). Instead, the creative workers at media outlets (especially television), independently find "revenue sources." Journalistic pieces (that is, positive pieces covering "achievements") are almost universally paid, commissioned pieces. An unofficial "fee" has even been established, according to which a 30-second piece on government television costs $100 US.

The level of journalists' pay at nongovernmental media outlets is substantially higher. One can judge the minimum income from help-wanted announcements for journalists at private media outlets. The average salary mentioned in the announcements is usually $100 US. The more popular the journalist, the greater his chances of earning additional pay. The pay of regional correspondents for private publications is considerably lower than that of their capital-city counterparts.

Despite the risks of journalists' work on nongovernmental publications, journalists at government publications frequently leave to work on them. The panelists noted that meager earnings have forced many prominent professional journalists to leave the republic in search of new work.

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At the same time, journalists' materials very widely employ unethical approaches. Alamshoyev remarked: "It's not just that ethical norms are not observed—sometimes even legal norms are violated. Sometimes when a person who has been arrested on suspicion of involvement in Khizb-ut Takhrir [a terrorist organization—Trans.] is shown on television, he is presented as already a criminal. Sometimes the full names are given of persons who have been victims of trafficking. That's regardless of whether it might be a young girl, and she might have family. That is, it is done without regard for the consequences."

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The sole example of the development of an internal set of ethical standards at a media outlet was the newspaper *Aziya+*, but in the panelists' opinion, articles indicate that journalists simply do not follow those standards.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Tajikistan Objective Score: 2.01/4.00

The only objective for which the expert panel gave slightly lower scores than last year was the objective of diversity of news sources providing citizens with reliable and objective news. P. Bobodzhanova, head of the Center for Gender Studies NGO from Kudzhant, explains his scoring as follows: "In terms of living standard, the residents of Tajikistan cannot permit themselves the weekly purchase of a newspaper. Many are forced to pool their resources to buy newspapers, and then pass them from hand to hand. Despite greater Internet access, restrictions on electric power have gotten even worse."

According to experts, only 10–15 percent of the population can afford to buy newspapers. The cost of print publications is fairly high, averaging up to 1 som at retail. Isamova believes that, when the price of newspapers is raised, editors collude and raise the prices of their publications at the same time.

At the same time, the demand for information in the country is huge, and the press is very popular. There is no daily press in Tajikistan, and nearly all publications are weekly and published on Friday, at the end of the week. In the capital and major cities, by noon not a single private paper is left for sale. Because of their relatively small press-runs, the nongovernmental publications published in the capital never make it to the remote regions. Alamshoyev noted: "In Gorno Badakhshan Autonomous Province, the situation with respect to providing citizens with information is especially difficult. The national press is delivered only to the province center,

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.

and if newspapers reach the district centers, it's only after two months, when they have lost their relevance. The state of radio networks in the district is dilapidated, and about 70 percent of the residents do not have access to Radio Badakhshan, which broadcasts just 10 hours a week in Tajik and Russian. Journalists' work becomes pointless if residents can't hear it."

The state of affairs at local publications is very bad. According to the information of Mirzobadal Badalov, chief of the Tajikistan Republic Culture Ministry's Press and Printing Administration, 69 government district, city, and province newspapers are regularly published in the republic. The circulation of these print media outlets is as high as 300–500 [sic]. Most of them come out twice a month, and some of them come out monthly. Only a very few local government publications have proved capable of being profitable and have circulations that are sizeable for the country. Such publications include the newspapers *Diyori Tursunzoda* (city of Tursunzoda), with a circulation of 7,000; *Khakikati Leninobod* from Sughd Province, with a circulation of 1,500 to 6,000; and *Zarafshon* (Pandjakent District), with a circulation of 1,500.

Local authorities, as well as civil-society institutions with the support of international organizations, have been attempting to expand the public's access to information. In the provinces, resource centers are being opened with a wide choice of periodicals and Internet access, and press stands are being installed in regional centers with support from the OSCE. However, because of gender stereotypes, the use of such information resources is difficult for women.

The limited supply of electric power is becoming a scourge for citizens in remote regions, preventing them from obtaining information about the country and the world. The electricity situation is especially strained in the winter.

If one sets aside the interruptions in power supply, in most of the country's regions the possibility of receiving broadcasts of the first state channel, TVT, and of receiving Russian and other foreign channels over satellite dishes has expanded. The panelists noted that satellite television has become especially popular not just in the cities but in the countryside as well. "Satellite dishes are no longer a luxury but a vital necessity," it was said in the discussion.

While noting that the population is covered by the Russian channels' broadcast networks, the panelists said that, all the same, during the time of news broadcasts citizens switch to government and independent channels, "because since the times of civil war the interest in politics has remained high."

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The Internews Network project to support regional television studios is very important. Thanks to that project, television studios have been opened and are operating in 14 regions. These electronic media outlets are equipped with digital technologies, and the government regional television studios lag seriously behind them technologically.

However, strengthening the potential of the regional media has not yet brought about an improvement in the interregional exchange of information. As a rule, it is much easier for citizens in the capital to obtain international information than to find out what is going on several dozen kilometers away from them in a neighboring city or village. One panelist had the following to say about this problem: "I was riding in a fixed-route taxi today and listening to the news over Vatan radio as I rode. In five minutes only two events in the capital of Tajikistan were reported, and then the announcer gave a detailed report on the health of Berlusconi. Why do I, a Tajik in Tajikistan, need that information? And I'm not even saying they should provide regional information. The same situation exists on the news agencies' wires. They provide five or six reports on the country, and the rest is filled with information about other countries. I realize that it is hard to do their own news reports, once again because of finances, but this will result in their audience's switching to other stations."

