



IREX
ProMedia/Serbia
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Quarterly Report
April 1, 2003 – June 30, 2003

I. Summary

During the second quarter of 2003, IREX ProMedia/Serbia continued to support the free and independent press. Scheduled activities during April, May and June promoted IREX's ultimate goal of helping the Serbian media provide citizens with balanced and unbiased news and information necessary to participate in democratic and free market institutions.

Program highlights for the period include:

- **IREX Develops Privatization Consulting Team to Aid Municipal Broadcasters.** As a result of dialogue with the Serbian Ministry for Privatization, IREX formed the privatization consulting team, made up of nine professionals. The team is chaired by IREX business advisor Goran Cetinic and consists of a senior television manager, a representative from the Ministry of Privatization, senior auditors, leading privatization experts, a broadcast engineer, and a professor of economics. The team's duty is to advise the local media on the privatization process, such as legal, economic, and marketing issues, and to initiate ways for pursuing this process.
- **IREX Supports Training at Management Level for ANEM Stations.** IREX consultant Graham Ironside conducted two one-week seminars targeted to the needs of station directors and chief editors at major ANEM television stations. The training was the first of its kind, organized by IREX, to train personnel at this level on general management and TV operations.
- **Official Opening of B92 Construction Site.** As part of TV B92's national rollout, IREX awarded the station a subgrant for the renovation and construction of a central broadcast facility. B92 subsequently negotiated a contract with the Serbian company *Izolacija* to perform the construction work for the studio project and held an official opening at the site on May 26.
- **Twelve Print Journalists Participate in Reporting Workshop on Trafficking in Women.** IREX trained twelve Serbian print journalists on how to report on the topic of trafficking in women. The overall objective of the workshop was to provide media with a greater insight into the criminal activities surrounding trafficking and forced prostitution. It also aimed to advise journalists on how to develop these sensitive stories so that citizens can understand more fully the exploitative nature of this criminal activity.
- **Serbia's Judiciary Makes Landmark Decision to Provide Reporters Access to Courts.** Judge Vojkan Simic, president of Belgrade's first municipal court, approached IREX for advice on developing new operating procedures for Serbian courts. As a result of IREX's collaboration on the development of these procedures, reporters now have the right to access court proceedings, which before they did not have the right to do, and courts shall make basic facilities available to enable them to do so. This decision will have significant benefits for the coverage of trials and will increase the information about judicial proceedings to citizens across Serbia.

II. Media and Political Environment

On April 23, the new Serbian Prime Minister, Zoran Zivkovic, lifted the state of emergency imposed for 42 days following the assassination of former Serbian Prime Minister Zoran Djindjic. The relationship between Zivkovic's government and the Serbian media, which was banned from presenting any analysis and questioning of the emergency measures or quoting any non-government sources, soured as a consequence of heavy-handed media treatment by the chief of the government's Communications Bureau, Vladimir "Beba" Popovic. The media was compliant and cooperative in the early weeks of the state of emergency, but acrimony began as government briefings turning into politically charged sessions in which selective bits of information from "sources close to the

investigation” were presented with the clear intent to damage the credibility of select public figures. Towards the end of the emergency period, the media began making its complaints known publicly and multiple lawsuits filed against journalists followed as a result.

During the emergency period, independent Serbian media were not quite as compliant as the state or public media enterprises. As such, B92 TV made significant inroads into other stations’ audience shares because it continued to highlight political controversy and to ask state officials hard questions. In general, the media seemed more intimidated by the strong public support of the government’s emergency measures than by the government officials themselves or their special powers under the state of emergency. The Serbian government, basking in the popular support for its emergency policies, took advantage of the situation to move aggressively on the media law front. The Parliament suddenly amended and adopted the Public Information Act on April 22 – introducing new restrictions on the media at the last minute – after almost two years of delays. The new law essentially is a libel law to protect politicians – some 33 articles protect politicians, while only one protects the rights of the media. The government also elected members for the Broadcast Advisory Council overnight, in contravention of the law, which prompted the Association of Independent Electronic Media (ANEM) to lodge a protest with both domestic and international institutions.

As soon as the emergency measures and media censorship were lifted in Serbia, cracks within the ruling coalition resurfaced in the public and the government’s previously soaring public rating plummeted. Confidence in the government remains higher than it had been prior to Djindjic’s assassination, but intense public rivalry and distrust between government members hurt the ruling coalition’s credibility. Throughout the month of May, leading public figures took turns accusing each other of grave misdeeds before a wary and increasingly suspicious and disaffected public, but when all was said and done the government chose to blame the media for its mishaps. This became apparent in stinging attacks on the media that Zivkovic and the Ministry of Interior delivered at the end of May.

B92 bore the brunt of the government’s attacks. In an unusually ferocious attack on live television, Zivkovic declared that as many as eleven of B92’s current affairs news items were “full of erroneous facts” and biased against his government. Zivkovic repeated his assertion at least three times in a popular 90-minute, Sunday evening prime-time guest show on B92. He avoided an explicit reference to the television station, calling it instead “the television that is airing this show” and insisting that his criticism was not directed at the show’s host, who is not a B92 employee. The next day, Zivkovic’s deputy, Cedomir Jovanovic, turned down a B92 request for a statement, heaping abuse on the reporter who asked to interview him.

