

**ProMedia II/Bosnia and Herzegovina
Program Report
Quarter 3, FY 2003
April 1 – June 30, 2003**
Cooperative Agreement No. 168-A-00-99-00103-00

July 31, 2003

I. Executive Summary

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

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

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

II. Highlights from Quarter 3

I.R. 1 - Effective Business Management

- **IREX completes five-part series of advertising seminars.** Over the last two years, over 200 participants from print and broadcast media throughout Bosnia and Herzegovina have attended a five-part series of advertising seminars on topics such as advertising sales, sales psychology, and communication skills. The lessons learned by the advertising representatives that have attended the program -- ranging from

negotiating quality offers and sales contracts to effectively utilizing market surveys and improving client service -- have led to an increase in revenue across media outlets.

- **Bosnian chapter of the IAA holds its first assembly.** IREX business advisors worked with the Bosnian chapter of the International Advertising Association (IAA) to organize the association's first assembly, held in Sarajevo on April 25, at which members elected the association's president and vice-president, as well as a new board.
- **IREX works with *Nezavisne Novine* to improve circulation and distribution.** IREX continued to work with *Nezavisne Novine* to boost circulation through means such as additional subscriptions, new sales points, the use of news racks and vending machines, and a fall sweepstakes campaign. In late May, IREX assistance also enabled Branka Paspalj, *Nezavisne Novine* sales and distribution manager, to attend a training program at *Delo*, the most successful daily newspaper in Slovenia.
- **IREX works with *Nezavisne Novine* on management and financial issues.** IREX business consultant Kenneth Boone spent two weeks in May at *Nezavisne Novine*, focusing on management issues and improving the newspaper's financial tracking system. Boone worked with the company accountant to set up long-term, routine financial analysis practices, which can help identify both successful and poorly-performing divisions within the company.
- **Radio Glas Drine increases income by 34%.** IREX business consultant Darija Markovic continued training advertising agents at Sapna-based station Radio Glas Drine. In the last year, the station has increased its income by a third, and has succeeded to attract advertisers such as French car company Citroen-Peugeot.

I.R. 2 - Quality Journalism

- **Mreza Plus steering board makes significant management changes.** At its May 14 meeting, the steering board of Mreza Plus took a number of significant steps, foremost among them a change in the board's voting procedures. The new procedures will allow the network to respond more quickly and efficiently to market changes and competitive situations.
- **IREX continues to work with Mreza Plus on statewide news proposal.** Over the course of the quarter, IREX underscored the need for Mreza Plus to present its proposal for a statewide newscast to IREX and other donors in order to secure future financial support. Following a donors' teleconference in May, IREX drafted a joint letter encouraging the network to provide a more fully developed and affordable proposal for news, and requesting supplementary information on operational costs and revenue projections.

- **IREX conducts focus groups on *Start* magazine and *Nezavisne Novine*.** Eight focus groups examined readers and “non-readers” of Sarajevo-based *Start* magazine and Banja Luka-based newspaper *Nezavisne Novine*. Overall, focus group members who did not regularly read either publication expressed favorable opinions towards both and indicated an interest in buying them in the future.
- **IREX completes four-phase, in-depth consulting program at *Nezavisne Novine*.** In June, IREX consultant Don Pine completed the final six weeks of a four-phase consulting program at *Nezavisne Novine*. Conducted over the course of the last year, the project has sought to aid the newspaper in the reorganization of its editorial management structure and the adoption of professional newsroom standards.
- **Coverage of the ICTY continues.** Coverage of the trials at the International Criminal Tribunal for the former Yugoslavia (ICTY) in The Hague continued, with over 100 radio and television reports and more than 60 print stories filed over the course of the quarter. The journalists covered a number of groundbreaking developments at the ICTY, including the guilty pleas of Momir Nikolic and Dragan Obrenovic to crimes against humanity for their roles in the 1995 Srebrenica massacres.