The issue of interregional information exchange proved to be a very important one for the panelists. They discussed at length the closing in the summer of 2006 (on the pretext of the need for a license) of the Internews project for creating a joint program among eight regional stations, and they spoke of the lack of information security in a situation in which there is an information vacuum concerning events in the regions.

The panelists unanimously said that the minority nationalities' media outlets are free and can develop without restrictions in Tajikistan. Abdulloyev explained: "Broadcasting or the publication of print media in the languages of minority nationalities in the Republic of Tajikistan has been without problems since Soviet times. In that sense, all the rights of the minorities are protected."

Comparing Tajik television with the broadcasting of other countries, Isamova noted one distinctive feature: "In all countries journalism has long since turned into disaster journalism. In our country there must not be any natural or other disasters on the news. For example, at the first of the year we had a case in which an orphanage burned down and 13 young children were burned alive. Government television did not say a word about it. There were two terrorist acts—silence on TV. Flooding, roads closed, an earthquake—nothing said. People find out this information any way they can—someone, somewhere reads it from outside sources, and people report it to one another."

Tajikistan already has a group of news agencies: *Aziya+* Information Agency, *Avesta* IA, Khovar GIA, Varorud IA, Interpress Service IA, and the Khatlon Press IA, which function with varying degrees of success and attempt to cover the news of the entire country. The panelists gave especially high marks to the work of *Avesta*, which "is more timely, provides the news from the morning on, and provides it on an open basis on the condition of hypercitation." But as Abdulloyev notes: "The Independent Agencies such as *Aziya+* and *Avesta* gather and disseminate news. But their news is mainly distributed over the Internet and through print media, the influence of which is not so significant as that of the electronic media."

The interest groups that are behind certain independent media outlets are not open to the public. Only the journalists know who patronizes given publications, and in whose interests given stations operate. Since a kind of table of ranks has developed in Tajikistan on which television journalists are indisputably on top, the most influential political groups strive to have, if not their own, then at least loyal private electronic media outlets in their arsenals.

As the panelists noted, last year major financial groups, in principle, showed interest in the media industry. As an example, mention was made of Oriyono Media LLC, which is financed by the owners of the country's largest private bank, Oriyon Bank. The media group has far-reaching plans to have not only its own radio station but its own television company and both news and advertising agencies.

In the electronic media and newspapers, entertaining materials claim the greatest share of time or space. As M. Bakhtiyerov said: "On the government broadcasting network, on TVT OR SOFINA, up to 70 percent of the time is occupied by concerts, and the amount of poetry reading has been increasing. There is not even a full-fledged, basic press survey. Only a survey of government media outlets is provided."

In the opinion of Isamova, "the public longs for news—objective, varied, and timely news. If we had a news channel, it would be one of the most popular. Especially if it provided news about the regions. And not as it is now—within a radius of 40 kilometers around the capital."

There is a minority-nationalities press in Tajikistan. Mainly these are local publications in Uzbek, Kyrgyz, or other languages, but there are also news segments on the first government channel in Uzbek and Arabic. The Uzbek ethnic group has a more varied choice of media outlets in its language: in addition to local media outlets, there is a national government Uzbek-language newspaper, and there is a nongovernmental newspaper with broad coverage of the country. The nongovernmental Council of the Peoples of Tajikistan has its own publication—the Dustlik bulletin, in which pressing problems of the diaspora are raised. The panelists unanimously said that the minority nationalities' media outlets are free and can develop without restrictions in Tajikistan. Abdulloyev explained: "Broadcasting or the publication of print media in the languages of minority nationalities in the Republic of Tajikistan has been without problems since Soviet times. In that sense, all the rights of the minorities are protected."

Political pluralism of information is provided in the country through political-party media outlets. Although not all parties have their own publications, the most active parties do. Thus, for example, the Party of the Islamic Renaissance of Tajikistan has two newspapers and two magazines and its own print shop. Access to the electronic media is predominantly enjoyed only by the ruling party, although certain broadcasts may be devoted to the Communists or the Popular Democrats. On the whole, a group of party media outlets already has been formed that serve the interests of their members in various languages.

OBJECTIVE 4: BUSINESS MANAGEMENT

Tajikistan Objective Score: 1.45/4.00

The dynamics of the development of the media sector in Tajikistan over the past few years demonstrates a turn away from media outlets performing the role of political tools, of "propaganda conveyor belts," and toward journalism that has the qualities of a product and promises to be a successful business enterprise.

Given the country's relatively low level of economic development, a field of principal players in the country's economy has not yet been formed. Only now are the country's ore reserves beginning to be developed, a construction boom is getting started, along with active investing in the capital's housing market, and reforms are expected in the energy sector and other of the most promising sectors of Tajikistan's economy. But financial groups are already emerging that have expressed an interest in Tajikistan's media space. Not only an attempt to establish a media holding company associated with Oriyon Bank, but philanthropic acts for the media taken this year by the RusAl company are instructive.

But the trends that have been noted are so far episodic, and big business serves as the chief buyer of ads in the central media. The groups of the biggest advertisers include cellular phone operators, Internet providers, shopping markets, and commercial banks. International organizations are also regular buyers of advertisements.

Panelist Buriyev believes that "among our businesspeople there are fairly many who want to buy ads. But fear of the tax authorities stops them."

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 widespread practice of distorting print publications' circulation figures attests indirectly to the relatively low extent of development of the advertising market in Tajikistan. Real circulations are understated in publishing figures in order to keep the taxes from being so high.