These two incidents coincided with the government’s determination to elect alleged PINK television employee Goran Radenovic as the ninth member of the Broadcast Agency Council (in clear contravention of the law, as Radenovic resides in Podgorica and the law requires the ninth member of the Council to be a resident of Kosovo), and followed the hasty and controversial election of two other Council members who appear to have been chosen as the ruling coalition’s candidates for the Council on the basis of their hostility to B92 Radio and TV, as well as their personal animosity to Veran Matic.

Earlier in the month, Zivkovic convened a meeting with media editors at which he complained about “editors making the rounds of Western embassies” to complain against the Government. It was an obvious reference to Veran Matic, who responded that the media would continue protesting loudly in the West, if they could not otherwise make themselves heard by the Serbian authorities. These attacks on B92, and Matic personally, seem to come from a sense of frustration at the top with the only major TV station on the Serbian market that has resisted attempts by the government to harness it.

There is a growing feeling that this government does not hold the public in high regard; it believes less in its own public obligations than in obligating others. It sees itself as dispensing favors, and it wants favors in return. It has a hostile attitude to media, and believes it works best if it is intimidated. When Gordana Susa, editor of the VIN Video Weekly political program, reported that she had been threatened and harassed by Popovic, the prime minister said that a court of law was the best place to determine the truth about this incident. More and more government figures file charges against journalists; this is clearly a government-encouraged practice. There are presently over 170 cases of libel suits against journalists in Serbia and the number continues to grow. In June, Popovic sued at

least four Belgrade media organizations (*NIN*, *Vreme*, *B92* and *Vecernje Novosti*), citing “mental anguish” and asking for damages of up to two million dinars (approximately \$50,000) from each media outlet. The US Ambassador William Montgomery felt compelled to make a public gesture of support to one of the embattled publications, political weekly *NIN*. The Serbian government nonetheless insists that lawsuits brought by its officials against the media could only be seen as their private actions, unrelated to the government.

While the government tried to ignore the controversy surrounding the newly elected Broadcast Agency Council, two members representing civil society resigned in protest against unlawful selection procedures. The controversy also prompted 18 independent media editors to sign and send to the government a petition entitled “Media in Serbia” that openly expressed their dissatisfaction. The action caught the attention of the OSCE and US and EU ambassadors who invited the editors to a joint meeting to discuss their grievances. The international community’s move attracted some attention to the issue, prompting some government officials to reprimand the press for resorting to pressure tactics. The situation is expected to grow worse as Popovic is encouraged by government ministers to continue with his lawsuits, and it could make a detrimental dent to civil society improvements seen over the last few months.

I. Program Activities

Program activities are presented in order according to the approved October 2002 – March 2004 workplan.

Intermediate Result 1

Journalists Provide Citizens with Objective, Fact-Based, Useful Information

1.1 Journalists Follow Recognized and Accepted Professional Standards for Reporting

1.1.1 Journalism Training

A. Radio Training

During this quarter, the ANEM Training Center delivered ten courses as listed in the table below. ANEM will continue to conduct training for IREX per its subagreement, which ends December 31, 2003.

Course	Timing	Number of Participants
Digital Editing	April 2 – 4	9
General Course in Radio Journalism	April 7 – 11	8
Investigative Reporting	April 14 – 18	8
How to Make a Good Radio Spot	April 23 – 25	7
Digital Editing (state-owned media)	May 7 – 9	7
Investigative Reporting (follow-up)	May 12 – 14	3
Basic Management	May 19 – 23	6
Digital Editing	May 26 – 28	8
General Course in Radio Journalism (state-owned media)	June 2 – 6	9
Digital Editing	June 9 – 11	8

The ANEM Training Center’s approach to learning is practical and hands-on. The course in investigative reporting, for example, conducted targeted follow-up training for three of the eight journalists who displayed the most promise in the five-day session. These three participants, in cooperation with the trainers, each selected a topic to research upon their return to their respective radio stations. Trainers helped the participants define the most important questions to ask during their fieldwork and invited them to contact them during the research process with questions. When the small group convened one month later to analyze the recordings, trainers found that what the three journalists produced was insufficient to develop decent stories. Regardless, they all learned

from their mistakes. Trainers assessed that the first participant, who investigated why there are no water restrictions in Sokobanja after two years of water supply reconstruction, had a conflict of interest: his friendly relations with municipal officials prevented him from asking pointed questions. The second participant was assigned to investigate why 54 Roma families deported from Germany six months earlier and now living in Novi Sad were still without Serbian government assistance. This journalist failed to answer the question and instead gathered information on the deportation process. Trainers attributed her mistakes to lack of experience. The third journalist researched why enrollment of children in religious courses has declined. As a proponent of religious instruction for children, she was biased in her interviews. Trainers also concluded that for the next course, they will require participants to consult with them during the fieldwork period to avoid common pitfalls and increase the likelihood for a quality story.

Preparations are also underway for IREX's five-week Kotor Summer School scheduled from July 28 to August 30. Fifty participants are expected to attend this year. The ANEM Training Center-led sessions on basic radio journalism and investigative reporting will take place the first three weeks, and the target audience during this timeframe is journalists from state radio and ANEM stations. IREX consultant Dusan Masic will coordinate the remaining two weeks of the school devoted to basic radio journalism for students from the journalism department at the University of Belgrade and to a special session for regional senior managers to discuss program techniques and editorial standards.