I.R. 3 - Media Law

- See **I.R. 4 - Associations**

I.R. 4 - Associations

- **AEM seeks to protect members over copyright fees.** The Association of Electronic Media (AEM) continued to formulate strategies for its negotiations with the Association of Musical Composers in BiH (AMUS) and the Sine Qua Non agency (SQN). In May, SQN and AMUS filed lawsuits against a number of radio and TV stations, seeking payment for copyrights fees over the last three years.
- **AEM examines changes to election laws.** IREX-funded attorneys responded to an AEM request to research existing election laws, which impose free advertising obligations on electronic media. AEM subsequently requested an official meeting at the ministerial level to discuss compensation options and sent a letter raising the issue to the Bosnian election commission.
- **AEM takes action on license fees.** AEM received a number of responses from its members stating their agreement with the new structure proposed by the Communications Regulatory Agency (CRA) for license fees charged to radio and TV stations. The AEM steering board called for another meeting with the CRA to

discuss additional options and invited the Office of the High Representative (OHR) to become involved in the process.

- **Bosnian journalist associations take further step towards unification.** The Coordination of Journalist Associations – a central body joining the Independent Union of Professional Journalists, Independent Union of Journalists, and Apel– held a two-day roundtable on ethics in journalism in early June. Participants concluded that a strong and united journalist association could improve journalistic ethics by promoting the press code and encouraging professional responsibility. A meeting of the coordinating body, scheduled for July, will dissolve the three independent associations with the aim of registering as a single, united organization.

III. Program Activities

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

I.R. 1 - Effective Business Management

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

- **IREX completes five-part series of advertising seminars.** Over the last two years, over 200 participants from print and broadcast media throughout Bosnia and Herzegovina have attended a five-part series of advertising seminars on topics such as advertising sales, sales psychology, and communication skills. The seminars have been implemented by IREX’s team of local advertising experts in cooperation with colleagues from Bosnia and Herzegovina, Croatia, and the United States. The fourth seminar, “Increasing Ad Sales Using Market Research,” held in Neum April 13 -17, focused on the reasons for and advantages of media market research, the characteristics of quality market research, and the use of research results in sales offers and presentations. Seminar leaders Vlado Loborec and Gordana Sipus, of the Independent Media Research Center, MediaMetar, Zagreb, were joined by Dino Djipa, owner of the Bosnia research agency, Prism. Thirty-eight participants from throughout Bosnia and Herzegovina – 13 from print media, 11 from television, and 14 from radio – also received training from Krunoslav Knezevic, director of the Public Image advertising agency; Natasa Raduka of Publicis, Zagreb; and Neda Cekolj, advertising manager at Zagreb’s independent Radio 101.

Following a fifth seminar at the end of May, which addressed PR techniques and communication skills, 23 candidates underwent exams that covered materials from all five seminars. At the subsequent graduation ceremony, USAID Acting Director Robert P. Jacobs and IREX Resident Business Advisor Silvijia Mack distributed diplomas to 11 candidates that passed the program with honors: Sandra Ibrahimovic (*Dani* magazine, Sarajevo), Ismail Smajlovic (Radio Glas Drine, Sapna), Viktor Zubac (Studio 88, Mostar), Igor Kapetanovic (Studio 88), Sladjana Andjelic (Studio 88), Vlado Sevarika (*Nezavisne Novine*, Banja Luka), Fatima Brankovic (Nezavisne Novine, Sarajevo), Ermin Sejforvic (Student eFM, Sarajevo), Rada Todorovic (*Panorama*, Bijeljina), Branka Miric (TV BEL, Banja Luka), and Vojna Kitic (freelance, Tuzla). An additional 12 participants received diplomas for completion: Salih Djidic (*Oslobodjenje*, Sarajevo), Amir Muric (*Prezent*, Cazin), Zvezdana Jankijevic (*Nezavisne Novine*, Banja Luka), Said Smajlovic (Glas Drine, Sapna), Dragana Zeljkovic (Glas Drine), Emina Koric (Onasa, Sarajevo), Nedžad Memić (ONASA, Mostar), Ervin Porca (Student EFM, Sarajevo), Natasa Ozic (*Nezavisne Novine*, Banja Luka), Jasna Nezirovic (RTV Mostar), Selma Govorcin (Studio 88, Mostar), and Bojana Petkovic (Radio Osvit, Zvornik).