The widespread practice of distorting print publications' circulation figures attests indirectly to the relatively low extent of development of the advertising market in Tajikistan. Real circulations are understated in publishing figures in order to keep the taxes from being so high. And there is no process of "chasing after" circulation numbers in order to lure advertisers, which already has begun in neighboring Central Asian countries. The number of advertising spots on television is also understated. The panelists pointed out that, under law, a norm has been set for the placement of ads on television, but the lack of monitoring of the practice of running ads enables the television stations to conceal advertising revenues. Bakhtiyerov did some math: "Take the most popular publications. They reach agreements with distributors, and if those are supposed to receive 100 copies each of a publication, in reality they receive as many as even 1,000. And then no one calculates what the revenues from advertising are."

Journalists on various publications have a vital stake in attracting advertising revenue to their publications, because from 30 percent to 50 percent of the total advertising fee goes to the person who has attracted the ad. But this stake ultimately results in completely replacing journalistic work with advertising work. At the large nongovernmental publications, the owners already have set up marketing departments, and only those departments engage in seeking advertisers and in studying potential and real markets and advertising supply and demand.

To develop a successful business enterprise in journalism, the media companies that have already gained a certain recognition and found their niches in the market need to develop a multifaceted business. Thus, for example, the most successful enterprise, Charkhi Gardun, which has the largest circulations in the country, also engages in supplying newsprint, consumables for print shops, construction, etc. The media group that publishes *Todzhikiston* has established one of the best private print shops and has even been quite energetically developing the mass press market—combined

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information and advertising publications and entertainment publications, which include the most successful weekly, *Oyla*.

For most government publications, revenue sources continue to be subscription income (with the support of government agencies, it continues to be mandatory for employees in the budget-funded sector), subsidies, and commissioned articles. In the panelists' estimation, subscriptions account for nearly half of all media income. Nongovernmental media outlets are more oriented toward advertisements and announcements, and they attract more commissioned articles; regional nongovernmental television stations also may receive subsidies from the regional administrations for covering certain subjects and objectives. Nonetheless, the meagerness of revenue sources results in either the closing of publications or their reliance on the support of sponsors. In Kulyab, the regional independent television station, despairing of surviving independently in the media market, switched to equally meager, but guaranteed, support from the government budget.

Marketing, rating, and other media measurement studies are so far done only episodically in Tajikistan. All research is almost always done by the Zerkalo opinion-survey company. Previously, monitoring of the development of the media sector also was done by experts with the Fourth Estate NGO. But on the whole, media outlets do yet not consider media research necessary at this time.

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OBJECTIVE 5: SUPPORTING INSTITUTIONS

Tajikistan Objective Score: 1.68/4.00

Panelists noted significant progress with respect to the operations of institutions supporting the media. Among the factors contributing to the higher score, the experts noted a step-up in the work of the Journalists' Union since the election of a new and energetic leader. At present, the re-registration of members is underway, and preparations are being made for the launching of a resource website by the organization. Provided that all former members (and as of today there are 2,080) reaffirm their participation in the organization, the Journalists' Union promises to be the largest trade organization.

The professional membership organization Mediya Alyans (45 members, covering the whole country, except for the Pamir) has been performing its mission by presenting training programs for professionals, providing assistance in operating internships, and resolving labor disputes. The organization publishes a regular bulletin for its members. The organization also arranges for the defense of journalists prosecuted for critical articles. The TadzhAnesim professional organization and the Internews Network are continuing their activities.

At the same time, as Rano Bobodzhanova noted: "This year NGOs devoted to defending free speech have become more passive. The most influential of them is the Tajik Human Rights Bureau. Most NGOs operate mainly in the big cities and the capital."

Contradictory opinions came out in the panel discussion regarding the activities during the current year of one of the most prestigious NGOs for support of the media and

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.

journalists—the National Association of Independent Media of Tajikistan (NANSMIT). Whereas some panelists emphasized the NGO's leading role in defending the rights of journalists and publications, others believed that the organization's work in the current year had shown a substantial decline. Thus, for example, Alamshoyev noted: "NANSMIT used to have a very active presence in the Pamir, but now the regions have left its field of attention. In a situation in which a network program for the interregional exchange of information among televisions was shut down, the only thing the association did is that one of its staff members wrote an article—an ordinary journalistic article—about it, instead of getting to the bottom of it and putting pressure on the authorities."

Nonetheless, panelists noted that it is NANSMIT, despite repeated hacker attacks, that has continued to edit the association's website and reported monthly on the results of the monitoring of the observance of journalists' rights.

Compliments were given to the Internews Network organization, which has been making the most significant contribution, not only to supplying media outlets with equipment and supporting media-management technologies, but also to training their staff members in the international standards of journalism.

In this connection, the panelists voiced special concern regarding the professional training of journalists. The country has one journalism department and five journalism divisions where dozens of journalists receive higher professional training. However, the panelists noted, the qualifications of journalist graduates is very low. There are several reasons for this: training does not provide the opportunity to learn even the most elementary computer skills, not to mention work with special software; professional skills are taught by language and literature instructors; the curriculum has strong bias toward literature and the history of journalism; and professional journalists who are enlisted to teach lack much motivation on account of the meager pay.