B. Television News Training

Russell Peasgood served as a trainer for the one-week South-East Europe seminar on television news reporting held in Budva, Montenegro in April. The workshop was a joint project among IREX offices in Serbia, Bosnia, Macedonia, and Montenegro, and Rick Thompson's T-Media. Six journalists from Serbia attended.

IREX and its local training partner, INVISION, began implementing its 2003 TV training plan, which consists of courses held at INVISION's facility as well as on-site training. Two sessions of "Specialized News Picture Editing" were conducted at INVISION's facility and on-site visits were made to Gradska TV in Nis, Apolo TV in Novi Sad, and Belgrade's B92.

Fourteen picture editors from local stations attended one of the two sessions on picture editing, conducted by trainer Dragomir Radovanovic, IREX technical advisor Sanjin Perisic, and INVISION training supervisor Radmila Dulovic-Rastovac. The training was divided into three parts, beginning with the analysis and discussion of professional standards in western news production compared to local standards. Participants then learned the basic principles of making TV packages, handling the camera work, and editing pictures. The final component focused on putting the theory into practice through exercises ranging from connecting equipment to constructing and editing full packages using both linear and non-linear editing suites. Participants also discussed and analyzed different editing possibilities of each other's work on a daily basis.

IREX television advisor Russell Peasgood and Dulovic-Rastovac made two visits to TV Gradska during this quarter. In April they spent three days on-site training the senior producers and observed a number of shortcomings in the internal organization of the newsroom. Peasgood and Dulovic-Rastovac gave many recommendations on how to improve the efficiency of TV Gradska's news operation and the presentation of its news program, and by June, when the two trainers returned, TV Gradska had implemented many of their suggestions. They provided the senior producers with a new set of benchmarks to make the news program more competitive, including advice on running orders, story selection, and a possible new look for the program.

In June, Peasgood and Dulovic-Rastovac also returned to Apolo TV to complete the training of senior news producers and to assess future training needs. In addition, Peasgood and Dulovic-Rastovac conducted intensive training with a B92 radio reporter preparing to go to The Hague to cover the tribunal. As the reporter had no prior TV experience, they gave him intensive coaching on how to perform in front of the camera.

Over a two-week period, Peasgood and IREX consultant Graham Ironside also appraised B92's TV news program against previously established benchmarks and developed action steps to improve news production standards.

C. Print Media Training

From June 9 to 13 in Belgrade, IREX consultants Drew Sullivan, Don Pine, and Sasa Lekovic trained twelve Serbian print journalists on how to report on the topic of trafficking in women. The overall objective of the workshop was to provide media with a greater insight into the criminal activities surrounding trafficking and forced prostitution. It also aimed to advise journalists on how to develop these sensitive stories so citizens can understand more fully the exploitative nature of this criminal activity. Participants learned how trafficking works in the region, how to protect themselves and their sources when covering this issue, the ethics of covering trafficking, and general tools and techniques of investigative journalism. Later in the month from June 24 to 30, the trainers provided individual follow-up training to eight of the most promising participants on the development of stories based on the ideas generated during the workshop. *Danas* and the BETA News Agency each produced articles as a direct result of the training.

D. General Media and Journalism Training

In April, IREX consultant Christopher Condon organized a two-day site visit to Szeged, Hungary, for Serbian print and broadcast journalists. The trip gave journalists the opportunity to compare Hungarian and Serbia privatization models, as well as to conduct on-the spot reporting and interviewing at a company that was successfully privatized ten years before privatization had begun in Serbia.

IREX requested the Independent Journalists' Association in Serbia (IJAS) to prepare a series of seminars for Belgrade and local print media outlets on legal reporting as well as coverage of organized crime trials in connection with the assassination of former Serbian Prime Minister Djindjic, which are to begin in Serbia in the fall. These seminars would entail familiarizing journalists with the new laws on organized crime that were adopted by the Serbia parliament in April during the state of emergency. In addition, IREX is discussing with IJAS seminars on coverage of war crimes trials in Serbia; legislation on how to conduct such trials is under parliament's review.

1.1.2 Small Grants to Improve Journalism and for Investigative Projects

Under its "Stop the Crime" campaign, B92 is producing 26 half-hour digest programs dealing with the fight against organized crime. The production costs are being funded through an IREX subgrant. Each episode filmed in studio is a hard-hitting round up of developments in the fight against organized crime and contains at least four separate packages (filmed reports) of not less than two minutes. Broadcast started June 1 on B92 and ANEM affiliates.

During June, O.K. Radio, located in Vranje in southern Serbia, completed its subgrant activities. During a period of three months, the station used subgrant funds to maintain and improve upon the quality of its news products. The station continued its five-minute news updates on the hour and the "Daily News," a 30-minute evening news journal. In addition, O.K. Radio launched a weekly educational program called "Britva" ("Razor"). [Note: The program council in agreement with the broadcast author, Zoran Radulovic, changed the title from the original title included in the subgrant proposal, "Otreznjenje" ("Sobriety").] The purpose of the new title is to underscore the cutting edge content to its listeners. On "Razor," journalists interviewed numerous regional leaders as well as Serbian figures such as Vice-President Nebojsa Covic to explore a wide variety of political, social, and economic issues, including multi-ethnic life in southern Serbia, the work of the local authorities in all seven municipalities in the region, and the activities of the United Nations Interim Administration Mission in Kosovo (UNMIK).