Result: The lessons learned -- ranging from negotiating quality offers and sales contracts to effectively utilizing market surveys and improving client service -- have led to an increase in revenue across media outlets whose advertising representatives attended the seminars. Radio Station Glas Drine, for example, has increased its income by 34% compared to last year by using market research in sales offers to advertisers and signing contracts with clients from Serbia, Montenegro and Croatia. Four seminar graduates from Radio Studio 88, who have helped the station to increase its income and obtain a level of sustainability, have also decided to start their own marketing agency. At *Dani*, seminar graduate Sandra Ibrahimbegovic received a promotion to become director of the magazine's advertising department; in the month of June alone, she signed nine new contracts. Other outlets that have seen benefits include Radio Kameleon, Radio Nes, and Radio Pan, which is now leveraging its ownership of both a magazine and a radio station to enrich its sales offers to clients.

- **Bosnian chapter of the International Advertising Association (IAA) holds its first assembly.** IREX business advisors worked with the Bosnian chapter of the International Advertising Association (IAA) to organize the association's first assembly, held in Sarajevo on April 25. Attendees of the assembly included representatives of leading ad agencies and media outlets such as Mreza Plus, FTV, Radio Grad and Radio Kameleon. Also in April, Local Business Advisor Fuad Cibukcic worked with the IAA on its successful registration as an official organization at the state level.

Result: Attending members at the assembly elected IAA's president and vice-president (Samra Luckin of BORAM and Zlatko Berbic of Radio Kameleon), and a new board (Neven Kulenovic of the S.V.-S.V.R.S.A ad agency, Amra Hacimic of BORAM, and Fuad Cibukcic). The assembly also adopted the association's statutes and agreed on a

program of activities for the remainder of the year that will emphasize increasing membership and address concerns of the Bosnian advertising industry.

- **IREX continues to work with Mreza Plus to improve financial reporting.** In April, IREX Resident Business Adviser Silvija Mack and Financial Administrator Sabina Mesanovic worked with the management of the Mreza Plus television network to help complete modern profit/loss and cash-flow statements. The network's first quarter report raised some concerns, with a loss of 300,000 KM despite a gross advertising income of over 500,000 KM. Similar future expenses are expected to reach 2.4 million KM by the end of this year. The network's largest challenges remain its low level of advertising revenue and the significant discount, 45% on average, that Mreza Plus offers ad agencies and advertisers.

Result: As the process improves over the previous quarter, Mreza Plus manager Darko Aleksic has increased his ability to analyze the network's financial situation with IREX assistance. Aleksic has stated that he has signed contracts, or letters of intent, with four ad agencies, including an agency operated by Hayat TV, that would result in 2.5 million KM ad revenues after discounts. This potential revenue could translate to an estimated total of 3 million KM, a figure still too low for the network's long-term growth and financial sustainability. IREX is working to locate a consultant who will work full time with Mreza Plus management and the advertising staff of affiliate stations to help increase advertising revenue.

- **IREX expresses concern for the financial situation of *Prezent*.** Silvija Mack, along with local business consultant Jasna Tafro, met with *Prezent* owner Adem Muric in April to discuss the recently low levels of ad revenue for the Cazin-based weekly newspaper. IREX has worked with Muric over the past four years, helping the paper to increase its circulation to 10,000 copies a week, earn 2,000 KM in weekly ad revenue, and generate a profit. Last year, despite IREX's warning that the newspaper would suffer, Muric and his editor attempted to attend a nine-month journalism program in Sarajevo and run the newspaper in Cazin simultaneously. The predictable results have seen circulation drop to 2,000 copies, a three-week pause in publishing, the accumulation of 40,000 KM in uncollected accounts receivable, and the departure of IREX-trained salespeople due to a lack of compensation. Now with only 200 KM in weekly ad revenue and no advertising staff, *Prezent* cannot survive, let alone grow, without a substantial increase in its income.

Result: IREX will seek innovative approaches to motivate Muric to increase advertising revenue as it continues to work on changing and improving the paper's editorial product.

- **IREX works with *Nezavisne Novine* to improve circulation and distribution.** IREX continued to work with *Nezavisne Novine* on its top priority for this year: to boost circulation through additional subscriptions, new sales points, the use of news racks and vending machines, and a fall sweepstakes campaign. IREX has been helping *Nezavisne Novine* to identify vendors and locations to test five to ten single-copy newspaper vending machines, which would be installed in protected high-traffic

areas, and to plan the format of and logistics for the sweepstakes. IREX has also been working with the newspaper's circulation department to assess its distribution/circulation network and improve communication between editorial and circulation management. In late May, IREX assistance enabled Branka Paspalj, *Nezavisne Novine* sales and distribution manager, to attend a training program at *Delo*, the most successful daily newspaper in Slovenia. The five-day program introduced Paspalj to modern techniques of distribution, approaches to expanding kiosk networks, and methods to monitor and track sales performance by kiosk, city, region and total sales.