Short courses and trainings offered by Internews Network or other organizations, with their curriculums, have been helping to improve the quality of the nongovernmental media. Although Internews is prepared to provide instructional support to the government media as well, by and large the editors of those publications do not want to do their part. Thus, for example, TVT makes no use of the organization's free resource, and TV Safina cooperates only with respect to the development of directing skills. In the panelists' opinion, the Internews master classes have produced obvious results. Isamova commented: ÅgIn Tajikistan one can sense the difference in style and work between journalists at government media outlets and those with private outlets. Whereas the nongovernmental media

The panelists voiced special concern regarding the professional training of journalists. The country has one journalism department and five journalism divisions where dozens of journalists receive higher professional training. However, the panelists noted, the qualifications of journalist graduates is very low.

offer more references to authoritative and competent sources, journalists at government publications use the first person, speak on their own authority, and offer their own expert commentaries. Moreover, the editors of government media outlets take a conservative attitude toward genres, which in their view have not changed since Soviet times. They jealously monitor 'genre purity.' And in general, from government journalists and editors one gets pieces that try to impose their views on readers. From nongovernmental journalists one gets articles that conform more to international standards. And that is due in large part to training in Internews Network seminars."

At the media outlets themselves—both governmental and nongovernmental—a competitive environment has not yet been established, and there is no orientation toward the enlistment of promising professionals. Panelists noted a few scattered initiatives to develop professionals in the workplace, such as the initiative by the *Aziya+* holding company to establish a School of 21st Century Journalism. But that project is not doing anything today.

Among the training seminars, panelists gave high marks to the marketing and management seminars offered by the Soros Foundation-Tajikistan (the Open Society Institute), seminars offered by the Institute for War and Peace Reporting, and several others.

However, as Bakhtiyerov noted: "Most of the seminars take place in the capital and the biggest cities. The regions and remote places are left to stew in their own juices. For 15 years no one has worked with newspaper journalists from the regions. And then we are surprised at how far behind the quality of the regional press lags." It is precisely for the purpose of supporting the regional media that the PAMIR Nongovernmental Foundation was established; it has been accumulating library and other information and technical resources for journalists in Khorog, as Alamshoyev reported to the panelists.

Bakhtiyerov noted: "Most of the seminars take place in the capital and the biggest cities. The regions and remote places are left to stew in their own juices. For 15 years no one has worked with newspaper journalists from the regions. And then we are surprised at how far behind the quality of the regional press lags."

Discussion of the quality of the press naturally led to a discussion of the matter of printing facilities and consumables. Panel participants agreed that this year the process of liberation from the monopoly of the government printing facilities (Sharki Ozod, Sanodvora) began to take real shape. The *Aziya+* and Charkhi Gardun private printing facilities are already up and running, and they have the capability to print using digital technologies, in full format and in color. However, not all nongovernmental publications can afford the services of these print shops, especially since the private print shops often will not accept orders for press-runs smaller than 4,000. The opposition press is tossed about. As for the regional press, the prospects for opening, on a competitive, market basis, several print shops in each province center are relatively unrealistic in the near term.

Nonetheless, the rapid development of the Internet providers' market in Tajikistan demonstrates the possibilities of a market economy that is capable of overcoming the technological lag, provided there is political freedom.

Panelists

Kurbon Alamshoev, Pamir Mass Media Center

Mahmadali Bakhtiyorov, *Payomi Rushon* newspaper

Masrur Abdulloev, Internews

Lidia Isamova, RIA News

Saidumron Saidov, Association of professional Journalists of Sogd Oblast

Buriev Rustam, Mavji Ozod TV

Tuhfa Akhmedova, NGO Press Center Gamkhori

Rano Babajanova, NGO Center of Gender Research

Ulmas Erkaev, *Jumhuriyat* newspaper, TV & Radio

Abdurakhim Muhidov, USAID

Moderator

Gulnara Ihrayeva, Kyrgyzstan

In the media sector, 2006 meant ongoing government consolidation over media outlets, control over content, and continuing harassment of journalists. In 2005, the government told citizens that foreigners and their allies in the country were launching "(an) information war against Uzbekistan which was launched in connection with the Andijan events." Frequently referring to this "information war," the government justified its crackdown.

UZBEKISTAN

OVERALL SCORE: **0.45**

UZBEKISTAN

The 2005 events in Andijan continue to define the political environment in Uzbekistan. The crackdown on media, civil society, foreign NGOs, and independent political groups continues unabated. After Andijan, where by government accounts 190 people died and by independent accounts several times more unarmed civilians were killed by government forces, President Islam Karimov set about tightening control in Uzbekistan by forcing foreign human rights and democracy-oriented organizations out of the country, asserting even greater control over the media, and ensuring that little independent civil society remains to challenge his authority or offer alternative visions for Uzbekistan's future.

The Uzbek government continued to refuse an international investigation into the Andijan incident, despite pressure and widespread condemnation from Western countries and international organizations. With little economic or political leverage over Uzbekistan, Western governments and the European Union were unable to gain cooperation into this investigation. Meanwhile, Karimov positioned Uzbekistan closer to Russia and China, moving distinctly away from the West. The US military, which had cooperated with the Karimov government since September 2001, was kicked out of Uzbekistan.

In the media sector, 2006 meant ongoing government consolidation over media outlets, control over content, and continuing harassment of journalists. In 2005, the government told citizens that foreigners and their allies in the country were launching "(an) information war against Uzbekistan which was launched in connection with the Andijan events." Frequently referring to this "information war," the government justified its crackdown. Major newspapers and broadcast outlets are owned by the government or political parties and individuals loyal to the government; media with views independent of the government are not registered; censors are reported to work inside major media outlets; journalists continue to face harassment; and international media such as RFE/RL, VOA, and BBC remain banned.

The supporting environment for independent media and more broadly, for democratically oriented Uzbek groups, continues to rate the lowest in Europe and Eurasia. International NGOs were forced to close operations because of government audits, lawsuits, and other forms of legal harassment. IREX, ACTR/ACCELS, Counterpart, and Freedom House were among the many NGOs forced to leave the country during the year. Therefore, virtually no professional foreign engagement in training journalists or supporting independent media development remained in 2006. Local NGOs offering independent views and supportive of democratic reforms, human rights, and international engagement with the West were further repressed and most effectively closed by government actions.