1.1.3 Focus Group Research

No activity during this quarter.

1.1.4 Journalism Support Website

With IREX financial support, ANEM revamped its web site so that it can be an information source for the public and member stations alike and a vehicle for intra-association communication. ANEM

upgraded its server, purchased software necessary to build new functionality, and reorganized the existing content and layout. The website now presents ANEM as an association with multiple services: radio and TV production, marketing, training, and legal. ANEM also expanded its content to include information on media events and activities within Serbia and the region, media legislation, and educational materials from ANEM Training Center courses. ANEM ultimately aims to make the web site interactive to improve communication and cooperation among ANEM's membership and the association as a whole. Its web address is <http://www.anem.org.yu/anemnews/indexEn.jsp>.

1.1.5 Media Monitoring

From February 1 to June 30, the Media Center coordinated with the Strategic Marketing and Media Research Institute (SMMRI) to produce biweekly qualitative and quantitative analyses of print and broadcast media coverage under an IREX subgrant. The purpose of the monitoring is to assess what impact the media has on society and to look for indicators which may reveal the way in which the media, i.e., society at large, treat specific issues, editorial independence, social and political trends, and political affiliations. The Media Center published the regular reports on its web site at www.mediacenter.org.yu.

The Media Center monitored five relevant newspapers and two magazines published in Serbia – *Politika*, *Danas*, *Blic*, *Glas Javnosti*, *Vecernje Novosti*, *NIN*, and *Vreme*. Circulation information and the SMMRI's research on the impact of various papers on the public were decisive in determining which print media outlets to monitor. Media Center analysts calculated the number of stories about specified current events and news categories, and measured accuracy, objectivity, headlines, illustrations, captions, column width, and positioning. Its qualitative monitoring included intangible elements of news stories such as professionalism, trends, critical approach, etc.

The Media Center coordinated with SMMRI to monitor the daily prime-time newscasts of seven major TV stations – Radio & Television of Serbia (RTS), BK Telekom, TV Politika, TV Studio B, Info24, TV B92, and TV Pink. SMMRI tracked the number of viewers by timeslot while the Media Center focused on the qualitative factors such as competence, presentation, and the language used and/or affiliations mentioned by presenters.

According to the Media Center, interviews with editors and journalists show that the results of the monitoring project considerably influence editorial policies. Most of those interviewed receive the findings through e-mail and access the Media Center web site for additional information. Most of the major media outlets reported on the most important findings of the media monitoring. Furthermore, journalists referenced or used excerpts of the media monitoring analyses as background information in developing their in-depth articles dealing with the current situation in the media environment.

In addition to the regular analyses, the Media Center continued its "topic of the month," targeted for editors and journalists. The "topic of the month" explores trends of how the media addresses a specific issue. During this quarter, Media Center covered "Parties and Politicians" (April), "The Hague Tribunal" (May), and "Serbia and Montenegro" (June).

1.1.6 Obtaining Professional Books and Magazines

IREX published five hundred copies of the Serbian translation of Lucinda Fleeson's *Ten Steps to Investigative Reporting - Dig Deep & Aim High*. The award-winning investigative reporter based the manual in part on the experience she acquired working in centers for independent journalism in transition countries such as Hungary, the Czech Republic, Romania, and Moldova. IREX has already received numerous requests for the manual and has distributed copies to the Media Center (50), the ANEM Training Center (50), the Faculty of Journalism at Belgrade University (100), and the Novi Sad School of Journalism (50) for use by journalists and instructors of investigative reporting courses. In addition, IREX gave three copies each to *Vreme*, *Danas*, *NIN*, *NUNS*, *BETA*, *FoNet*, *Ekonomist*, and the student magazine *Monopolist*. IREX will also use the handbooks for future seminars.

1.2 Facilities, Equipment, and Technical Skills for Gathering, Producing and Distributing News are Modern

1.2.1 Technical Consulting Service

IREX's new technical advisor, Sanjin Perisic, began conducting on-site assessments in May of the technical infrastructures of local TV stations. His first visit was to TV Gradska in Nis to evaluate the station's technical ability to produce and report news. Perisic recommended that station management hire a technical director who could improve its output and maximize existing equipment. The upcoming purchase of a second video toaster, which is essentially a "TV studio in a box" including both computer hardware and software, will enable Gradska to transition to a new digital format and improve the quality of its news production. Perisic continued his technical appraisals, visiting Kragujevac, Cacak, Zajecar, Bor, Kraljevo, and Uzice. These technical evaluations are essential, as IREX has now launched the privatization seminars and consultancies. In this process, stations are asked to value their equipment and, with the help of IREX's technical expertise, determine the viability of the equipment currently in use

1.2.2 Small Grants to Support Technical Training and Technical Upgrades

IREX awarded two small grants this quarter to Gradska TV and RTV Zajecar. Gradska TV will purchase a second video toaster, which will enable it to produce high-quality entertainment programs and minimize editing costs. Also, the video toaster has a recording/storage feature, which will allow the station to prepare play lists of multiple programs for broadcast during night hours, thus decreasing operational costs for night shift personnel.