Result: Since her return to Bosnia, Paspalj has worked towards implementing many of the lessons learned at *Delo*, particularly those regarding subscription systems, sales planning, and the reduction of distribution costs. June efforts in telephone solicitations for subscription also resulted in great success. *Nezavisne Novine* is also adopting a technique to link information from sites of sales into a system through which it can track daily sales and generate weekly invoices for sold copies. The first phase of this system would be tied to the wider region of Banja Luka and soon after expanded to all of BiH.

- **IREX works with *Nezavisne Novine* on management and financial issues.** IREX business consultant Kenneth Boone spent two weeks in May at *Nezavisne Novine*, focusing on management issues and improving the newspaper's financial tracking system. Boone worked with the company accountant to set up long-term, routine financial analysis practices, which can help identify both successful and poorly-performing divisions within the company. An examination of the company by division reveals that the daily newspaper is providing the bulk of the company's profit, followed by the printing plant and NES radio. *Nezavisne Novine* owner Zeljko Kopanja demonstrated great interest in this analytical approach, which builds on his current studies of spreadsheets to determine which changes are necessary to improve his business.

Result: Boone, along with Silviya Mack, attended a management meeting at which Kopanja announced to all department heads that bonuses would be tied to the performance of the company as a whole. Kopanja also announced that all future special projects must have a business plan showing profitability prior to commencement, and that expenses for such projects could not exceed the expectations set by the business plan. The editor of *Nezavisne Novine* tabloid TRN was also informed that the publication's performance needed to improve, while *Minja*, the company's women's magazine, was cut back to one issue per month to reduce the total amount of money lost in June. *Nezavisne Novine* requires this kind of proactive business management in order to become more profitable and stable, and to provide for future growth and reinvestment.

- ***Nezavisne Novine* produces special section on Pope's visit to Banja Luka.** In his second trip to Bosnia and Herzegovina, Pope John Paul II visited Banja Luka on June 22 to beatify Ivan Merz, a Bosnian Croat layman who devoted his life to the church in the early 1900s. To mark the historical occasion, IREX consultants Kenneth Boone and Jasna Tafro worked with the advertising department of Banja Luka-based newspaper *Nezavisne Novine* to produce 35,000 copies of a special section outlining

details of the Pope's visit. The section was also accompanied by enhanced promotional efforts, and sold in targeted areas including the border between Bosnia and Croatia, hotels catering to pilgrims, and the stadium where services were held.

Result: With 10 color pages and eight pages of advertising, the section sought to serve as a souvenir of and guide to the visit, offering practical information such as street closures and the Pope's schedule, as well as features covering the life of Merz. *Nezavisne Novine* sister station Radio NES, whose footprint signal covers the highway between Zagreb and Banja Luka, also broadcast special programs geared toward travelers to the event.

- **Radio seminar focuses on regional networking.** In mid-June, IREX business consultant Robert Leeder held a one-day seminar for regional radio stations entitled "Separate Roads or One Road Together." Representatives from radio network BORAM, Radio NES from Banja Luka, and Radio Kameleon from Tuzla attended the seminar, which encouraged the benefits of networking in lowering the costs of production and increasing the quality of offers to potential advertisers. Leeder also worked with each station on issues particular to their needs. He provided assistance to Radio NES on its morning show and general programming; to Radio Kameleon, on promotional ideas for the station's upcoming purchase of a station in Sarajevo; and to BORAM, on its goals for the future. Leeder also visited Radio Stari Grad in Sarajevo, where he discussed how to raise advertising rates in response to the station's recent trend of selling more commercials than it would prefer to program.

Results: Leeder suggested a number of ways for the stations to strengthen both their own individual situations and the industry as a whole, including the possibilities for joint lobbying activities and the advantages of sharing revenue and expense information. Leeder emphasized that the regional radio stations compete with other media, not with each other, and that by working together they can improve their business and marketing strategies. Leeder also recommended that the stations consider the idea of a "listener membership club," which ties together the listener, the advertiser, and the station, often by offering the listener discounts on products of the participating advertisers.