UZBEKISTAN AT A GLANCE

GENERAL

> **Population:** 27,780,059 (July 2007 est., *CIA World Factbook*)

> **Capital city:** Tashkent

> **Ethnic groups (% of population):** Uzbek 80%, Russian 5.5%, Tajik 5%, Kazakh 3%, Karakalpak 2.5%, Tatar 1.5%, other 2.5% (1996 est., *CIA World Factbook*)

> **Religions (% of population):** Muslim 88% (mostly Sunnis), Eastern Orthodox 9%, other 3% (*CIA World Factbook*)

> **Languages (% of population):** Uzbek 74.3%, Russian 14.2%, Tajik 4.4%, other 7.1%

> **GNI (2006-Atlas):** $16.18 billion (World Bank Development Indicators, 2007)

> **GNI per capita (2006-PPP):** $2,240 (World Bank Development Indicators, 2007)

> **Literacy rate:** 99.3% (male 99.6%, female 99.0%) (2003 est., *CIA World Factbook)*

> **President or top authority:** Prime Minister Shavkat Mirziyayev (since December 11, 2003)

MEDIA-SPECIFIC

> **Number of active print outlets, radio stations, television stations:** 968 registered media outlets, including 96 Internet providers (www.freeuz.org)

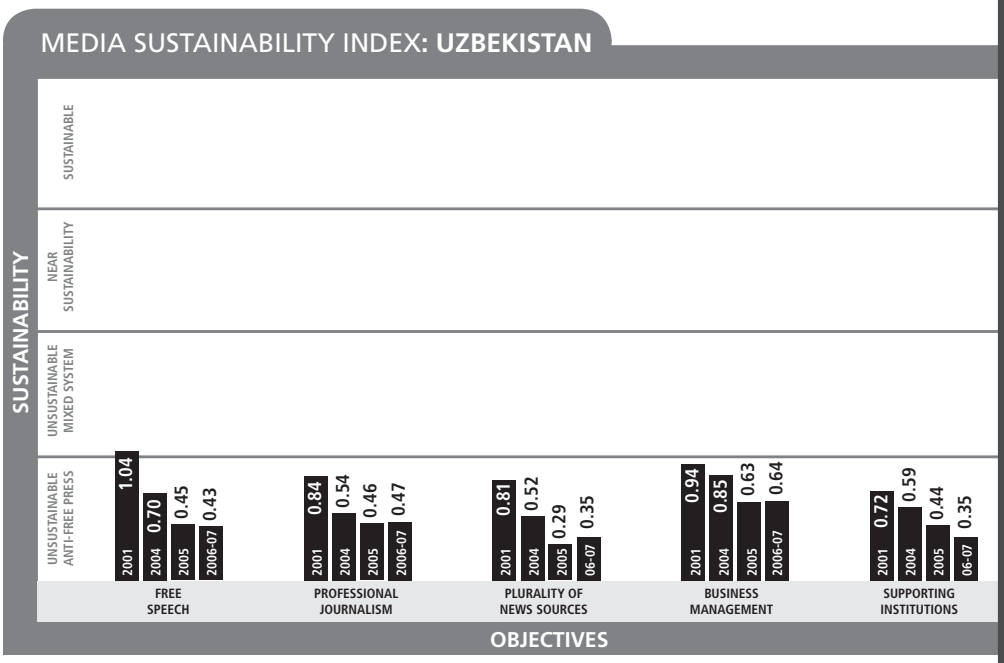
> **Newspaper circulation statistics:** top two by circulation: *Darakchi* (250,000), *Tasvir* (around 10,000 copies)

> **Broadcast ratings:** highest-rated television outlets: Eshlar telekanali, UzTV-1 (covers all regions); highest-rated radio outlets: Uzbegim, Eho doliny, Grand, Oriat FM, Poitaht

> **News agencies:** Uzbek, Turkiston Press, Djahon, Karakalpak

> **Annual advertising revenue in media sector:** N/A

> **Internet usage:** 880,000 (2005, *CIA World Factbook*)



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.

Given this state of affairs, the average MSI score for Uzbekistan registered a .45 (Unsustainable, Anti-Free Press)—the lowest score in Europe and Eurasia and only one of two countries (Belarus was the other) to score below 1.0. This score is unchanged since 2005, and none of the five objectives witnessed any significant change. Uzbekistan remains a country highly unfriendly to free and professional media, and it has, for now, succeeded in controlling and eliminating virtually any independence in the sector.

Due to the repressive environment in Uzbekistan, IREX did not conduct a panel for Uzbekistan. This chapter represents research conducted on the situation and discussions with various professionals knowledgeable about the situation in Uzbekistan. The names of those contacted will not be published to protect their personal security. This chapter, therefore, provides a summary of the state of media in Uzbekistan.

OBJECTIVE 1: FREE SPEECH

Uzbekistan Objective Score: 0.43/4.00

As with many of the post-Soviet countries, Uzbekistan's constitutional and legal framework does provide protections for the media. The Constitution has articles guaranteeing freedom of speech and access to information. Additionally, several articles of the Uzbek Law on Defending the Professional Work of Journalists prohibit censorship, the confiscation of equipment, and the detention of journalists.

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.

Public criticism of the president is punishable by prison; articles that incite religious or ethnic discord or confrontation are banned; articles that advocate subverting or overthrowing the constitutional order are also punishable by imprisonment; and slander of the security forces is criminalized; libel and slander penalties have been strengthened; and accreditation of foreign journalists and local assistants provide means to tightly control content.