RTV Zajecar will purchase a non-linear editing suit, which will move the station towards readiness to compete for a permanent license. In addition, the use of digital equipment will improve the quality of produced programs, which should attract more viewers and commercial clients.

1.3 Journalists Reintegrate with their Peers Inside and Outside Serbia

1.3.1 Media Partnerships

During June, IREX supported the attendance of media professionals at two different international media conventions. ANEM marketing and sales manager Nevena Kovacevic participated in the first marketing forum of South Eastern Europe (SEE) in Thessaloniki, Greece. Kovacevic attended sessions on marketing and trade within the region, integration of national markets into the greater European market, and strategies of large multinational and national companies and leading international marketing agencies. The forum offered Kovacevic the opportunity to conduct meetings with multiple sales representatives from SEE countries and their agents or local partners in Serbia and Montenegro, as well as with business people from other former Yugoslav republics.

DTV Production managing director Aleksandar Jankovic traveled to Bologna, Italy, for the annual AGORA conference, which brings together the world's major producers of children's television programs. In addition to attending sessions on multiculturalism in youth media, market research trends, opportunities for exchanges and co-productions, and quality standards, Janovic used the event to strengthen his contacts with international partners. As a result of the trip, DTV will provide the New York-based Sesame Group with a pilot film, potentially paving the way for future cooperation with Sesame Group management. The pilot is based on the Sesame Street Muppet characters, performing in Serbian and dealing with ethnic integration and issues of tolerance.

1.3.2 Study Tours

No activity during this quarter.

Intermediate Result 2
The Physical and Institutional Infrastructure Supports the Efficient Production and Dissemination of News and Information

2.1 Physical Infrastructure Supports the Broadcast of Independent Media

2.1.1 Assessing and Rebuilding Broadcast Infrastructure

A. Adopting Technical Solutions That Provide Competitive Product (Studio and Broadcast Equipment)

No activity during this quarter.

B. Developing Fast and Efficient Production Process (TV Production Equipment)

As described under 1.2.2 Small Grants to Support Technical Training and Technical Upgrades, IREX awarded subgrants to TV Gradska and RTV Zajecar equipment upgrades.

C. Equipment Projects for Radio Stations

No activity during this quarter.

2.1.2 Grant Support to RTV B92 and ANEM

A. Continue to Provide Satellite Interconnection between the Hub and the Affiliates

Under a subgrant issued to ANEM in February 2003, IREX is providing financial support to cover satellite services from *GlobeCast* through July 31, 2003. This satellite interconnection allows ANEM's 80 plus network members, affiliates, and re-broadcasters to continue radio and television program distribution and exchange of news, current affairs, and other locally produced programs, thereby bringing independent news to listeners and viewers throughout Serbia, Kosovo, and Montenegro.

B. Continue to Provide Funds for Entertainment Programming

The National Basketball Association (NBA) 2002-2003 season ended during this quarter. An IREX subgrant to ANEM funded a package for ANEM members to broadcast the regular season and playoff games. Access to this type of program contributed to B92's success of meeting its advertising income targets, selling airtime to top advertising agencies in Serbia.

2.1.3 RTV B92 Studio Construction and National Rollout

On May 26, the B92 construction site was officially opened, and the construction company Izolacija began work. The total renovation will amount to \$1.2 million, providing B92 with a new television and radio studio complex, along with a modern newsroom and office space. The new facilities are housed in the National Bank of Serbia's former computer center and once completed, will be one of the most modern broadcasting centers in the Balkans. Izolacija expects to finish the construction in 150 days, allowing B92 to move from all four inadequate sites around Belgrade to this central location in November 2003. Listed below are highlights of the process during this quarter leading up to official groundbreaking:

- April 2: Representatives of B92, IREX, and USAID opened the seven competitive bids for the B92 studio build project.
- April 2 to 7: B92 ranked and evaluated the bids. Dejan Misovic, IREX's construction advisor, attended the selection committee meetings as an advisor and observer.
- Mid-April to early May: B92 selected and negotiated with the Serbian company Izolacija. IREX received all necessary subgrant approvals from USAID, and B92 obtained a certified building permit.
- May 6: B92 signed IREX subgrant.
- May 20: B92 signed construction contract with Izolacija.

- May 26: The B92 construction site was officially opened and the contractors commenced work.



Exterior for B92's new offices and studio complex (May 2003)



This space will become B92's main television studio (May 2003)

With construction underway, Dejan Misovic, IREX's construction advisor, has established a construction site monitoring system, including weekly meetings with the contractor and supervisory company. In addition, IREX and B92 continue to hold weekly construction group meetings. The construction group committee agreed that to ensure transparency, any new barter arrangements resulting in subcontractor changes or changes to the Izolacija bill of quantities must be reported and justified in writing. B92 attorneys will prepare such documentation and present it to IREX; Misovic will review and approve the changes. It was also agreed that any change should result in savings, which can only be applied to the building project as originally described, and that any change should result in the same or better price with no extension of time needed to complete the project.