- **Radio Glas Drine increases income by 34%.** IREX business consultant Darija Markovic continued the business training of advertising agents at Sapna-based station Radio Glas Drine during the month of June. Once a local station covering two municipalities, Glas Drine now covers approximately 25% of Bosnia and Herzegovina and roughly one million citizens, including limited areas of Serbia and Croatia. The station's sales representatives, as well as owner Ismail Smajlovic, have regularly attended IREX's advertising seminars and Smajlovic graduated from the five-part series at the top of his class.

Result: In the last year, the station has increased its income by a third, and has succeeded to attract advertisers such as French car company Citroen-Peugeot. Markovic continues IREX's onsite training at Glas Drine, focusing on matters such as meeting client needs and adjusting prices to balance the number of commercials with program ratings.

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

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

- **Mreza Plus steering board makes significant management changes.** In April, IREX met with the president of the Mreza Plus steering board, Alija Behram, and the network's general manager, Darko Aleksic, to encourage management changes that would make the Mreza Plus decision-making process more efficient and allow the network to compete more effectively in a crowded marketplace. At its May 14 meeting, the steering board of Mreza Plus took a number of significant steps, foremost among them a change in the board's voting procedures. The number of board member votes necessary for approving actions has now been reduced from four to three out of the total of five votes, with the qualification that the two larger stations (NTV Hayat and ATV) cannot be outvoted by the three smaller stations, i.e., one of the larger stations must be one of the three approving votes.

Result: The new voting procedure will allow the network to respond more quickly and efficiently to market changes and competitive situations. Also encouraging is the board's expressed intention to grant its general manager, Darko Aleksic, the necessary authority and responsibility to operate the company on a day-to-day basis and to make future programming decisions. As a consequence, Aleksic will be held accountable for his actions. His record of performance is scheduled for review in August.

- **IREX continues to work with Mreza Plus on statewide news proposal.** In its April discussions with Mreza Plus, IREX also underscored the need for the network to present its proposal for a statewide newscast to IREX and other donors in order to secure future financial support. At the network's May 14 meeting, the Mreza Plus steering board approved a rough draft of a proposal, which general manager Darko Aleksic later developed and presented to various donors, including IREX/USAID, the Open Society Institute, and Press Now. Over the course of the last quarter, IREX has regularly offered advice and suggestions to Aleksic on the newscast project and proposal, some of which Aleksic has taken.

Result: On May 27, the participating donors held a teleconference to discuss the proposal, which they agreed needed additional details before they could make any funding decisions. IREX drafted a joint donor letter commending Mreza Plus for its new decision-making process, encouraging the network to provide a more fully developed and affordable proposal for news, and requesting supplementary information on operational costs and revenue projections. In June, Local Media Advisor Jadranko Katana continued to meet with Aleksic, as well as with the news directors of member stations TV Hayat and ATV, to work with them on the proposal. Areas that remain in need of development include the timeline for the newscast's launch; the length of time the news program will be broadcast without anchors; the title and length (number of minutes) of

the program, for both “with anchors” and “without anchors” phases, including the length (number of minutes) of segments within the program (news, sports, weather, etc.); details on how the various segments of the newscast will be structured, including breaks for commercials; and details on the standards for the content of the program.

- **IREX discusses transmitter needs of Mreza Plus member stations.** Following Mreza Plus’ April 22 steering board meeting, IREX met separately with each board member/station owner to discuss his/her station’s needs for financial assistance for the transmitter purchases necessary to bring the stations into compliance with the license requirements of the Communications Regulatory Agency.

Result: IREX received requests from the Mreza Plus stations for financial assistance to purchase transmitters that would enable the stations to comply with the CRA license requirements. IREX is evaluating these needs in light of funding resources remaining under the Cooperative Agreement.

- **KMPG completes audit of ATV.** The Zagreb office of KPMG conducted field work for an audit of Mreza Plus member station ATV in Banja Luka in May. The audit consists of a standard financial audit and an evaluation of ATV’s “Pre-Investment Working Paper” for a potential new studio building.

Result: The final report is due to be completed in mid-August.