Other articles in the legal framework, however, lay the groundwork to curtail these freedoms. Public criticism of the president is punishable by prison; articles that incite religious or ethnic discord or confrontation are banned; articles that advocate subverting or overthrowing the constitutional order are punishable by imprisonment; slander of the security forces is criminalized; libel and slander penalties have been strengthened; and accreditation of foreign journalists and local assistants provide means to tightly control content.

A February 24, 2006 cabinet resolution tightened control over foreign journalists, regulating what they can and cannot report on and forcing accreditation of journalists and media outlets. This decree effectively renders negative reporting on the government illegal. It also had stringent controls on Uzbek citizens working for foreign media or journalists, causing them to take great risks to work with foreign journalists. Against this backdrop, for example, Deutsche Welle journalist Obid Shabanov had his credentials revoked in 2006 for critical reporting on labor migration. Two others were also imprisoned.

However, the government does not necessarily have to rely on the law or its legal interpretation to control media and its content. Since the government increased direct control over media during 2006, legal proceedings against media and journalists might be characterized as a necessary supporting action to ensure tight control. Also, given the lack of an independent judiciary in the country, legal proceedings initiated by the government or its supporters generally meet with "success."

The media licensing process in Uzbekistan remains completely controlled by the state without transparency or fair and consistent standards. All media outlets must register or re-register every year to obtain a license. Particularly since 2005, many did not receive licenses if they were deemed to be against the government.

International journalists' rights groups, such as the Committee to Protect Journalists and Reporters sans Frontières, list dozens of cases against journalists over the past year with few outcomes in the journalists' favor. In all cases, these groups report that the actions targeted journalists who had written critically of the government. In some cases, they are charged with general criminal acts, such as the case of independent journalist Ulugbek Khaidarov, who was set up for extortion. He was acquitted after two months in jail. Independent journalist and researcher Umida Niyazova was charged with smuggling subversive literature. Others have been charged with undermining the constitutional order.

The media licensing process in Uzbekistan remains completely controlled by the state without transparency or fair and consistent standards. All media outlets must register or re-register every year to obtain a license. Particularly since 2005, many did not receive licenses if they were deemed to be against the government. Media are licensed by the Interagency Coordination Committee (MKK). MKK can issue or revoke licenses without court orders. The Center for Electromagnetic Compatibility issues frequency licenses for broadcast outlets. Any media registering must present a board of directors acceptable to the government.

However, one also must note the role of the National Association of Electronic Media (NAESMI), founded in 2004. NAESMI forces local television stations to join the association and restricts the content of their programming. It has been reported that stations that had refused to join lost their broadcast licenses or were subjected to harassment such as tax inspections. At times, NAESMI ordered local television stations to broadcast programming of NAESMI's choosing.

There is little difference from last year in the ability to obtain government information. It is virtually impossible to obtain information except that which the government wishes to use for its advantage. However, with the crackdown on the press, there are not independent journalists seeking such information.

The government also tightly controls the Internet. It has blocked access to critical sites such as www.freeuz.org, www.ferghana.ru, and RFE/RL. Several of the foreign NGOs forced to close and leave Uzbekistan, including IREX, were accused of offering Internet access without a license, demonstrating the fear of the government in allowing unfettered access to the information on the Web.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Uzbekistan Objective Score: 0.47/4.00

Professional journalism remains mired in a downward spiral in Uzbekistan. Government control over media content, harassment and prosecution of critical journalists and the ensuing self-censorship, and the lack of training to international standards at the university or mid-career level have all contributed to a journalism profession that more and more resembles the government propagandists of the Soviet state.

Alternative viewpoints are rare in the media; most examples come from foreign-based media who continue to report on Uzbekistan, including the Institute for War and Peace Reporting (IWPR), RFE/RL, and BBC. Among local journalists working for Uzbekistan's media, self-censorship is the norm. Editors will not publish critical stories and will punish those journalists who present such stories for publication. Those who seek to report critically are exposed to the full force of the legal system. In the past year, Uzbek journalists for IWPR, Deutche Welle, and Oasis, among others, have been sentenced to prison terms for their reporting. Karimov's own

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.
- Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- Quality niche reporting and programming exists (investigative, economics/business, local, political).

nephew was allegedly detained and sent to a psychiatric hospital for his work for IWPR. The message is clear and heard by most all Uzbek journalists.

While official censorship does not exist, in practice the government is deeply involved in censorship, according to most reports. There are unofficial bans on certain topics (corruption, poverty, Andijan), and there are de facto censors allegedly working at most major media outlets to ensure the coverage is favorable to the government. NAEMSI and the Uzbekistan News Agency monitor news coverage, and it is clear to media that this means they must toe to government line.

Journalists regularly accept bribes (cash and gifts) in exchange for favorable coverage or made-to-order reporting. However, the general positive coverage of the government and lack of controversial issues need not be ensured by bribes, given the elaborate control system. Instead the bribes are reserved more for individuals wanting positive coverage of their activities. Some local issues are able to be covered, such as local petty corruption or mismanagement, if it suits the government agenda.

Entertainment programming continues to dominate news and information reporting. Russian channels remain popular in this regard. Other broadcasters focus on sports or advertising. Print media focus on celebrities, sports, and other non-threatening topics.

Niche journalism remains infrequent, if not functionally impossible in Uzbekistan. Given the danger that such reporting might touch on something controversial, media outlets are reluctant to support such reporting. Technical facilities remain largely outdated, with equipment at many outlets functionally obsolete or rapidly approaching that state.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Uzbekistan Objective Score: 0.35/4.00

As noted in the 2005 MSI report, while "the number of 'news' sources has increased significantly since independence in 1991, that does not mean that Uzbekistani citizens have access to more and better-quality information." Particularly following the crackdown in 2005 after Andijan, the government sought to ensure that there remained a "surface appearance of choice," but in reality the choices did not allow for acquiring different viewpoints and alternate reporting on events and issues in Uzbekistan. As such, Uzbekistan witnessed no real change in this objective, scoring 0.35.