2.2 Print Media have Access to Adequate Printing and Distribution Networks

2.2.1 Assist in the Improvement of Printing Systems and Distribution Networks

The Association of Private Media (APM), a recipient of IREX support in the past, continues to protect and develop the interests of a wide range of private and independent print media outlets. APM members were among the first to publicly challenge the taxes imposed on print media and publishing companies. The initiative resulted in a joint media-government proposal, which is currently before the Serbian parliament, to decrease taxes by 20 percent. In addition, the association's activities have focused on developing a local distribution network and negotiating favorable rates with the postal service.

2.3 Independent Media have Technical Access to News Agency Services

2.3.1 Support for Independent News Agencies

With support through an IREX subgrant, the BETA News Agency is leading a six-month regional initiative in cooperation with *Banka Magazine* in Croatia and *Kapital Magazine* in Macedonia to disseminate via the web information in local languages and in English on the struggle against corruption. BETA aims to inform government representatives, experts, media organizations, and the general public about comparative experiences, problems, achievements, projects, and legal solutions relevant to the anti-corruption struggle. BETA also wants to create awareness that corruption is not simply a local problem but also a regional issue requiring cross-border cooperation. In addition, BETA anticipates that the regional anti-corruption initiative will foster development of investigative journalism and cooperation among media organizations of the former Yugoslavia.

Intermediate Result 3

Legal and Regulatory Framework Supports Free Speech

3.1 Media Licensing and Frequency Allocation is Fair and Apolitical

3.1.1 Consulting on the New Broadcast and Telecommunications Laws

No activity during this quarter.

3.2 Independent Associations and NGOs Support and Protect the Rights of Journalists and Media Outlets

3.2.1 Support Serbian Indigenous Legal Defense Capacity

An IREX subgrant to ANEM covered the cost of legal software and monthly legal advisor fees from January to June 2003. During this period, the ANEM legal department, consisting of one head advisor and a network coordinator, has remained busy with new projects and activities related to ANEM member stations' legal affairs. ANEM hosted in February a meeting of the Balkan Media Lawyers Association in order for lawyers from the region to have the opportunity to meet one another and to exchange contact information for future cooperation.

In March, after the assassination of the former Serbian Prime Minister Djindjic, the legal department consulted with the ANEM coordinator and ANEM member stations on media restrictions imposed by the Serbian government during the state of emergency. As a result of these meetings, ANEM sent the government and the Ministry of Culture a proposal to eliminate the restrictions on media-related rights. In addition, ANEM provided advice to editors-in-chief on how to handle the restrictions. After the repeal of the state of emergency, ANEM held a meeting to prepare for future trials resulting from activities surrounding the Djindjic assassination. ANEM will offer workshops for journalists and editors on how to report properly on these trials.

3.2.2 Public Service Announcements

In May, IREX awarded RTV B92 a subgrant to produce two public service announcements (PSAs) to promote the message that the police had resumed the fight against crime. After the assassination of the former Serbian Prime Minister Djindjic, B92 increased its public affairs programming and initiated a "Stop the Crime" campaign to raise public awareness of the government's efforts and to encourage officials in their actions. The PSAs have been made and will soon be scheduled for airtime.

3.3 Media Privatize in a Fair and Transparent Manner

3.3.1 Consultation on Privatization and Sponsoring Privatization Workshops

During this quarter, IREX took the initiative to introduce a coordinated approach in preparing some of the largest radio and television stations outside Belgrade for the commercial market. On April 24, IREX hosted a seminar to discuss the challenges of privatization for local media. Fifteen local media managers as well as the secretary general of *Loka Presa*, a representative of the Kikinda municipality, and the Serbian Deputy Minister of Culture attended. Participants cited four key obstacles to privatization: the Ministry of Privatization's delay in developing the by-laws for local media privatization, financial reliance on local municipal budgets, unresolved ownership questions, and the reluctance of potential investors to invest in local outlets until media laws are implemented. Outcomes of the seminar were to spur the government to complete the by-laws and involve local media representatives in the process, and to form a privatization consulting team to advise municipal broadcasters on legal, economic, technical, and marketing issues related to privatization. IREX agreed to take the lead on forming the privatization team. By May, meetings were underway with the Ministry for Privatization to begin drafting the by-laws for local media privatization.

As of June, the nine-person Privatization Team was formally established, chaired by IREX business advisor Goran Cetinic and consisting of a senior television manager, a representative from the Ministry of Privatization, senior auditors, leading privatization experts, a broadcast engineer, and a professor of economics. The team's first activities have already started. It has organized follow-on meetings to formulate the bylaws for local media privatization, and several team members are helping RTV KIKINDA form a new regional television station, consisting of one private and one state company. The team's reputation has already been noticed by government officials, who have agreed

that it should spearhead the creation of a blueprint for the transition of publicly owned organizations to commercial broadcast enterprises.