- **IREX conducts focus groups on *Start* magazine and *Nezavisne Novine*.** Over the months of April and May, eight focus groups examined readers and “non-readers” of Sarajevo-based *Start* magazine and Banja Luka-based newspaper *Nezavisne Novine*. IREX designed the focus group plan, including a questionnaire that sought to understand key issues affecting the two publications. The focus groups for *Start* sought to identify what people like and dislike about the magazine, and to determine whether or not the magazine is likely to plateau at the 3,000-4,000 circulation level. Focus groups for *Nezavisne Novine* were designed to examine the price, the appearance of a political agenda, whether readers have noticed improvements in the publication and other issues related to the quality of the newspaper. The focus groups were facilitated by the Media Centar Sarajevo, which sent final reports to both publications and provided analyses of the encouraging results.

Result: Overall, focus group members who did not regularly read either publication expressed favorable opinions towards both and indicated an interest in buying them in the future. The results also confirmed issues that IREX had previously identified as weaknesses in the publications: an inconsistent quality in *Start* magazine and an overt political slant in *Nezavisne Novine*. Non-regular readers of *Nezavisne Novine*, however, did note that despite its political tone, the paper had improved significantly since the last time they had read it. Despite the noted inconsistencies, non-regular readers of *Start* appeared previously unaware of the otherwise high quality of the magazine and considered it among the upper tier of publications such as *Dani* and *Slobodna Bosna*.

- **Start magazine plans promotional campaign.** Over April and May, IREX Print Media Advisor Drew Sullivan worked with *Start* magazine to design a low-cost promotional campaign, in which temporary employees would distribute back issues of the publication on the street and in hospitals. *Start* submitted a corresponding request for a small grant in order to purchase promotional materials such as T-shirts and caps. Sullivan also met with managers of publication to work on specific ways to improve the publication. Editor Ozren Kebo has been reluctant to change a number of features that he believes defines the character of the magazine, including long headlines, a reliance on interview pieces, and the use of dark lines and boxes to separate stories.

Result: After a series of meetings, Kebo agreed to consider changes during an upcoming redesign of the publication.

- **IREX completes four-phase, in-depth consulting program at *Nezavisne Novine*.** In June, IREX consultant Don Pine completed the final six weeks of a four-phase consulting program at *Nezavisne Novine*. Conducted over the course of the last year, the project has sought to aid the newspaper in the reorganization of its editorial management structure and the adoption of professional newsroom standards. The goal has been to transform *Nezavisne Novine* into a “readers” newspaper that would command respect as a credible source of information for a national mass audience and allow the paper to become a viable business. The project first introduced a set of journalism standards, such as editorial control and copy flow, and then added systems, such as performance evaluations, to support these standards and their integration.

Result: Pine’s last visit focused in particular on office reorganization, including training the news editor, assistant editors, and the Sarajevo bureau chief to use evaluation materials and to conduct performance reviews. Pine also worked with *Nezavisne Novine* to critique all assistant editors, to help create a position of office administrator, and to provide additional consulting on reducing the risk of libel. Pine’s recommendations for future work with the newspaper include on-the-job senior management training, particularly in delegating authority and editorial planning.

- **Coverage of the International Criminal Tribunal for the former Yugoslavia (ICTY) in The Hague continues.** Broadcast coverage of the trials at the ICTY continued in April, with 25 radio and television reports filed over the month. Also in April, print journalist Srdjan Knezevic of *Nezavisne Novine* traveled to The Hague for the first time with IREX support, while Nagorka Izdrizovic of the *Oslobodjenje* newspaper completed her third reporting trip to The Hague, publishing more than 60 stories on the proceedings at the ICTY. In May, RTV Mostar journalist Denis Vila completed a three-month reporting assignment in reporting from The Hague, after delivering 13 radio reports and 22 TV reports over the month. Vila was replaced by NTV Hayat journalist Asim Beslija, who produced 26 daily reports for broadcast on Mreza Plus stations and 21 radio reports during June.

Result: The journalists covered a number of groundbreaking developments at the ICTY, including the guilty pleas of Momir Nikolic and Dragan Obrenovic to crimes against humanity for their roles in the 1995 Srebrenica massacres. A *Nezavisne Novine* article on the Nikolic plea, filed by its IREX-supported correspondent in The Hague, was followed the next day by a story from the paper's Sarajevo bureau on the reaction in Bosnia and later by a three-page explanatory piece in the paper's weekend review section. Without an on-site presence at ICTY, *Nezavisne Novine* could not have dedicated such extensive examination of the unprecedented public admission.