Foreign media are allowed only to the extent the government approves of their news coverage or they avoid news and focus on entertainment. Russian media are popular for their entertainment, and the news provided is generally sympathetic to Karimov. Foreign news agencies such as RFE/RL, IWPR, BBC, VOA, and Deutche Welle are prohibited from working or broadcasting in the country, and their websites are generally inaccessible due to the Uzbek government blocking them.

Other independent Uzbek media or regional online media also have a hard time being accessible to the populace given government blocking. Popular sites such as ferghana.ru are hard to access inside the country. However, regardless of government interference, Internet penetration remains low at 6.6 percent (according to the government), so Internet news does not yet pose a threat on a mass scale to the Karimov regime.

The state-controlled media, which are now the vast majority of media in the country, are completely partisan and offer no alternative viewpoints and do not contribute to real plurality. State television and radio dominate the media space, with other state-owned media and private media filling the remaining media space.

Privately owned Russian and Uzbek papers, such as *Novosti Uzbekistana, Noviy Vek, Biznes Vestnik Vostoka, Hurriyat,* and *Mohiyat,* are managed in ways to ensure their content is friendly to the government, while the state papers, such as *Pravda Vostoka* or *Khalq Sozi,* are clearly propaganda-oriented publications.

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.

There are 24 regional television stations and 14 regional radio stations, but they offer little diversity in news other than the government line. As discussed above, they can occasionally report on local issues of corruption or mismanagement but usually in a circumspect manner and with the government's blessing.

Uzbekistan has no independent news agency.

OBJECTIVE 4: BUSINESS MANAGEMENT

Uzbekistan Objective Score: 0.64/4.00

Nothing of note has changed in Uzbekistan since last year in the field of media management as reflected in the MSI score, which remains relatively unchanged at 0.64. Private media are not run as businesses, state-controlled media have little incentive to operate efficiently, there is not a rational advertising market, and supporting services such as market research are grossly underdeveloped.

State television claims it uses only 2.9 percent of its airtime for advertising when it is permitted 10 percent, indicating that if the country's most influential broadcaster cannot fill its allocated advertising time, the market must be weak. With the growing control of the state over the media sector, even the private media, the primary goal of those outlets is not to operate as a profit-generating business, and the incentives for sound management are limited. In addition, the media sector has few skilled managers. Even before the crackdown following Andijan, business-management skills in the media were weak and the depth of talented professionals shallow.

In November 2005, the government created the "Public Fund for the Support and Development of Independent Print Media and News Agencies of Uzbekistan." Ostensibly created at the initiative of the Union of Writers of Uzbekistan and the Creative Union of Journalists of Uzbekistan together with private companies, it was set up by presidential decree. The fund provides support for media outlets and has supported non-political articles on tourism and business. To what extent the fund will develop remains uncertain, but it is seen as a means of supporting loyal media and does not appear to operate to also develop the business management of those it assists.

However, there is advertising, and advertising agencies do exist, but the pool and depth of professional agencies is limited. According to experts, they also must follow political preferences, for if they were to unduly support more independent outlets with advertising, they would face pressure from the state. In addition, many of these agencies are owned by media companies and do not represent the market as a whole but their owners' interests. Personal announcements have been a major source of revenue for media in Uzbekistan for several years, as consistent high-paying consumer advertising has been scarce.

Uzbekistan has a relatively well-developed printing and distribution industry, but it remains under government control and serves the interests of the government and does not operate under market principles. For instance, printing of the Russian paper *Trud* was suspended in June 2006 after publishing critical articles—the printing house claimed technical difficulties. As with the ad agencies, printing and distribution companies are driven by self-interest and fear of angering authorities, and they are not always partners with the media outlets they serve.

Market research continues to remain sorely underdeveloped. Some advertising agencies state that they conduct market research and base rates on such research, but there is little if any publicly available research based on international standards and doubts about the ability of media managers' ability to use such research if it was available. Media outlets themselves cannot afford sophisticated market research. Uzbekistan, as with many of the countries in the former Soviet Union, lacks a system to produce audited newspaper circulation figures. Newspapers must rely on reports from the distributors, which do not technically correspond to actual circulation and are suspect themselves.

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.

Business management training had been offered by international organizations such as Internews (as well as supporting market research studies in 2004). But with the crackdown on international NGOs and the subsequent departure from the country of most of these, including Internews, little training and support for impartial research is offered.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Uzbekistan Objective Score: 0.35/4.00

As can be expected in a country that has systematically repressed civil-society organizations in the wake of Andijan, professional and independent supporting institutions are few in Uzbekistan, rating an MSI score of 0.35—more than a 50 percent drop since 2001.

Professional organizations representing journalists and owners/managers generally are friendly to the government. The Creative Union of Journalists was founded in 2004 at the initiative of the government. It has not been active in defending the rights of journalists as the government crackdown has continued.

The National Association of Electronic Media (NAESMI) was also founded in 2004 by government initiative and designed according to observers as a mechanism to exert state control over broadcasting. NAESMI's stated goal was to provide equal market conditions for all broadcasters in Uzbekistan. However, NAESMI essentially required media outlets to join or risk losing their licenses and going out of business, a process that continued into 2006 and 2007. In addition, as described above, NAESMI exerted control over content, at times supplanting locally produced content with content it dictated.