Intermediate Result 4

Publishers and Station Managers Effectively Manage Media Enterprises

4.1 Media Outlets Utilize Strategic and Business Plans that Contribute to Efficient Management

4.1.1 Training to Improve Strategic Planning

From May 26 to June 6, IREX consultant Graham Ironside conducted two one-week management courses for directors and editors-in-chief of partner TV stations. These training sessions represent the first time IREX has brought together the most senior people in the major local TV stations for intensive training since the fall of Milosevic. The main objective was to introduce and explain a complete set of management tools suitable for the participants who are engaged in the process of moving their stations out of municipal or public ownership into the private sector. Ironside, the former controller of programs at Yorkshire Television, concentrated on organizational structures, business planning, program planning, production, promotions, sales/marketing, and people management. An emphasis was also placed on improving locally generated programming, especially news and current affairs.

4.1.2 Business Consulting Service

IREX business consultant Wes Burd completed his work for B92 by helping them plan for their initial meetings with local research and marketing companies and local ad agencies. He also was involved in the preparations for B92's nationwide off-air promotions. Importantly, he helped management complete its program strategy for 2003 – 2004 and helped them identify weaknesses in their existing business plan.

IREX also facilitated meetings between Wes Burd and IREX radio consultant Bud Stiker to develop training sessions for the newly unified B92 sales team, which now represents all of B92's services (TV, radio, web, publishing, and concerts). This has been strategically important for the independent broadcaster and for the first time in history the sales team is based in the same office, under a newly structured sales and marketing management team. The effect has been to help increase sales and improve the income of the B92 group of companies.

4.1.3 Developing Marketing and Sales

In early April, IREX consultant Karol Cioma teamed with INVISION to complete the second half of a workshop for the production of advertisements and corporate videos. Eight stations took part in this two-week course. The focus was on learning the techniques to make advertisements and promotional videos, an important element in the capacity of stations to develop their own income streams. Cioma based his instruction upon standard advertising principles that advertisements should be interesting, informative and entertaining; they should hold the viewers' attention; and they should identify the client and deliver the message in the most effective way. Cioma guided the participants through practical exercises that required them to create 30-second advertisements and three-minute corporate videos that conveyed the desired messages by the most concise and entertaining means. This was the first course of its type that IREX has conducted. In addition to gaining hands-on practice, the producers and editors were introduced to the concepts of writing proposals, costing productions, and producing creative and profitable videos and advertisements.

Also in April, IREX consultants Graeme Moreland and Bob Bairstow conducted on-site sales and marketing training for the staff of the marketing departments at RTK Kragujevac and Gradska TV. Their visit was the first sales/marketing and scheduling consultancy for RTV Kragujevac. The advice provided to these stations was aimed at improving their ratings in the local market and highlighting areas of sales and marketing procedures that can be improved. The consultants also advised the local managers on basic management principles.

At RTK Kragujevac, Bairstow focused on creating a programming schedule to maximize audience share and offer potential opportunities for the station to garner additional advertising revenue.

Moreland instructed the Kragujevac marketing department on new methodologies for selling airtime and attracting advertisers.

After completing the Kragujevac seminar, Moreland spent two days at Gradska TV working with the station's sales department. This proved to be a positive visit as many of the ideas suggested during the consultant's last visit had been implemented. The station's audience share, however, had fallen in the last few months, substantially as a result of the recent increase in B92's coverage in the area. B92's programming is now clearly transmitted, drawing viewers away from Gradska. The station is now taking steps to win back its local audience.

Moreland also conducted a three-day workshop for the newcomers at the sales departments of the main ANEM stations. The course was conducted at the new ANEM training center premises and was highly successfully. Stations have already requested follow-on training later in the year.

In June, IREX radio consultant Bud Stiker provided training to marketing and sales personnel at Radio 021 in Novi Sad and the ANEM marketing department. He reports to have seen substantial improvements since his last visit to Serbia and was able to concentrate on individual training. Through the use of role playing, he helped sales staff members deal directly with potential clients and improve their personal sales techniques.

IR 4.1.4 Small Demonstration Projects in Management

The ANEM marketing department, currently receiving IREX subgrant funds for operational costs, recently won two radio campaigns from Serbia's biggest media house, Politika, to advertise their publications *Politika Ekspres* and *Ilustrovana Politika*. In addition, ANEM secured a major radio campaign for Siemens Fujitsu through LPT Publicis, one of Serbia's largest marketing agencies. In this campaign, ANEM stations ran more than 18 commercials per day. ANEM is now negotiating two additional radio campaign deals. One is for Telekom, the state-owned telecommunications corporation, which plans to advertise in Kragujevac, Nis, and Novi Sad over the course of 34 days. The other advertising campaign is for Milka, the Swiss chocolate company, which would run on 21 radio stations during a 45 day time period.

4.2 Media Outlets Effectively Utilize Market Research and Ratings to Increase Audience Share

4.2.1 Market and Audience Research

Plans are underway to issue a tender to identify and select a research agency to perform radio and TV market research for IREX through the end of the current workplan period.

4.3 Supporting Institutions Function in the Business Interests of Independent Media

4.3.1 Small Grants and Consulting to Help Media Associations

IREX hosted a two-day roundtable in June in Belgrade with all ANEM members. Sam Compton chaired the meeting, which was also attended by ANEM president Veran Matic. The purpose of the meeting was to discuss the strategic direction of the association over the next two to three years. All members thanked IREX for convening this meeting and for directing their thoughts to issues not yet fully discussed in open debate. There is concern that the association may dissolve under the strain of inter-party disputes and with the growing rift between the nationally expanding B92 and the locally based smaller members. While this could still occur, the session overall was positive and constructive.