- ***Prezent* receives series of training and consulting.** Over the past quarter, IREX staff and consultants conducted on-site training to encourage journalistic improvements at Cazin-based magazine *Prezent*. In April, for example, reporters received training in various aspects of the story planning process, including sources, balance, and structure as well as story length and deadlines. Additional training has focused on editorial briefings, magazine planning, business reporting, newsroom management, and the use of Quark software. IREX design consultant Hans Peter Janisch also spent May 10-16 at *Prezent* to assist with the redesign of the publication, which now includes an easier-to-read format and a new logo.

Result: *Prezent* editor-in-chief Adem Muric has implemented a number of IREX suggestions, including the introduction of Monday morning staff meetings and the use of a newsroom wall chart to provide details on the schedule of stories (e.g., accompanying photos, name of the responsible reporter and story deadline) and the number of ad pages projected. Consultant Nada Salom has also helped *Prezent* to create an organizational scheme of the newsroom and set standards for responsibilities, lines of authority, and performance evaluation, including plans for a payment and reward system.

- ***Panorama* undergoes redesign.** In May, IREX design consultant Marina Rodic Momirovic spent eight days at *Panorama* to help redesign the Bijeljina-based publication. The new design has faced delays due to the use of an old PC, which does not support the new software required for the development of the magazine's layout. An attempt to install new fonts for the redesigned layout caused the magazine's computer to crash and forced it to produce the layout on a computer used by sister radio station Pan. Earlier in April, Momirovic spent two days at *Panorama* magazine evaluating its technical potential and work practices, as well as the skills of its layout staff. Momirovic's evaluation revealed, for example, that the layout staff has a habit of scanning ads and publishing them in their original size, rather than modifying them to fit the space for which the magazine had been paid.

Result: Momirovic instructed *Panorama* staff on how to draw ads and create logos using Corel software. Momirovic's additional recommendations for the magazine's April issue included a special women's supplement called *Zena* and changes in a number of details such as page numbers and headlines. *Panorama* also submitted a grant request for a desktop publishing computer that will support the new design format and enable the organization to produce the publication accordingly. Momirovic will return to *Panorama*

to install all necessary fonts and software for the new layout, and to train staff on the use of Quark and other software.

- ***Panorama* receives training on reporting on the privatization process.** Local consultant Drazen Simic spent a week with *Panorama* to train journalists on how to report on business and economic issues. The training focused particularly on *Panorama*'s series on corruption during the privatization of state property in the Republika Srpska. *Panorama* is based in Bijeljina, an area under the significant influence of Serb radicals.

Result: The complicated process of the privatization of state-owned companies has left many journalists mindful of the opportunities for corruption between politicians and privatization agencies. A recent article on the privatization of a 5-million dollar company, bought under suspicious circumstances by one of the leaders of the Radical Party, has led to a 49,000 KM lawsuit against *Panorama*. Simic, an expert in privatization, worked with the publication to understand the issues involved in the privatization process.

- **IREX assists with OSCE parliamentary reporting seminar.** Over the last quarter, IREX worked with the Organization for Security and Cooperation in Europe (OSCE) on a training program that seeks to enable journalists to develop the skills necessary to provide professional, independent and critical news coverage of parliamentary affairs. At the request of the OSCE, IREX sent an analysis of the Bosnian media landscape to the Canadian journalists selected to conduct training on parliamentary reporting in Bosnia and Herzegovina. IREX also reviewed and critiqued stories prepared by prospective participants in the seminar.

Result: In May, IREX local media advisors Jadranko Katana and Drazena Peranic participated as guest speakers in the OSCE parliamentary reporting seminar. Eighteen members of the Bosnian print and broadcast media community attended the seminar, which featured the first organized debate between journalists and parliamentary officials on the possibilities for improving coverage of parliamentary affairs. The seminar's follow-on practicum will include a fall site visit to London to allow the group of participants to observe both parliamentary activities and media coverage of them.