The crackdown since 2005, and indeed actions prior to the Andijan incident, has affected human-rights NGOs that have been supportive of media freedoms. Banking changes made it difficult for Uzbek NGOs to receive outside funding, and burdensome registration requirements helped the government strip international and domestic democracy or human-rights NGOs of their registration and denied registration to others. It has been estimated that the government crackdown forced up to 75 percent of local NGOs to close or suspend their work. Many of these local organizations, while not directly media support organizations, promoted human rights and democracy and were important to creating an environment in which independent media could survive.

Journalism education remains of low quality in Uzbekistan. The Uzbekistan National University and the State University of World Languages both have journalism faculties, but in general the curriculum at both is theoretical and lacks practical experiences for students. Journalism professionals consistently maintain that it takes several years of training to re-train graduates of these schools. The State University of World Languages program was created largely to train journalists and public relations specialists to represent Uzbekistan's interests abroad. And given the political environment, it seems that neither will in the near term turn out professional journalists approaching international standards, creating another generation of journalists lacking practical experience and taught that journalism serves the interests of the state.

Short-term professional training for media professionals has largely disappeared in Uzbekistan. Internews and IWPR offered training and practical experience to young and mid-career journalists. However, both have been forced out of the country. Other programs continue to exist but are often focused on topics the government supports, such as narrowly focused topics with international organizations and with the full approval of the Uzbek government.

Due to the repressive environment in Uzbekistan, IREX did not conduct a panel for Uzbekistan. This chapter represents research conducted on the situation and discussions with various professionals knowledgeable about the situation in Ubekistan. The names of those contacted will not be published to protect their personal security. This chapter, therefore, provides a summary of the state of media in Uzbekistan.

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.

MEDIA SUSTAINABILITY INDEX 2006/2007
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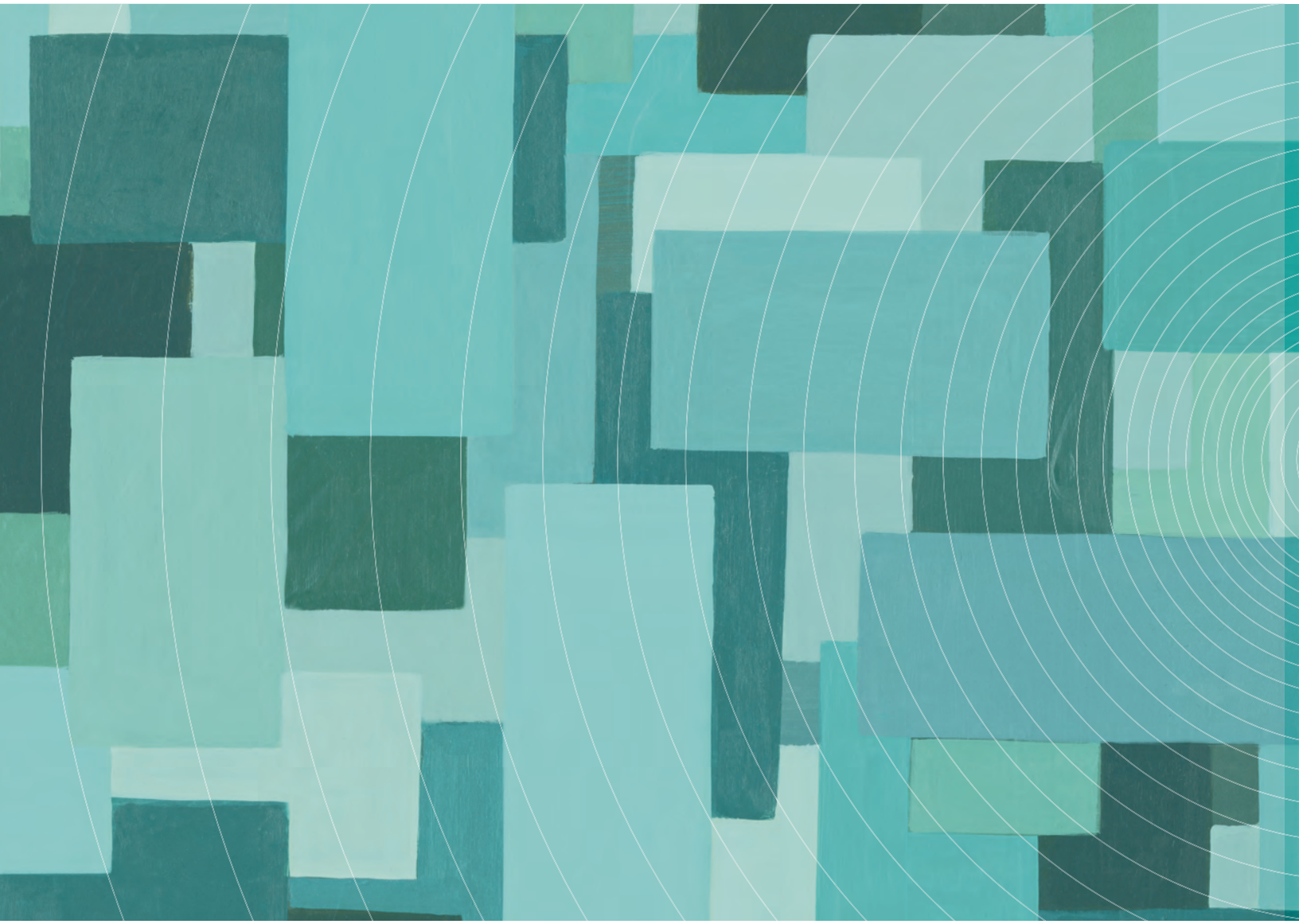
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