Intermediate Result 5

Covering the International Criminal Tribunal for the Former Yugoslavia (ICTY)

Following the March assassination of the former Serbian prime minister, the trial of Slobodan Milosevic has garnered even greater scrutiny, as continuing investigations reveal the complex web woven between organized crime, war criminals, and institutions of power. The Serbian government subsequently increased its cooperation with the Hague Tribunal, including the transfer of newly-indicted Jovica Stanisic (former chief of Serbia's state security secret police force) and Franko

Simatovic (once the commander of the special operations unit, the Red Berets) and the arrest of Veselin Sljivancanin, wanted for crimes committed in Croatia. During her visit to Belgrade in mid-May, the ICTY chief prosecutor Carla del Ponte said a “new era in cooperation” had begun between the tribunal and Serbia.

During this period, the Serbian media continued to provide extensive coverage of the ICTY trials. According to the Media Center's monitoring of the Hague Tribunal in May, three hours of coverage were broadcast per day. The Media Center observed a shift away from the usual questions about the tribunal's legitimacy, its fairness to Serbia, and Del Ponte's demands on Belgrade. It reports that media outlets have reduced coverage to almost entirely courtroom stories and statements by officials on the cooperation with The Hague. Per the Media Center, the beginning of the Srebrenica massacre trial remarkably did not stir much interest of the media with the exception of TV B92, which aired a moving testimony of the suffering of the Srebrenica Muslims and of *Blic*, which published almost the entire confession by Momir Nikolic, one of the accused of the Srebrenica crime.

IREX support results in daily trial coverage on Radio Television Serbia (RTS) and B92 news bulletins – six times on TV B92, on-the-hour on Radio B92, two times on RTS Television, and during the main evening news on RTS Radio. ANEM radio stations also re-broadcast B92 news bulletins, and the ANEM TV stations either play highlights or provide live coverage on a daily basis. As IREX also supports the BETA and FoNet reporters at The Hague, most of the Serbian newspapers also benefit from IREX support and carry regular (if not daily) reports from the trial. This can sometimes be limited to short reports, based on a couple of paragraphs, to longer in-depth articles. The non-ANEM commercial stations also carry BETA and FoNet news from The Hague, so IREX's activity ensures a widespread coverage of the trial in Serbian for Serbian citizens.

From an operational standpoint, the IREX-supported project remains on track. IREX rented an emergency back up satellite van in April to mitigate interruption of live television feed during a crucial point in the trial. The permanent van's signal was experiencing intermittent dropouts due to interference on the transponder. This means another user on the same satellite may be overpowering the satellite's receiver and splashing into the IREX signal. The B92 crew worked to trace the problem.

In May, Press Now completed its second cost share of \$20,602 to support a BETA News Agency reporter for a period of eight months.

In June, the Royal Dutch Embassy issued the long overdue stay permits for two IREX-supported news agency reporters from BETA and FoNet. The stay permits allow the reporters to remain in The Hague beyond the term of a normal visa. The reporters had originally applied for the stay permits with IREX support letters on February 24. In addition, the Dutch government granted Jasminka Kocijan of *Danas* a one-week extension to cover the imminent extradition of Veselin Sljivancanin, an accused war criminal recently apprehended during a riotous raid on his fortified Belgrade home.

IREX Hague House Occupancy

From April 1 to June 30, 2003, the following journalists reported from The Hague on a rotating basis:

1. Aleksandar Mastilovic B92
2. Bojan Petrovic B92
3. Milos Simic B92
4. Miodrag Vidic B92
5. Dejan Erakovic BETA
6. Maja Poznatov BETA
7. Radosa Milutinovic BETA
8. Jasminka Kocijan *Danas*
9. Zlatko Cobovic FoNet
10. Miroslav Jankovic *Glas javnosti*
11. Ljiljana Smajlovic *NIN*
12. Biljana Pekusic Radio Television Serbia (RTS)
13. Ljubisa Obradovic *Svetlost*
14. Nenad Stefanovic *Vreme*

IV. OTHER

Subaward Overview

The table below summarizes the subawards, totaling 1,536,217.16 USD, awarded during the second quarter of 2003.

Recipient	Project	Amount (USD)
Arhiteh (1)	Production of documentary film, "Ex-Yugoslavia Family"	13,000.00
BETA (9)	Regional anti-corruption reporting initiative	17,524.00
Gradska TV (3)	Video toaster to equip second studio	15,954.00
INVISION (4)	Coordination and delivery of training courses for independent TV station personnel	161,576.00
Radio Khrlo e Romenigo (2)	Production of Roma programming	2,599.00
RTV B92 (14)	Production of "Stop the Crime" programming -- PSAs and digest program	51,380.50
RTV B92 (15)	Studio construction	1,244,506.66
SYLLABUS (3)	Training in developing professional language skills	25,200.00
TV Zajecar (1)	Editing suite equipment	4,477.00

Administrative Points

- Sanjin Peresic joined IREX on April 1 as the new television technical advisor. Peresic has many credits to his name, both as a war cameraman and tape editor. He covered the conflicts in the Balkans over ten years, including the Kosovo crisis while working for CBS and Sky (Fox) News.