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

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

I.R. 4: Association Building

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

- **AEM seeks to protect members in negotiations over fair copyright fees.** Following its work during the second quarter of FY 2003, the Association of Electronic Media (AEM) continued to formulate strategies for its negotiations with the Association of Musical Composers in BiH (AMUS) and the Sine Qua Non agency (SQN), the two organizations claiming to represent holders of broadcast rights in Bosnia and Herzegovina. These negotiations were halted in May, however, when SQN and AMUS filed lawsuits against a number of radio and TV stations: the privately-owned TV network OBN, Radio M from Sarajevo, Mreza Plus member NTV Hayat, and NTV 99, a small, privately-owned local TV station in Sarajevo. The lawsuits seek payment for copyright fees over the last three years, despite the absence of a statewide copyright law during that time. In response, the AEM steering board called an urgent meeting at which its members unanimously opposed the SQN/AMUS action and initiated an overall campaign on the issue of copyright fees.

Result: AEM organized a protest against the lawsuit on June 2 at 7pm, when the association's 119 members interrupted programming for five minutes to call on relevant state authorities and the international community to become involved in the process of resolving the question of copyright fees. The announcement also called for changes in the current law.

Although earlier in May, the presiding official of the Council of Ministers, Adnan Terzic, declined to meet with the AEM steering board to discuss the impending fees for intellectual property and authors' rights, Bosnia's media ombudsman Mehmed Halilovic accepted AEM's request for mediation in the negotiations. On June 11, AEM met with SQN/AMUS in the office of the ombudsman, who asked both sides to come up with new proposals for copyright fees. After discussions, AEM agreed to follow a Croatian contract model and will contact representatives from Croatia for legal advice.

- **AEM examines changes to election laws.** In April, IREX-funded attorneys responded to an AEM request to research existing election laws, which impose free advertising obligations on electronic media. A comparison with neighboring countries showed that while many systems have similar laws, no other country imposes such requirements without providing appropriate compensation to the stations providing the service.

Result: AEM subsequently requested an official meeting at the ministerial level to discuss compensation options and sent a letter raising the issue to the Bosnian election

commission. The ministerial meeting was posted in May due to the pressing issue of lawsuits against some AEM members over the issue of copyright fees.

- **AEM takes action on license fees.** AEM received a number of responses from its members stating their agreement with the new structure proposed by the Communications Regulatory Agency (CRA) for license fees charged to radio and TV stations. The new structure takes into consideration AEM’s requested changes to the old system, following meetings between the association and the agency last quarter.

Result: The AEM steering board called for another meeting with the CRA to discuss additional options. AEM also invited the Office of the High Representative (OHR) to become involved in the process, but it has declined to participate stating that the CRA has the knowledge and competency to deal with such issues. The OHR, however, has promised its support in seeking changes to the copyright law.

- **Bosnian journalist associations take further step towards unification.** IREX support enabled the Coordination of Journalist Associations – a central body joining the Independent Union of Professional Journalists (Sarajevo), Independent Union of Journalists (Banja Luka), and Apel (Mostar) – to organize a two-day roundtable on ethics in journalism, held in early June in Banja Luka. The day’s discussions underscored the continuing need to develop professional ethics among the media in Bosnia and Herzegovina, pointing in particular to regular violations of the country’s press code and ethnic and political divisions within the journalist community, which includes six separate journalist associations. Members of two additional associations, the Union of Republika Srpska Journalists (Banja Luka) and the Union of BiH Journalists (Sarajevo), as well as Bosnia and Herzegovina’s media ombudsperson, Mehmed Halilovic, also attended the June gathering.

Result: Participants concluded that a strong and united journalist association could improve journalistic ethics by promoting the press code and encouraging professional responsibility. A meeting of the coordinating body, scheduled for July, will dissolve the three independent associations with the aim of registering as a single, united organization.

Summary of Grants for the Third Quarter, FY 2003

Grantee	Approved Amount	Purpose
Radio Free	\$7,279	to assist with the purchase of a transmitter and antenna system in accordance with CRA broadcast license
Radio Stari Grad	\$30,247	to assist with the purchase of transmitters and antenna systems in accordance with CRA regional broadcast license
Radio TNT	\$13,597	to assist with the purchase of a transmitter and antenna system in accordance with CRA broadcast license

Panorama	\$2,350	to purchase a desktop publishing computer and one digital camera
Prezent	\$4,775	to purchase computer, camera, and related equipment
Total:	\$58,248	